

## The Forestry Commission

Final Report:

An evaluation of the Wild Venison Project

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for Environment  
Food & Rural Affairs

The East of England Wild Venison Project is supported under the Rural Development Programme for England by DEFRA and the EU with additional support from the Forestry Commission.



## Contents

	Page
<b>Executive summary</b>	<b>3</b>
<b>1 Project context and objectives - Wild Venison Project evaluation</b>	<b>9</b>
<b>2 Findings and Conclusions</b>	<b>11</b>
2.1 <u>Impact</u> : has management of wild deer increased - cull numbers?	11
2.1.2 Have wild venison sales increased in WVP?	14
2.1.3 Extrapolation and projection of project impact	17
2.1.4 Gross Value Added (GVA) calculation	20
2.2 <u>Outputs and milestones</u> achieved	26
2.3 <u>Outcomes</u> : qualitative and quantitative	34
<b>3 Recommendations</b>	<b>51</b>

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## Executive Summary

This evaluation involves a wide consideration of quantitative and qualitative data and information. In particular, the calculation of project impact is somewhat complex (but we trust illuminating).

We have therefore written this Executive Summary to be succinct, so the key conclusions and recommendations are clear. We cross-reference the summary statements below with the paragraph numbers (in brackets) that provide the evidence for each point in the main body of the report.

### Impact of the Wild Venison Project

The Wild Venison Project was a 5 year project funded through the Rural Development Programme for England to deliver a number of outcomes related to the management of deer.

From this evaluation, we determine the project will result in an additional deer cull of 5,250 across 5 years for projects receiving a Wild Venison Project grant (**paragraphs 14-17**).

Based on data from years 1 and 2, the net increase in wild venison sales across all 46 relevant projects, in five years, is an estimated £693,000 (**18-31**).

Gross Value Added due to sales growth and jobs increase is £1.36 million, producing an ROI of 2.75:1. This Return On Investment represents: the *Gross Value Added created by net additional sales and jobs, across five years, per £1 of funding* (**33-39**).

This method of extrapolating and projecting impact is building in a high level of assumption at this early stage of a five-year monitoring period (**24**).

To identify **net** impact, we assessed deadweight and displacement. Grant recipients would have made 23% of the investment anyway (deadweight) and there has been no displacement of markets by the Wild Venison Project - demand continues to far outstrip supply. We assess displacement as zero (**25-27**).

The Wild Venison Project cull will affect less than 1% of the deer population and have little measurable impact on serious deer vehicle collisions in the region.

We cannot with any confidence attribute a reduction in such collisions to the project, particularly as it has not been assessed within any grant-aided project **(41-44)**.

It is not possible to directly assess reduction in crop, tree and woodland damage *attributable to the Wild Venison Project*. No survey respondent has attempted to assess such damage. Most see the cause and effect relationship as too tangled to relate annual damage reduction to a project that typically gave grants of a few hundred or thousands of pounds **(45-46)**.

Project Return On Investment increases from 2.75:1 to 3.4:1 if an average £57 reduction in damage per culled deer is applied, based on the feasibility study (deer vehicle collisions and crop/woodland damage) - but this estimate is insufficiently reliable to include in the core impact calculation **(47-50)**.

The National Trust Hatfield Forest project has demonstrated the large effect when a substantial marketing effort is combined with new facilities that enhance deer management. This project alone accounts for 42% of the increased wild venison sales in the evaluation sample **(21)**.

The Wild Venison Project could have benefitted greatly by strategically targeting further large projects. Although these opportunities in the region may well be limited, 2-3 further similar projects would have had a significant impact on market demand and added value sales **(22)**.

### **Project outputs and milestones achieved**

The Offer Letter agreed with the East of England Development Agency and subsequently the Department for Environment Food and Rural Affairs set out two main output targets (businesses supported and jobs created) and 40 milestones.

Against the businesses supported output target, the Wild Venison Project achieved 88% - 44 businesses supported against 50 targeted **(53-54)**.

The project is likely to have succeeded against the target of 50 except that the attrition rate was highly significant - 19 applicants withdrew at late stage **(55)**.

More resource invested in follow up of stalled applicants, more advertising in the later stages of the project and a 'single form' (and one stage application process for small projects) would have ameliorated this problem (56-58).

The jobs created target (25 target, 9.75 achieved) was probably pitched too high for the participant base the project attracted; the project should have *more directly targeted* larger organisations that had the potential to contribute to jobs and wild venison sales (59-62).

Overall, milestone targets for setting up the project infrastructure were met and targets for purchase of capital equipment by grant recipients were comfortably exceeded (63-68).

The offer of marketing support was diluted because most beneficiaries had no difficulty in selling their increased cull, so these milestones were missed in every case. The missed opportunity is in increasing the value added in the supply chain, rather than selling whole carcasses to dealers (69-70).

### **Project outcomes - qualitative and quantitative**

23 of 25 respondents report that the quality of venison they supply has improved because of the Wild Venison project (72-74).

The Project Officers clearly spent considerable time with applicants and their help was greatly valued by applicants, many of whom were daunted by the process. This helped to bring forward sufficient numbers of concept and application forms for appraisal, however insufficient resource was available to prevent attrition - applicants falling out of the process (75-77).

Grant recipients tend to view value for money as high, where their cull has increased significantly, or they have increased processing, or they obtain higher prices (78-80).

We view this as a smartly designed project where the payback on initial investment will continue for many years while contributing to that part of the project aim 'creation of a sustainable (wild venison) supply chain' (81-83).

In the context of an evaluation sample of 25 projects, there are only isolated examples of dissatisfaction, with no strong patterns. Support for this project is very high (84-86).

### **Management and administration**

We conclude that the Wild Venison Project did become too much of a 'project factory' - many small projects of lower impact, few larger projects with high impact and a large project management workload to process 228 expressions of interest and 49 funded projects (91-92).

The project model was equitable, but it limited the impact on cull, sales and the economy by not achieving an optimum balance of higher and lower impact projects (91-92).

The project was under-resourced in two areas - marketing expertise and more 'Project Officer' time to follow up stalled applications, projects approved that never started and monitoring in the implementation phase to optimise impact (93).

The Steering Group and Approval Panel generally reflected legitimate parties and their differing interests well. No inappropriate projects were backed but there could have been a clearer regional view of priorities that would create most impact (94-96).

### **Recommendations**

There is still in the region and the country:

- a significant deer population problem
- a major economic and safety concern around deer related damage
- a demand for wild venison that is present and growing
- good opportunities to further stimulate both supply and demand in the wild venison supply chain

The Wild Venison Project model, as a pilot project, has been largely proven but on a limited, localised scale. Given the relatively small impact that the project has made on cull numbers in the region and on the value of wild venison sales, there is a case for reviewing how the model is developed (107).

We identify three main opportunities:

i) To fund projects at a landscape scale, where stalkers, forestry agents, landowners and other interested parties collaborate on large scale deer management projects.

These would have high impact on cull levels and wild venison sales and would have significant knock on effects on Deer Vehicle Collisions and damage to crops, trees and woodland.

ii) To fund projects that target larger single organisations which, within funding eligibility rules, can make a significant impact on cull levels and supply to the wild venison supply chain (Hatfield Forest National Trust being an example).

iii) To fund projects under points 1 and or 2 above, but on a national scale.

In our view, models 1, 2 and 3 are not mutually exclusive. They offer potential solutions that are of a scale that can tackle the regional and national deer management problem **(108-111)**.

We offer a number of wider recommendations to enhance the future management of funded projects in this sector.

Any future model should balance bottom up local level projects with a top down targeting of regional priorities for deer and woodland management. The 'project factory' is not a sign of success (ie. funding many projects) - large numbers of funded projects within a single programme tend to require too much management and administration time relative to their benefit **(112-113)**.

Baselines need to be established from the outset if project benefits are to be satisfactorily assessed **(114)**.

Additionality is likely to be high in future projects aimed at developing a growing market such as wild venison because demand far outstrips supply. There is still scope to build on the Wild Venison Project model in a nascent market and issues such as reducing deer related damage are still significant priorities **(115)**.

Project models that develop the capital infrastructure in this sector are likely to attract good demand from applicants and offer sustainable long time benefits **(116)**.

Projects need to be resourced so that they can manage attrition, where for example almost one third of late stage applications in the programme never made it to the

implementation stage - this requires close follow up of late stage applications and a simpler, shorter application process to limit drop out rates **(117)**.

We recommend a single project application form to cover both concept and full application stages and the option of a one stage appraisal - we note the East of England Development Agency had in many areas of operation a one stage process for projects below 250k, whereas the Wild Venison Project had a two stage process for projects where funding was a few hundred pounds **(118)**.

If a project is predicated based on a range of benefits - eg. reduction in crop and woodland damage and deer vehicle collisions - then the project needs to establish a means of monitoring from the outset and evaluating such benefits **(119)**.

Job creation is an important component in many funded projects, offering substantial economic benefits. Job targets need to be realistic, we also suggest projects should more directly target larger organisations and estates that offer the potential to contribute significantly to jobs targets - in one sense, projects that create jobs also then allow the opportunities to leverage other benefits by making the overall Return On Investment viable **(120)**.

A project aimed at developing marketing and commercial opportunities needs to be resourced appropriately - by having marketing expertise within the project team and having a clear plan to identify opportunities **(121)**.

We recommend the development of marketing led demonstration projects early in the lifecycle so that others can understand the opportunities of moving up the added value supply chain and see the benefits - otherwise 'marketing support' may be seen as an intangible where the cost is clear and immediate, but the benefits are future and uncertain **(122)**.

Projects involving local and small-scale projects need to be resourced to offer a high level of 'hand holding' to help inexperienced applicants through the process **(123)**.

*Note: This evaluation has followed HM Treasury Magenta Book Guidance in undertaking evaluation, specifically in following a project logic chain methodology. In the main report, we identify outputs, outcomes and impact achieved (sections 2.2, 2.3 and 2.1.4 respectively), calculating Return On Investment (a GVA to funding ratio) that is also the highest level of Value for Money (a 'VfM effectiveness ratio').*

## 1 Project context and objectives

1 A Forestry Commission aim is to help invigorate the woodland economy, but large numbers of deer are destructive to crops, woodlands, young trees and biodiversity. In 2009 the damage to the region's economy was estimated at £7-10.2 million annually. Numbers of wild deer were estimated to be likely to grow from 76,000 in 2004 to 475,000 if management was not enhanced. The East of England Development Agency (EEDA) funded the Wild Venison Project (WVP) to start in 2010, following a feasibility study and the responsibility shifted to the Department for Environment Food and Rural Affairs (Defra) as EEDA was due to close. Project staff were employed by the Deer Initiative and were hosted by the Forestry Commission who also provided financial support to cover ineligible costs. Administrative support was provided by the Woodfuel East Project Team, another RDPE funded, FC hosted project. A Steering Committee made up of representatives from a number of organisations provided the governance structure.

2 The aim of the project is to increase wild venison sales by creating a sustainable wild venison supply chain. Grant funding was given where contribution could be demonstrated to: increase agricultural/forestry yields; improve status of woodland Sites of Special Scientific Interest (SSSIs) and other natural designations; reduce deer vehicle collisions; improve wild deer management; and improve supply of high quality wild venison to local markets. £580,000 Rural Development Programme for England (RDPE) funding was earmarked for the project (2010-2013) made up of a capital grant element and a revenue element (to cover administrative costs and a project officer).

3 The project provided funding (generally of up to 40%) to landowners, businesses and deerstalkers in the region (Norfolk, Suffolk, Cambridgeshire, Hertfordshire, Bedfordshire and Essex) as an incentive to applicants, with the aim of adding value to venison sales. Support could be in the form of capital investment (items such as extraction equipment, larder/chillers, processing units and delivery vehicles) and revenue infrastructure (supporting marketing, branding and website design). Applications were appraised according to their additionality (a new activity or an improvement to a current activity) and value for money.

4 Funders increasingly require evaluations to adopt a 'project logic chain', so cause and effect becomes clear and strengths and weaknesses can be identified through the project. By tracking the project through this connected logic, we close the loop and return to the original business case (see figure 1 below) to assess the extent to which the conditions that gave rise to the project have been tackled.

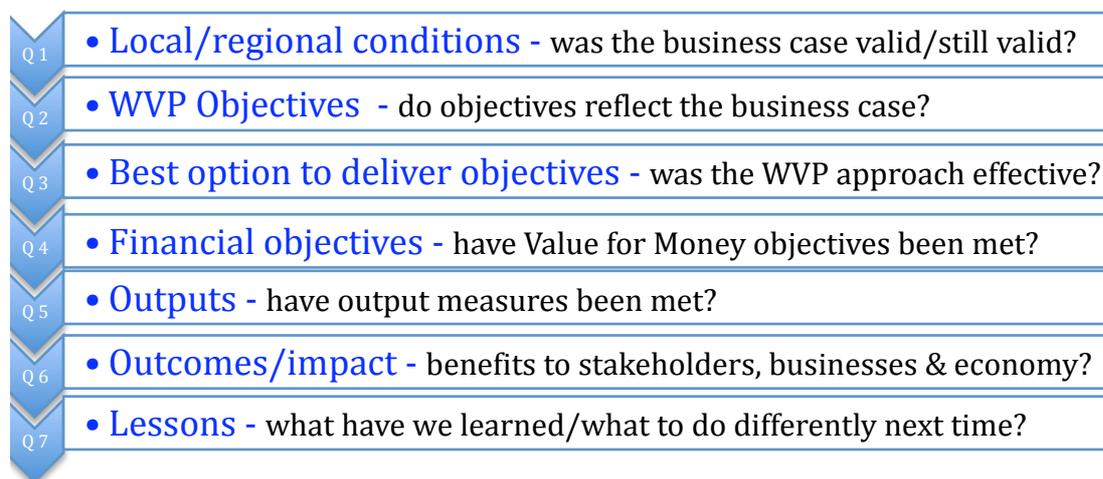


Figure 1

### Our approach to the evaluation

5 We undertook three main sets of activities in this evaluation:

- 46 interviews (as shown in the table below, figure 2)
- process mapping and critique of the project management approach
- a data analysis (spend, value for money & output/output data review)

Interviewees	Type of interview	Total interviews
Projects taken forward: grant recipients	25 telephone	25
Projects not progressing: non participants	7 telephone	7
Stakeholders, Steering & project officer	13 face-to-face 1 telephone	14
<b>TOTAL INTERVIEWS</b>		<b>46</b>

Figure 2

6 The structure of this report is as follows:

Section 2 Findings and Conclusions - data and evidence we have identified with regular summaries of our **interpretation** of that data and evidence

Section 3 Recommendations - proposed actions or learning points for the future

## 2 Findings and Conclusions

7 In this section we address two key questions in relation to the outcomes and impact to date of the Wild Venison Project. We consider firstly the overall objective of the business case in the original application:

*"To increase management of wild deer".*

The specific project aim has been clearly stated as:

*"Generate an increased level of wild venison sales...by the creation of a sustainable supply chain".*

8 **Section 2.1 therefore summarises project impact** - it addresses the key question of whether the core project aim and objectives have been met, in terms of the cull level and the Gross Value Added (GVA) which derives from two key impact measures - jobs created and increased sales of wild venison.

**Section 2.2 summarises project outputs and milestones achieved** - deliverables against the Offer Letter from EEDA (now Defra).

**Section 2.3 summarises project outcomes** - qualitative and quantitative benefits which are not measurable in impact (GVA) terms but which are important contributory factors.

### 2.1 Impact: has management of wild deer increased - cull numbers?

9 In order to ascertain if numbers of deer culled increased due to WVP, our first step has been to establish a baseline for a sample of funded projects and to measure the cull level that has been achieved *annually, since each project's facilities have been in place.*

10 For the projects implemented recently, since around November 2012 (*implemented, not commenced*), there has not been a full year of using new facilities and/or extraction vehicles in order to identify if annual cull numbers have increased and by how much. We estimate therefore that for 15 of 49 projects funded it is currently too early to judge whether cull levels have increased. It would require at least one full year of cull data to achieve this and even then first year data (only) could be misleading, or at least, it would not demonstrate any pattern.

11 Having recognised that it was too early at this point in time to evaluate changes to cull levels in the projects funded more recently by the WVP, we switched from an original intention of randomly sampling across all funded projects, to targeting the earlier projects. This then optimised our ability to identify changes to cull levels (and then venison sales) attributable to WVP funding. We have therefore interviewed the grant recipient in 21 projects that introduced new facilities and/or extraction vehicles from project start to October 2012.

12 To gain an understanding of early patterns of cull numbers we established three key sets of data from interviews:

- the cull in the 12 months before **implementing** the WVP project
- the cull in the 12 months after the implementation date
- where possible, for the 12 months after that

Most projects have not yet completed a full year 2 (post implementation), so we have taken best estimates in these cases.

13 The WVP project team has been working to establish actual cull levels. However, this data is flawed because the reported figures so far mostly relate to the deer year 2011/12 (with limited figures reported for 2012/13). So this does not represent a like-for-like comparison as for the majority of projects, the cull was either totally or partially unaffected by the WVP project in 2011/12 - because the new facilities were not yet in use for some or all of that year. Also, the deer year (April-March) usually does not equate to a full year of having new project facilities in place.

14 Figure 3 below shows the pattern of culling from 21 of the earlier funded projects. It should be borne in mind that these figures have been provided during extended telephone interviews, so they do not constitute directly audited data. However, we have only included project data where the interviewee was the direct grant recipient in the project, who was therefore ideally placed to identify cull figures. We have also excluded any projects where the interviewee was either unsure about their cull numbers or was unwilling to provide numerical data. Of 49 funded projects:

- 15 projects have not been implemented long enough to establish at least one year of actual cull data
- 3 projects did not directly influence cull levels (grants to game dealers/butchers, ie. those who 'cut' rather than cull)
- 3 projects declined to be interviewed

15 The following table includes cull data for 21 of the remaining potential 28 projects.

**annual cull data - 12 months prior to projects implemented & 2 years post**

	(A) Annual cull in year prior to implementation	Annual cull Year 1	(B) Cull increase Year 1	Annual cull Year 2 est = estimate	(C) Cull increase Year 2
Project 1	40	60	20	est 60	20
Project 2	48	64	16	est 74	26
Project 3	60	120	60	145	85
Project 4	200	200	0	est 200	0
Project 5	4	70	66	est 35	31
Project 6	140	182	42	est 182	42
Project 7	80	100	20	110	30
Project 8	175	160	- 15	240	65
Project 9	0	27	27	27	27
Project 10	18	38	20	est 50	32
Project 11	8	18	10	est 27	19
Project 12	120	145	25	est 145	25
Project 13	75	105	30	105	30
Project 14	60	65	5	65	5
Project 15	40	68	28	est 100	60
Project 16	30	10	-20	est. 60	30
Project 17	30	21	-9	est.30	0
Project 18	100	103	3	est 103	3
Project 19	86	97	11	est.100	14
Project 20	30	35	5	est 40	10
Project 21	100	131	31	130	30
<b>TOTAL</b>	<b>1444</b>	<b>1819</b>	<b>+ 375</b>	<b>est. 2028</b>	<b>est. + 584</b>

**Figure 3**

16 The key comparisons are the columns in green which show the pattern of total cull numbers from the year prior to each project being implemented (column **A**), compared to year 1 (**B**) and then compared to year 2 (**C**). **In most cases the year 2 figure is an estimate as the second year is not yet complete.** However these tend to be good estimates, based on the year to date cull that provide good indications as to the likely final cull in year 2.

Cull increase (Year 1 compared to pre implementation year)	+30%
Cull increase (Year 2 compared to pre implementation year)	+40.4% est.
Total cull increase (Years 1 and 2, year 2 includes estimates)	959

**17 Conclusion:** In the summary figures above, we note:

- 959 is the 2 year *increase* in cull from 21 projects where we interviewed
- there are 46 projects where cull levels are affected, so this figure can be extrapolated to the entire project - 2100
- 2100 is the increase across 2 years where Defra wish to track for 5 years  
(leading to a projected 5250 increase in cull across 5 years)

### 2.1.2 Have wild venison sales increased in the WVP project?

18 For the same 21 projects detailed in section 2.1, we identified wild venison sales on the same basis as cull levels ie:

- sales in the 12 months before **implementing** the project
- sales in the 12 months after the implementation date
- where possible, sales for the 12 months after that

Most projects have not yet completed a full year two (post implementation), so we have taken best estimates in these cases. Two projects were unable or unwilling to supply annual venison sales figures (whereas they *were* able to supply cull numbers). These projects are shown in figure 4 as n/a.

### annual sales data - 12 months prior to projects implemented & 2 years post

	(A) £s Annual sales prior to implementation	£s Annual Sales Year 1	(B) £s Sales increase Year 1	£s Annual Sales Year 2	(C) £s Sales increase Year 2
Project 1	0	300	300	est 300	300
Project 2	2850	5700	2850	est 7125	4275
Project 3	5140	43200	38060	52200	47060
Project 4	£0	1200	1200	est 1200	1200
Project 5	£0	4200	4200	est 2100	2100
Project 6	n/a	n/a	n/a	n/a	n/a
Project 7	9173	10341	1168	£12000	£2827
Project 8	n/a	n/a	n/a	n/a	n/a
Project 9	0	600	600	600	600
Project 10	0	0	0	0	0
Project 11	0	650	650	est 910	910
Project 12	5984	7276	1292	est 7276	1292
Project 13	4500	6300	1800	est 6300	1800
Project 14	650	710	60	710	60
Project 15	2400	4100	1700	est 6000	3600
Project 16	1920	640	-1280	est. 3840	1920
Project 17	0	2500	2500	2500	2500
Project 18	3000	3100	100	3100	100
Project 19	4000	5800	1800	6000	2000
Project 20	2000	2000	0	2000	0
Project 21	4000	7860	3860	7800	3800
<b>TOTAL</b>	<b>£45617</b>	<b>£106477</b> (+233%)	<b>£58860</b>	est. £121961 (+267%)	<b>est. £76344</b>

Figure 4

19 The key comparisons are the columns in green which show wild venison sales *increases* from the year prior to each project being implemented (column A), to year 1 (B) and then year 2 (C). In most cases the year 2 figure is an estimate as the second year is not yet complete, but a good estimate as most are partway through Year 2 and have some pattern of sales on which to make a judgment about the full year.

20 Conclusion: From 19 projects where we could identify wild venison sales data, sales have grown significantly albeit from a modest base.

Venison sales increase (Year 1 compared to pre implementation year)	<b>+233%</b>
Sales increase (Year 2 compared to pre implementation year)	<b>+267% est.</b>
Total increase in sales (Years 1 and 2, year 2 includes estimates)	<b>£135,204</b>

21 Clearly however, these totals are skewed by one particularly successful large scale project, Hatfield Forest National Trust (project 3 in figure 4 above). This project represents £95,400 of the total £228,438 sales in Years 1 and 2 combined (41.8%). The project developed from a situation where they only sold carcasses at low added value to game dealers prior to their WVP project. They then began processing all venison on site, selling on internally to the site shop, which then marked up the processed product a further 100% to sell to visitors. The NT Hatfield Forest project represents only 6.9% of the total cull in this evaluation sample, but 41.8% of the total increase in sales of wild venison, a project that really adds value along the supply chain.

22 Conclusion: The NT Hatfield Forest project has demonstrated the large effect that a funded project can contribute when a substantial marketing effort is combined with new facilities that enhance deer management. While the WVP project has ensured benefit from the participation of the Hatfield Forest project, this also suggests to us that the WVP could have benefitted significantly more by strategically targeting further large projects that would have had a highly beneficial impact on growing the market for wild venison. We would characterise WVP as an open-to-all, equitable, but bottom up model which resulted in large numbers of limited impact projects, whereas a higher impact model would have **also** targeted more top down high impact projects. Although these opportunities in the Eastern Region may well be limited in number, it would not take many more such projects to have had a large impact on market demand and added value sales. We note that the funding to support marketing in the WVP projects was largely unused.

### 2.1.3 Extrapolation and projection of project impact

23 In this section we provide a forward estimate of likely benefit of the WVP project overall by applying 3 techniques:

- identifying the net sales figures from the gross figures summarised above (net additionality)
- extrapolating those net figures from 21 projects where we have data to the 46 funded projects in total (the 46 that affected cull levels)
- projecting the total net figures across 5 years

24 Conclusion: Clearly, a method of extrapolating and projecting impact is building in a high level of assumption at this early stage of a five year monitoring period. Of the several variable factors described to us in interview, the most important appears to be weather patterns, where for example, many respondents report that very poor weather in 2011/12 disproportionately reduced their culling activity. This suggests however, that projections in this evaluation may well provide conservative estimates given that weather in Year 1 was very unusually poor. That this is a large sample, 21 projects evaluated, (46% of all projects that tackled deer management), also builds in estimating safeguards when projecting to project end.

#### Assessing net additionality

25 In this section we assess the net additionality of WVP sales, by calculating the project benefits that accrued *beyond what would have occurred anyway*. In the case of WVP there are two factors that most affect a gross to net analysis.

**Deadweight** - is defined as the benefits (additional sales) that would have accrued anyway with or without the intervention. **Displacement** - is where sales accrued to the beneficiary at the expense of other businesses in the local area (this is most likely to have taken the form of cull activity increasing in WVP areas to the detriment of cull levels in neighbouring, non-supported areas). We have estimated the level of deadweight and displacement for the same project sample shown in figures 3 and 4.

**Deadweight** Most respondents reported that they would not have undertaken the investment at all without funding. Several mentioned that raising the 50-60% contribution represented an already stretching demand on their limited funds.

26 In most cases these are individual deerstalkers or very small businesses, so their funds are likely to be limited. Many respondents expected their cull levels and sales to decrease had they not benefitted from funding because very bad weather in 2011-12 limited their culling activity. The project offset this by enabling them to either access new areas that they could not otherwise have accessed; and/or they could be more efficient in their extraction, storage and processing of carcasses. A minority reported that they would have self-funded the investment but most of them qualified this by suggesting it would either had been later in time and/or in inferior or second-hand equipment. At appraisal stage, recipients were asked for assurances that the funding was creating wholly additional benefits. Some of the deadweight we identify here is with the participants' benefit of hindsight - the project worked so well that in hindsight, beneficiaries feel the investment would have been worth self-funding anyway. Others perhaps are playing the funding rules by suggesting at appraisal stage that their investment would not proceed at all without financial support. This is of course very difficult to evidence.

27 Conclusion: Overall, we estimate from feedback in 19 relevant projects that deadweight was 23%. That is to say, 23% of the investment (and likely sales) would have been made by grant recipients anyway, had funding not been available. A key impact measure in this project is Gross Value Added (GVA) driven by increased venison sales, we argue that the effect of sales on *nearby businesses selling venison* is negligible. It has been frequently reported to us that demand for wild venison is growing rapidly and most respondents report that they cannot keep up with demand from their customers. There has certainly been no displacement of markets by WVP. Overall, we conclude that there is no strong evidence either way that WVP has displaced benefit elsewhere in terms of cull numbers and particularly on venison sales, so we assess displacement as zero.

28 **Leakage** A further gross to net adjustment we have considered is leakage. This is where project benefits accrue to beneficiaries who are not in the target area. In the case of this regional project, that would take the form of benefits to individuals or businesses outside the regional boundary. We found no evidence that leakage has occurred at all. The appraisal process within WVP checked for leakage and there are at least two examples of applications being turned down because benefits would have accrued beyond the region. No projects we sampled demonstrated leakage, so we have discounted it as a factor.

29 **Substitution** is usually confined to business interventions, where a business switches from one planned investment to another, to benefit from the subsidised support. We found no substantive evidence of substitution. Beneficiaries are mainly individual deerstalkers or micro-businesses, where the investment choice often lies between enhancing the ability to better extract carcasses or better store or process them. As WVP supports both or either of these investment opportunities, there is a very limited ability for most grant recipients to switch from a planned investment that WVP did not support anyway - and we found no evidence for this.

30 **Multipliers** represent the additional income and supplier benefits created by projects. In this project, an example is the additional spend with local suppliers by WVP beneficiaries. Standard multiplier benchmarks are usually used, in this case a local multiplier of 110% (1.1) is used, as most sales are local or regional. The Ecosgen evaluation (paragraph 35 and 36) recommends local multipliers for RDPE purposes.

Net increase in wild venison sales from 19 relevant projects:

Gross increase in venison sales Years 1 & 2	£135,204
Deadweight	0.23
Local Multiplier	1.1
Net increase in venison sales (in 2 years)	£135,204 x 0.77 x 1.1 = £114,518
Net increase across 5 years	£286,295
Extrapolated to 46 projects	£693,135

31 **Conclusion:** Based on data from years 1 and 2, the net increase in wild venison sales across all 46 relevant projects, in five years, is an estimated £693,000 at current values. We expect this is a conservative estimate as sales are likely to increase significantly where facilities are increasingly used to fuller capacity (eg. storage, processing capacity, extraction vehicle productivity). Sharing facilities with others, to optimise capacity, is also an intention with several respondents we interviewed.

32 This analysis does not include sales in two game dealers who benefitted from large funded projects, as it was not possible to identify increased sales attributable to WVP, but it does include carcass sales to them by those of their suppliers who benefitted from WVP funding. The benefit from the game dealer projects is demonstrated through increase in jobs (see section 2.1.4).

## 2.1.4 Gross Value Added (GVA) calculation

33 Gross Value Added (GVA) is now the Treasury's preferred measure of project impact. Simplistically, it is the value of goods and services produced less the cost of all inputs and raw materials related to that production. The Annual Business Survey (*Office of National Statistics*: released 14/11/2013) has just updated two key data sets that help to identify GVA generated by WVP:

In the agriculture, forestry and fishing sector (2012):

- each £ of turnover contributed £0.39 to GVA
- GVA per worker (Full Time Equivalent) was £30,891

34 We extrapolated net wild venison sales across five years in section 2.1.3 - £693,135. This contributes £270,323 to GVA in this period - £693,135 x 0.39. This calculation is however only based on increase in *wild venison sales* - which was of course the main aim of the project. There are additional benefits from the project, of which we suggest the following are potentially the most significant:

- jobs created
- reduction in DVCs (deer vehicle collisions)
- reduction in loss to the economy in terms of crop related damage and damage to woodland flora, fauna and wildlife habitats

### **Jobs created**

35 The audit of WVP projects by the Project Officer has identified a gross 9.75 jobs created. Defra commissioned an evaluation (Ecosgen, *Economic Impact of LEADER 2011*), which had the primary objective of filling an evidence gap about the economic impact of the LEADER project within the Rural Development Programme for England (RDPE). This study is the most comprehensive and large-scale work that in our opinion is comparable to the WVP context.

36 The Ecosgen Impact Assessment identified five categories of projects, where it was able to undertake a gross to net adjustment on jobs created/safeguarded. Across the five categories the gross to net adjustment ranged from 72% to 80%, where the category of 'business support' equates most closely to the WVP (an adjustment of 76%). If we apply this gross to net adjustment to the WVP, 7.41 net jobs are created.

37 At a GVA per worker value in the sector of £30,891, this results in an additional GVA of £228,902. Measured across five years - as with wild venison sales - this results in GVA at current values of £1.14 million.

$$7.41 \times £30,891 \times 5 = £1.14 \text{ million}$$

We can aggregate £1.14 million (jobs) and 270k (sales) GVA to arrive at a Return on Investment (ROI) figure, by comparing the £1.41 million increase in GVA to an estimated total £495,000 funding (total funding to be finalised in January 2014 when final claims are processed).

This produces a ratio (ROI) of 2.85:1.

38 However, jobs are frequently causally linked with an increase in sales, so aggregating GVA due to sales increase **and** jobs created introduces the possibility of double counting. In this project however, the duplication is limited. Firstly, because 6 of the 9.75 jobs have been created in one game dealer, where any increase in sales is not included in our analysis (because they have not contributed to an increase in the level of culling). We estimate that 17% of sales would be double counted if we aggregate sales and jobs created, so we can remove that element of double counting when producing the final estimate of ROI.

39 **Conclusion:** Our analysis identifies GVA due to sales growth and jobs increase of £1.36 million, producing an ROI of 2.75:1. *This ratio represents the additional GVA created by net additional sales and jobs, assessed across five years, per £1 of funding.*

40 In this evaluation we have assessed the impact of WVP primarily on the basis of increased wild venison sales and jobs created. These two factors are most closely aligned to the stated aim and objectives of the project. These are also the factors that can be quantified with a reasonable degree of reliability as discussed in section 2 above. There are however two further project benefits that merit discussion:

- reduction in deer vehicle collisions (DVCs)
- reduction in crop and tree related damage and damage to woodland flora, fauna and wildlife habitats

41 **Deer vehicle collisions** There is a key issue related to the scale of impact which a relatively small project such as WVP can have on DVCs. We have discussed this issue at some length with Jochen Langbein, one of the co-authors of *Economic Impact of Wild Deer in the East of England* (2004: Piren et al). He estimates that there are around 50-70 serious deer vehicle collisions annually in the Eastern region. We have identified in this evaluation that WVP is likely to have facilitated an increase in cull of around 1050 annually from 2011-2016. The feasibility study for WVP (*RDI Associates Ltd* 2009) estimated that there were around 152,900 wild deer in the Eastern Region, rising 'as high as 476,000' in 2013 if deer management continued at current (2009) levels.

42 This illustrates the problem of attributing any reduction in DVCs to WVP, where the project has contributed substantially less than a 1% additional reduction in deer numbers and is responsible for perhaps 2-4% of the regional cull.

43 The effect on 50-70 serious accidents is likely to be marginal and any data unreliable in attempting to attribute a small handful of reduced DVCs to WVP. This point was brought into stark relief in Autumn 2013 when a single fatal DVC led to 2 deaths in the region, where the economic impact of that sad event alone would dwarf any marginal reduction in serious DVCs attributable to the WVP project, even if that could be evidenced.

**44 Conclusion:** The limited additional cull that WVP has created will have affected considerable less than 1% of the deer population in the region and in all probability less than 1% of the 50-70 serious DVCs. We cannot therefore with any confidence attribute a reduction in DVCs to WVP, particularly given that there has been no attempt to assess patterns at project level, or at a local level in a way that can be attributed to the project.

45 **Crop, tree and woodland damage** None of our survey respondents was able to quantify any reduction in damage attributable to WVP. Most see the cause and effect relationship as too tangled to relate damage reduction to a project that typically gave grants of a few hundred or thousands of pounds.

46 Conclusion: It is not possible to directly assess reduction in crop, tree and woodland damage *attributable to WVP*. No survey respondent has attempted to assess such damage. The project might have been able to do this locally had a baseline survey been undertaken at project start, probably on the basis of a sample of funded projects. As the sample projects progressed, patterns of damage could have been monitored and audited and conclusions reached on the relative damage between WVP assisted areas and non-assisted areas. Or, this could have been done on a pre/post basis, with damage levels assessed prior to project start and then during the project. However, no such comparisons are available and we recognise the large additional workload that would have been required to derive a reliable evaluation of crop, tree and woodland damage across a representative range of WVP projects.

47 However, the RDI Feasibility Study 2009, referenced earlier, estimated that all damage in the region (including DVCs) resulted in a net cost ranging between £7 million and £10.2 million per year. The work done by Dandy and Gill (Forestry Commission 2012 unpublished) which took place over the same geography and time period as the WVP, did look at crop damage. Although this study did indicate some improvements the authors concluded that it was too early to prove direct correlation between grant and reduced damage.

48 The RDI Feasibility Study suggests that deer at estimated 2009 levels of population were causing £57 of various damages per animal annually, if we take the midpoint in the range. We know from these evaluation findings that WVP is driving an additional annual cull of 1050, which, *if there were a linear relationship* between cull and overall deer damage, would suggest a 'damage saving' of £60,000 annually, or £300,000 over 5 years. This would increase the project ROI to around 3.4:1 across five years, as opposed to the 2.75:1 identified earlier in this section on the basis of sales and jobs created alone.

49 The drawbacks of this rule of thumb type calculation are:

- there is not a linear relationship between cull numbers and reduction in deer related damage

- indeed, some patterns of culling can cause increases in damage, Langbein and Associates report that some academic studies have shown increases in DVCs where culling has caused particular changes in herd behaviour
- the above baseline figures are based on deer population in 2009, when the RDI feasibility study indicated deer numbers might more than triple by 2013 if deer management remained at a similar level; however, the study does not identify the likely cost of deer related damage if this rate of deer population growth was to occur

50 Conclusion: We cannot identify with any confidence the economic impact due to reduction in deer related damage from additional culling within WVP. This is because respondents in our evaluation interviews have identified that they have not attempted to measure it and are reluctant to estimate due to a multiplicity of cause and effect factors affecting various categories of deer related damage. The solution in the future would be to link a sample of WVP interventions with pre/post assessment of damage in those specific areas. This would require baselines to be established from the outset, evaluation at project end would not be enough. There would still be practical issues to overcome, particularly with monitoring DVCs, even if this monitoring took place at known accident black spots. However, we suggest that measuring changes in deer related damage *at the project level* would be the most satisfactory approach to future impact assessment, if only on a sample basis.

## Summary - the impact and ROI of the Wild Venison Project

51 Wild venison sales on this analysis will increase by a net £693,000 across 5 years.

This contributes £270,000 to GVA in the same period.

GVA attributable to 9.75 jobs created is £1.14 million across 5 years.

There is some double counting of impact if net jobs created and net sales are simply aggregated, total GVA removing this anomaly is £1.36 million.

Total funding received is currently estimated at £495,000.

The ROI estimate is therefore 2.75:1, which represents net additional sales and jobs created expressed as GVA, compared to the level of funding received.

This is also the highest level measure of value for money, as this ROI calculation is a *Value for Money effectiveness* ratio - an impact to funding comparison.

ROI increases to 3.4:1 if deer related damage is included on a notional £57 damage reduction per animal in the region. This is however an insufficiently reliable assessment of savings due to reduction in deer related damage, we would not base any future decision-making on this very broad estimate.

**52 Conclusion:** We conclude that our estimate of impact is conservative for three main reasons:

- i) Cull levels - and also venison sales - are likely to have been significantly reduced by very poor weather in 2011/12.
- ii) For many in this sample 2011/12 was the first year of working with new facilities and/or vehicles, we expect that sales will increase exponentially rather than on a linear basis, with greater use of facilities and where capacity is increasingly optimised. We recommend that arrangements are put in place to monitor cull and sales levels over the 5 year period to gain an increasingly accurate and evidenced assessment of impact.
- iii) While project ROI increases to 3.4:1 if a notional £57 reduction in 'damage per culled deer' is applied (DVCs and crop/ woodland damage) we do not consider this estimate is sufficiently reliable to include in the core impact calculation.

## 2.2 Findings - outputs and milestones achieved

53 There were two output targets in the Offer Letter and forty milestones. We firstly discuss performance against the two output targets.

### Businesses supported output

In summary, through the life of the project, 228 applicants registered interest and 47 successfully completed, with two applicants succeeding with a second application, resulting in 49 successfully funded projects. The allocation of grants was as follows:

County	Recipients
Bedfordshire	1
Cambridgeshire	4
Essex	11
Hertfordshire	5
Norfolk	10
Northamptonshire	1
Oxfordshire	1
Suffolk	16
<b>Total grant recipients</b>	<b>49</b>

Figure 5

54 Ten projects progressed beyond the main application stage but then withdrew. Seven projects were rejected. Nine applicants completed the concept or application stage only but then did not progress. In total, 44 **businesses** were supported. As indicated above, there were 47 successful applicants - three of these applicants do not sell commercially and therefore do not fall under the definition of business supported, they only give venison to friends and family.

55 **Conclusion:** Against the businesses supported output target, WVP achieved 88% (44 against 50 targeted). The project is likely to have succeeded against the target of 50 except that the attrition rate - applicants withdrawing at very late stage - was highly significant. 19 applicants withdrew at late stage, a good proportion of those had been approved, but then withdrew. This includes two major estates and two game dealers who would have contributed significantly to wild venison sales targets. This does not suggest to us a shortfall in marketing effort to attract potential participants - there were 228 expressions of interest - but rather the main problem appears to be significant attrition through the process.

56 Marketing of the WVP was undertaken through publications such as Anglian Farmers; In Leaf; RICS Land Journal; Deer (the Journal of the British Deer Society); and through the stakeholder organisations represented on the Steering Group. There were also presentations at meetings such as local deerstalker groups and Deer Initiative events, as well as attendance at events run by supportive organisations.

57 Several suggestions were made to us about how the project might have attracted more businesses that would have seen their projects through to successful completion. The following suggestions appear to have most merit:

- advertising consistently through the project - we understand advertising was loaded somewhat towards the front end
- having some projects 'on the shelf and ready to go' as new funding became available or others dropped out and left gaps
- targeting potentially larger projects more directly - balancing the equitable open to all basis of WVP funding with some more direct invitations to participate - where such projects could have contributed very significantly to wild venison sales and potentially jobs, Hatfield Forest NT is an example we discuss in section 2.1.2
- screening applicants more carefully to better identify those that might drop out because of difficulties raising their finance
- making the application process simpler and quicker to limit drop out because of frustrations with 'bureaucracy' and moving applications more quickly to approval, limiting the window in which applicants could drop out
- re-designing the concept and application form - some interviewees suggested that the concept form could be Part A and the full application Part B *of the same form* - so there was no duplication in supplying information for example, with the opportunity also for one stage only applications for very small or low risk projects

**58 Conclusion:** Attrition of applicants at late stage was the main reason for the shortfall in businesses supported - a combination of more follow up of stalled applicants, more advertising and a streamlined 'single form' application could have ameliorated this problem.

## Jobs created output

59 Overall the Project Officer reports 9.75 jobs created against a target of 25. We identify the economic impact of this (GVA) in section 2.1. We note that if the 25 jobs target had been met, the net jobs impact over 5 years would have been £2.93 million, which would have had a major effect on the Return on Investment at the project level, more than doubling ROI.

60 The majority of applicants however were very small scale businesses or recreational deerstalkers or small family firms not employing outside the family. These applicants are unlikely to create new jobs because of the scale of their operation, although they certainly support the supply chain - game dealers, restaurants and pubs. Some recreational stalkers registered as food businesses in order to process venison for sale, but these were also small-scale enterprises that did not support new job creation. The estates that participated tended to have gamekeepers in place; the grant enabled them to manage their wild deer more sustainably and improved the quantity and quality of venison reaching consumers, but without the need for additional employment. 6 of 9.75 jobs that were created were in one game dealer business where a new venison line was supported.

61 "At development stage we did consider the jobs target carefully, but we lacked information or comparable examples from elsewhere on which to make a judgment, so we over-estimated what was possible given the eventual grant recipients".

### **Steering group member**

"This was a new model, so estimating jobs was done in a bit of a vacuum, we gave it our best shot but did not come close (on jobs created)...we were rather disappointed how many of the bigger estates or employers in the end did not participate".

### **Steering group member**

**62 Conclusion:** The jobs created target was probably pitched too high, certainly for the participant base the project attracted; we also suggest the project should have *more directly targeted* larger organisations and estates that had the potential to contribute significantly to jobs and wild venison sales targets.

## Milestone achievement

63 The EEDA Offer Letter set out milestones that were time bound and linked to the quarterly reporting and financial claim procedure. The following table is reproduced from the end of project report of The Deer Initiative *Final Report (v36) of the East of England Wild Venison project* (November 2013).

Milestone	Milestone definition	Due date	Milestone met?	Comments
M1	The start date being the earliest date that expenditure incurred by you in relation to the Project can be Eligible Expenditure	1 Mar 2010	Yes	
M2	The Anticipated Completion Date being the date by which you will have achieved Completion of the Project Activities	31 Dec 2013	Yes	
M3	The End Date being the final date upon which the Agency shall make any payment of grant to you	31 Mar 2014	Yes	
M4	Steering Group (SG) - agree constitution, role and membership	23 Apr 2010	Yes	
M5	Complete a GIS map of Regions existing and potential wild venison processors	May 2010	Yes	
M6	Appoint Project Officer	Jun 2010	Yes	
M7	Development of associated project application and claims	Jun 2010	Yes	
M8	Devise and agree with SG Operational Plan programme for years 1-4: Business Processes Marketing programme Infrastructure programme Link to skills programme	Jul 2010	Yes	
M9	Recruitment and sign up "beneficiaries" for capital and marketing works Approval on application within 10 working days Claims to be submitted by WVSC (Wild Venison Supply Chain) to EEDA quarterly in arrears	Jul 2010 onwards as per Operational Plan	Yes	
M10	Steering Group Meetings	Quarterly Yr1 then 6 monthly	Yes	
M11	Project Review meetings including presentation of Evaluation report	Annually (in April)	Yes	
M12	Project Reports to Steering Group/ EEDA	Quarterly	Yes	
M13	First processing plant completed	Dec 2010	No	Too soon in time scale of project. Achieved by Dec 2011

M14	3 Collection/Storage facilities completed	Dec 2010	No	Too soon in time scale of project
M15	3 Collecting Vehicles completed	Dec 2010	No	Too soon in time scale of project
M16	1st Website Design completed	Dec 2010	No	Too soon in time scale of project
M17	1 Collection/Storage facility completed	Mar 2011	Yes	Target met
M18	Collection/Storage facility (cumulative total of 4)	Mar 2011	No	By Sept 2011 this target met
M19	Facilitate establishment of Wild Venison Marketing group	Jun 2011	Yes	Established 10 February 2011
M20	4 Collection/Storage facilities complete M20 (cumulative total of 8)	Jun 2011	Yes: No to cumulative	Target of 4 met but cumulative target shortfall of 3
M21	6 Collection/Storage facilities completed (cumulative total of 14)	Sep 2011	Yes: No to cumulative	Target of 6 met but cumulative target shortfall of 3
M22	2nd Website Design completed	Sep 2011	No	1 website completed
M23	2nd processing plant completed	Dec 2011	Yes	Target of 2 met. AGHE registered premises for cutting. Total by end of project 17 : 2 AGHEs; 7 landowners and 8 stalkers purchased.
M24	2 Collection/Storage facilities completed (cumulative total of 16)	Dec 2011	Yes: No to cumulative	Target met but cumulative target shortfall of 2
M25	4 Marketing Initiatives started (cumulative total of 9)	Dec 2011	No	1 marketing initiative otherwise no interest from applicants. Steering Group decision 8 March 2012 to transfer £20k from marketing to capital budget; approved by DEFRA 12 Sept 2012. Further £5k transferred March 2013
M26	3rd Website Design completed	Mar 2012	No	No take up by applicants
M27	4 Collection/Storage facilities completed (cumulative total of 20)	Sep 2012	Yes	Target exceeded with 21 completed
M28	4th Website Design completed	Dec 2012	No	No take up by applicants
M29	8 Marketing Initiatives started (cumulative total of 17)	Dec 2012	No	No take up by applicants
M30	8 Marketing Initiatives Started	Dec 2012	No	No take up by applicants
M31	3 Collecting Vehicles completed (cumulative total of 6)	Mar 2013	No: No to cumulative	Need for these restricted to AGHE because of price and use

M32	3 Collection/Storage facilities completed (cumulative total of 27)	Sep 2013	Yes: Yes to cumulative	Targets met
M33	8 Marketing Initiatives started (cumulative total of 25)	Sep 2013	No: No to cumulative	No take up by applicants
M34	3 Collection/Storage facilities completed (cumulative total of 30)	Dec 2013	Yes Yes	Targets met Cumulative total 36
M35	Extraction Equipment	Dec 2013	Yes	No target given but 21 completed
M36	5th Website Design completed	Dec 2013	No	No take up by applicants
M37	25 Marketing Initiatives completed	Dec 2013	No	No take up by applicants
M38	Final Report and claim submitted	Dec 2013	Yes	
M39	Treble volume of wild venison in market place	Dec 2013	No - not measured in this way - sales value is a better measure of value added	Teevan Consulting evaluation 12/13 identified a proxy sales by value; increased by est. 267% in year 2
M40	Improved management and in SSSI target condition of 1300ha woodland	Dec 2013	Yes	Exceeded as total 1640 hectares

**Figure 6** Source: Final report *The East of England Wild Venison Project* (v36 November 2013)

64 The above data has been collected and collated by the WVP Project Officer in order to compile the final (internal) project report. The detail behind the above achievements against milestones is discussed in considerable depth in that report. We summarise achievement against milestones as follows.

65 In the project start up phase, the setting up of project infrastructure - people, processes and procedures - went to plan. Milestones 1-12 were all delivered to profile. The project tended to fall behind the early stage targets for purchases of capital equipment due to over-optimistic profiling against timescales but well exceeded the combined targets by project end.

Collection/storage facilities	TARGET: 30	ACTUAL: 34
Collection vehicles	TARGET: 6	ACTUAL: 2
Extraction	TARGET: n/a	ACTUAL: 20
Processing plants	TARGET: 2	ACTUAL: 17

The project barely touched the surface in terms of meeting marketing targets:

marketing initiatives	PLAN: 25	ACTUAL: 1
websites	PLAN: 5	ACTUAL: 1

## 66 Collection Storage facilities

Against the target of 30 collection storage facilities, 36 were bought. The facilities have enabled stalkers and landowners to cull greater numbers of deer at any one time, as they are not dependent on a game dealer collecting carcasses within a few hours of the cull. This has increased the quantity and quality of venison entering the food chain.

### Collection Vehicles

Two collection vehicles were bought by the main game dealers in the region. The resulting increase in capacity has reduced mileage and time required to collect carcasses. Only four of the approved game dealers in the region collect from deerstalkers, so the target of 6 collecting vehicles was ambitious. An intention that stalkers or estates would act co-operatively and therefore require a vehicle to collect from the 'co-operative' did not transpire.

### Processing Plants

Processing plants, in which carcasses are skinned, cut up and joints vacuum-packed were in demand. Overall 17 were bought. Processing plants includes butchery equipment used in the preparation of venison products. Purchasing this equipment enabled applicants to prepare venison to enter the food chain, at farmers' markets and in local pubs and restaurants.

### Extraction Equipment

There was not a target for extraction equipment in the project Offer Letter. However, 20 items were purchased, including winches, capstan winches and Utility Terrain Vehicles.

67 Fifty three items were bought by the project in the first three categories of capital investment above, against a target of 38. A further 20 items of extraction equipment were bought where there was no target.

**68 Conclusion:** Overall, milestone targets for capital equipment were exceeded. Arguably the breakdown of targets by type of purchase was rather too specific in a project that was largely demand led - it was therefore difficult to specify in detail in the project plan how much different equipment/vehicle types would be bought. There was undoubtedly an attraction to most grant recipients that the funding was helping to buy a physical asset. In interviews, many asserted this was a tangible benefit they would continue to enjoy for many years. In our view, this is also a positive factor in achieving sustainability of the WVP. Unlike some funded projects, the benefits from WVP do not cease when the project ends, they continue into the future, for many years in most cases. The comparison with the level of take up of marketing support is stark, this constituency seems to have preferred buying physical assets to perhaps less tangible marketing benefits.

**69 Websites and Marketing Initiatives** There was minimal take up of grants to support marketing. £35,000 was allocated, less than £5,000 was awarded. The Steering Group concluded that applicants already had outlets for wild venison. In June 2012 the Steering Group decided that £25,000 of the unallocated marketing budget should be transferred to the capital budget. The original targets of 25 marketing initiatives and 5 websites were missed by a very wide margin. When marketing support was discussed, many recreational deerstalkers in particular said they already had outlets to sell to - game dealers, local butchers, pubs and restaurants, at farmers' markets, family and friends. In addition, four of the eleven estates that were funded already had venison marketing initiatives in place.

**70 Conclusion:** The offer of marketing support was diluted because most beneficiaries had no difficulty in selling their increased cull. Many report being telephoned regularly by dealers and other customers wanting to buy more from them. The missed opportunity is in increasing the value added in the supply chain, to move more businesses from selling carcasses to developing significant amounts of processed products. Undeniably, for most small beneficiaries this was a step too far - but more added value businesses could have been actively approached, to balance the recreationalists ('happy to keep doing what I am doing') and the entrepreneurs (wanting to build up a business and their supply chain).

### 2.3 Findings - outcomes: qualitative and quantitative

71 In section 2 so far, we have dealt with two key evaluation elements along the project logic chain:

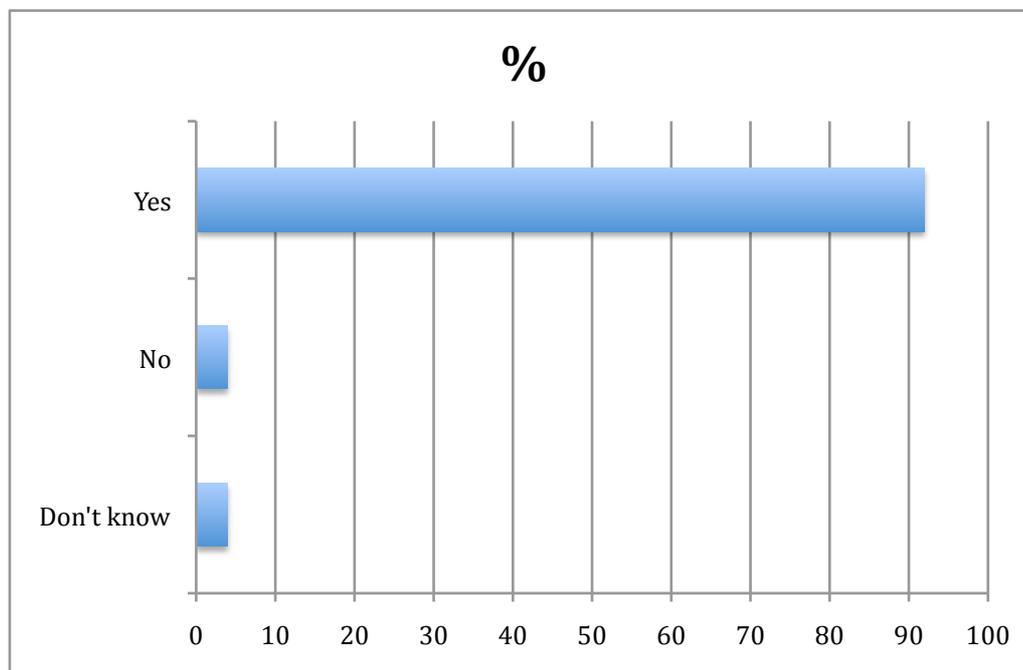
*impact* - the extent to which the core aims and objectives of the project have been met, expressing impact in economic (GVA) terms as far as possible (section 2.1)

*outputs and milestones* - the contractual deliverables to Defra (section 2.2)

*outcomes* are all other project benefits that the outputs help to create - outcomes are usually not expressed in economic terms, they cover a potentially wide range of effects and can be both qualitative and quantitative in nature. In this section we summarise the key outcomes that we have identified.

## Quality

72 We asked grant recipients whether the quality of venison supplied improved during the course of the project. (n = 25)



73 The following are typical responses to this question.

"Now I can cover a greater area and can access woodland that is in poor condition, previously we were a bit rough and ready to be very honest (in treatment of carcasses)".

### **Pest control business**

"We want to encourage natural regeneration of woodland, that is my passion, we put seedlings in, the problem is not so much restocking it is replacement of deer related damage, the real benefit will be to flora and fauna and the natural regeneration of woodland and of course to quality of venison".

### **Estate owner**

"We will have more abundant coppice product, with far less damage to deal with. We had to up our game with compliance, it was a big leap from having a trained deerstalker selling carcasses to being able to meet food standards".

### **Manager**

"There are benefits also to neighbouring farmers, several tell me there is now less damage to arable crops. Some friends and family even tell me their gardens are invaded less now. That is all on top of the fantastic quality of product we now sell".

**Farmer**

"We had an environmental health check last year and had excellent feedback, the presentation of meat is now excellent, hygiene has been the main benefit, cleaner carcasses".

**Owner**

"We are now at food business standard, the cold room and prep area are up to health and safety standards".

**Deerstalker**

"The quality has increased a lot, I do not have to drag, I shoot, drive, pick up, no dragging involved, absolutely a good project and my increased cull is all down to the Wild Venison Project".

**Deerstalker**

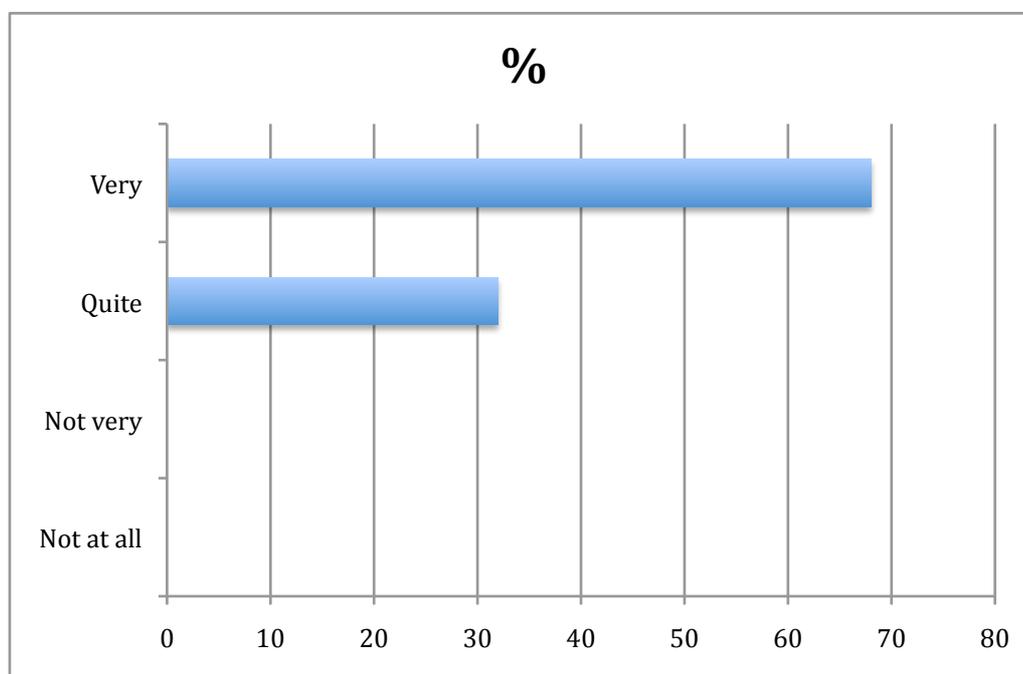
"Quick chilling increases the quality and I can shoot for longer in the year, I can now shoot in Summer and put the deer into the food chain, I only used to shoot in the Winter".

**Deerstalker**

74 Conclusion: 23 of 25 respondents report that the quality of venison they supply has improved because of the WVP project. This is perhaps not a surprise given that grants were targeted to improve aspects such as extraction, storage and processing. As well as quality enhancements, many respondents also mention that they can cull more deer, their time is spent more productively, the collection process is more efficient and the quality of what is going into the food chain is improved.

## Project management & support to applicants/grant recipients

75 We asked grant recipients how highly they rated the advisor who supported them in the process (n = 25).



76 The following are typical responses to this question.

"There was some red tape but he (the Project Officer) helped the girl in the office to get the hang of it, it went quite smoothly".

**Game dealer**

"Graham and now Anne have been brilliant, they sat down with us, I found the forms very difficult but they were there instantly to help us complete any paperwork".

**Owner**

"We were very well supported, Graham made things much easier for us during the application, a good experience".

**Deerstalker**

"David is a good man and they have a nice team".

**Deerstalker**

"They were very good with explaining the paperwork, not my strong suit. They have all been very helpful".

**Deerstalker**

"They were helpful and it (the application process) was fairly straightforward, I expected it to be untranslatable! Graham was very good at explaining the process and what information was required".

**Deerstalker**

"There was a lot of advice, to get us to use the right phrases on the forms...a decent Project Officer is key to a project".

**Deerstalker**

"The project team was highly efficient, I know a lot of application forms are difficult, we asked them to 'tell us all your questions you are going to ask', we wrote them down in a letter answering all the information requests and that worked".

**Farmer**

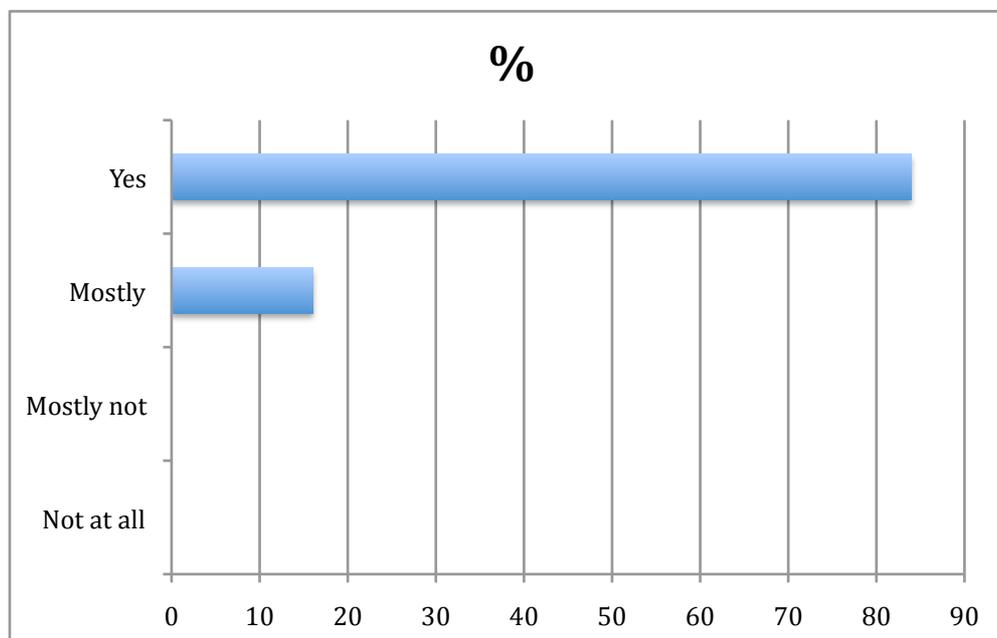
"Graham was first class, did a personal visit, went through everything such as returns required, he made it all very easy, all the team is supportive".

**Deerstalker**

77 Conclusion: The WVP Project Officers clearly spent considerable time with applicants, in effect taking away much of the potential pain of completing application forms and providing financial and other information, helping to explain requirements in terms that applicants could understand. Many were inexperienced in grant applications and struggled with some of the terminology and were grateful to be helped through the process. That there are relatively few negatives mentioned at all by grant recipients also suggests that Project Officers and their back up team helped the project management and administration processes run smoothly for applicants.

## Value for money

78 We asked grant recipients whether they thought their funded projects represented good value for money (n = 25).



79 The following are typical responses to this question.

"It is good value for money, no way did I have the funds to do it myself, there were only benefits from this project, we are very grateful for the funding, we have added another string to our bow, another line to the business".

### Farmer

"With hindsight the increase in cull levels and the interest from people now asking to buy from me has meant that the value of the project is much higher than I expected".

### Deerstalker

"I could have afforded this equipment alone, it is difficult to find deer just now but my cull numbers will continue to increase when the pressure on deer abates".

### Deer Manager

"I have not met my increase in cull numbers for reasons we have just discussed, but I am edging up the value because I am able to store and wait for better prices, or sell to better payers such as farmers' markets".

### Farmer

"The benefit to me is great, the butcher has lost out because I now do the processing, but the value of this investment will continue as long as the kit lasts".

**Deerstalker**

"The return on investment takes several forms - previously when I saw five fallow I could only shoot one or two...I am now a collection point for Peterborough Game so that works more efficiently for them and me".

**Deerstalker**

"A couple of friends and family also use the facility in this way, I could not have afforded to make the investment on my own but the returns have exceeded my expectations, I can shoot a lot more deer and I can only see the benefit increasing in the future".

**Deerstalker**

"I am hoping to get into Waitrose and the big boys, previously with a 150kg red deer that might well have been wasted by getting into a bad condition. I also already have 4-5 local people using the larder, I am teaching them to process, hygiene and cleanliness has increased particularly for them".

**Estate Manager**

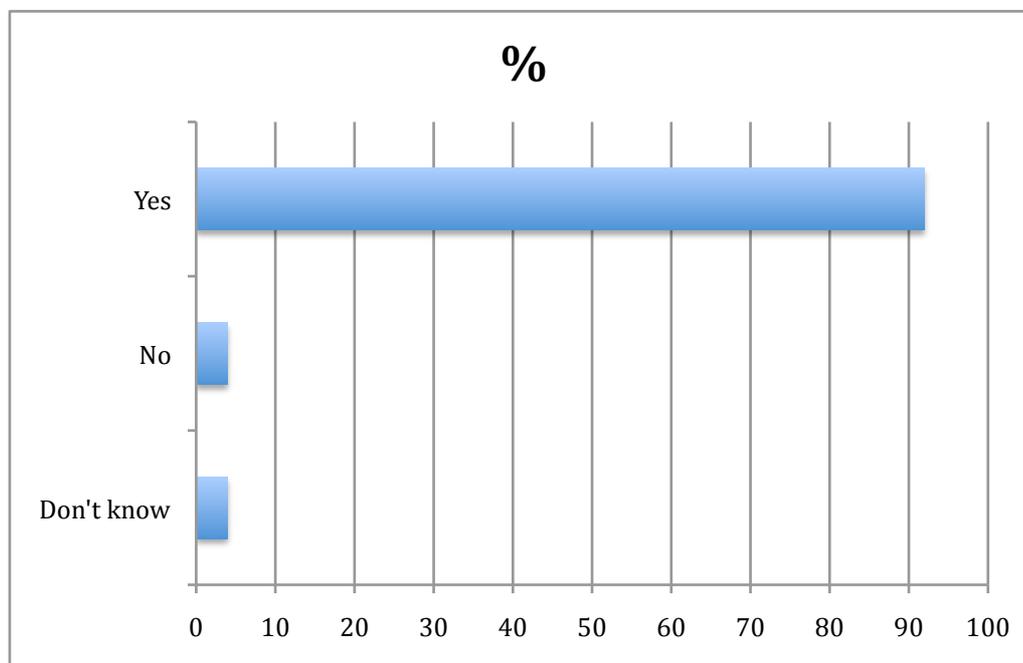
"We wanted to get up and running with a cutting room to be able to skin and butcher, food hygiene regs. to be achieved as part of that - we sell through the farm shop and in local pubs and restaurants, people ask all the time for more, we can sell all we cull".

**Farmer**

**80 Conclusion:** Grant recipients tend to view value for money as high - they usually judge it in terms of what they have received in return for their contribution to the project. Where their cull has increased significantly this usually leads to a conclusion of greater value for money. Where they have been able to add value by either processing themselves and/or obtaining increased prices, this is also seen as a good return on their investment. Subsidiary effects have also been commented upon favourably such as reduction in crop and woodland damage and shared use of facilities with neighbours, friend and families.

## Sustainability

81 We asked grant recipients whether they felt the benefits from the project would be sustained or built upon in the future (n = 25).



82 The following are typical responses to this question.

"This will be a very sustainable project, the larder will last years and our deer management will continue, success eventually will be to achieve maintenance culling".

### **Landowner**

"This is a growth market and very sustainable...I am making a hobby into a business, I had nowhere to keep deer so I would avoid shooting species such as red and fallow. Now I will be able to make the most out of each carcass, to process it into joints of meat".

### **Deerstalker**

"We see wild venison as a growth market, the damage however has not decreased it has got worse but now the facilities are in place we can up the cull which we could not do before".

### **Estate manager**

"With the new extraction vehicle we can access areas in bad weather so there will be an ongoing increase in cull, life is easier, I spend more time on culling".

**Deer manager**

"We have a nice balance, enough income to support a 2 person business, it is a bit Catch-22 though, my husband is not getting out so much as he is now so involved in processing".

**Owner**

"I am in a position to become a food business, I keep being offered more grounds and I will continue to expand my facilities".

**Deerstalker**

"Without the funding I would have blundered along for years, eventually buying cheap second-hand equipment, the benefit continues for as long as I use the vehicle".

**Deerstalker**

"It is a professional vehicle that can tackle difficult areas, I can do willow tree plantations which are very wet, where colleagues tell me they just cannot gain access, I can now look at other areas, for example National Trust Dunwich".

**Deerstalker**

"Yes we will use the equipment on and on and on, we will always shoot deer, damage is an ongoing issue, the beauty is the stack and store system so we do not feel that we are always in a rush to get rid".

**Farmer**

"I sell a lot of venison at the farm gate, lots of tourists buy from me, they are genuinely interested in types of venison, tastes, flavours and where it comes from, I could do more especially if venison was properly branded or marketed".

**Farmer**

**83 Conclusion:** We view this as a smartly designed project where the payback on initial investment will continue for many years while delivering that part of the project aim that targets the 'creation of a sustainable (wild venison) supply chain'. The comments of many grant recipients bear out our conclusions.

## Downsides

84 There were relatively few grant recipients who identified any downsides to their project experience at all. 8 out of 25 made some observation when asked whether they had encountered any negative aspects or downsides in the project.

'Downside' mentioned	Number of comments
Too confusing/too much paperwork or information demands	4
Confusion over grant	3
Location - Eastern region only project	1

Figure 7

85 The following illustrate comments about too much paperwork and confusion over the level of grant.

"The volume of paperwork is the only problem, I know because I did a lot of it, the process went fairly smoothly and quickly; it could be improved, for example why isn't there just one application form where concept is the front part, part A, the full application is part B so you do not have to supply the same information twice and you complete just one form but at two different points in time".

### Landowner

"I was told it was a 50% grant then found out by chance from a friend it was only 40%, that was a bit confusing, some of the items I ended up not buying, or buying but paying for myself".

### Deerstalker

"Forms were onerous on this one and there is a lack of joined up thinking across Government policy, for example landowners pocket the grants, I don't usually get anything, funding also has to be longer term".

### Deerstalker

"I do not like all the hoops you have to jump through, I would be doubtful about taking on all that work again, if I was an accountant it might be easier but I'm not, I might have paid for it all myself in hindsight, that certainly would have been easier".

**Deerstalker**

"The only issue is that the project is confined to the Eastern Region and I am right on the border, so it constrains me".

**Deerstalker**

"The forms are a bit fiddly, everyone seems afraid people are on the fiddle but the costs you save make it worthwhile overall".

**Landowner**

86 Conclusion: In the context of a sample of 25, there are only isolated examples of dissatisfaction. We expect that quite a high proportion of the 'bureaucracy' is an unavoidable part of governmental and grant processes that require a high level of accountability for the use of public funds. However, we see considerable merit in the proposed idea of one application form in 2 parts. Indeed we would go further to explore whether a grant below a certain monetary value could go through a single stage appraisal and approval process, this is common in many parts of the public sector - it seems rather unbalanced to spend almost as much time of appraisers and approvers on grants below £1000 as on grants of £50,000+. Comments about misunderstandings about grants, the level of funding available and issues such as non-retrospective payments serve as a reminder that individuals can be very sensitive to misunderstandings about money - particularly if they feel they have lost out in any way through no fault of their own. This is of course a particular sensitivity for very small businesses or for those where deerstalking is a recreation.

## Projects that did not proceed

87 We were asked to interview a sample of project applicants who did not proceed to implementation although they had progressed to the later stages of the appraisal process and in some cases were actually approved but did not progress in any case. Applications that were rejected on grounds of ineligibility were not included in the potential interview sample because whatever their feedback, the project would not have been allowed to proceed. The sample interviewed is small because few applicants were asked and gave permission for contact by signing consent forms - and of those that did, contact data was wrong or absent in some cases.

88 Overall we interviewed seven applicants in this category.

"The grant was a brilliant idea to help me set up a business but a very influential stalker was dead against the idea and it all turned very nasty locally including words like fraud being bandied about. I did not want to proceed with the project in that atmosphere, it would not have worked and I became ill anyway".

"We had difficulty justifying a venison only game larder when in the cutting room we also handle beef and lamb. It became clear that it would have been a facility that would not have met all our requirements so we concluded we could not proceed with the grant and we went ahead with the cutting room out of our own funds.

I understand funding has to have these rules, no hard feelings, we shook hands and walked away".

"We were very enthusiastic, met Graham, he was great and equally enthusiastic. It turned out we could not source outside the region and that made the idea unviable as we are on the boundary and most of the business would actually have been outside the region. So on grounds of non-viability we did not proceed".

"We were probably a bit slow at our end to progress the game handling project, but we found the process difficult and unpredictable - we needed to get 2 or 3 builders' quotes I think and that proved difficult; then it all suddenly had to be handed in within 2 weeks and the plans were not ready; then the grant changed from 50% to 40% I was never quite sure why; then I was told the money was running out; then I was told to contact the project again in a few months...I think that was roughly what happened!

But I have to say I did become confused and lose the thread at several points in time; in the end we could not wait about with nothing really happening, so we just went and got on with other things".

"We could only find one company that could do the size of chiller we wanted, so it was problematic to get 3 quotes! Then we were considering adding a processing facility but that would have been a considerable change to the application at late stage, then Graham left, the end date was approaching, no obvious person to talk to and with all the bureaucracy and paperwork it all fell apart and I let it drop".

"I could not make the finances work, I could not get approval for the whole 100% of cost even though it was clear I would get 50% back; that is the problem with this type of funding, it is OK for the big estates with cash flow but not for the small guys...I am very glad it did not go ahead, business has become disastrous as the recession has gone on, I would have been bankrupt".

"I was well advanced with the application process, when suddenly an issue popped out that my cull numbers are too low, 15-20 p.a. - I wish I had known that all along, if that is a fairly clear guideline why did it not become clear much earlier? Then there was a loss of continuity between Graham leaving and Anne coming on board, no opportunity to agree a solution, so I went ahead and did the chiller part of the project anyway on a shared basis".

89 Conclusion: There are no clear patterns of why these seven projects fell by the wayside across this rather small sample of applications not proceeding. In 4 or 5 cases, it may be just as well they did not proceed as the projects may have been unviable or the applicant unwilling to sustain the effort to make it work. There is an issue that feedback elsewhere touches on however, where some stalled applications seem to have lacked sufficient follow up, either because the first Project Officer left or there was simply a lack of resource for follow up by WVP. Two of these seven projects went ahead with their projects without funding.

## Management and administration

90 Our findings about the management and administrative processes used by the Wild Venison Process are based on several sources:

- interviews with project stakeholders, such as Steering Group members
- interviews with the project team and Forestry Commission staff
- process mapping and process critique with key project stakeholders

91 Some stakeholders have concluded that regional priorities for WVP were not sufficiently thought through, or at least, that there was insufficient balance between very small, low impact projects and much larger, potentially much higher return projects. Others disagree and believe that a good geographical spread of projects has been achieved and that many grant recipients cull relatively small numbers is not necessarily a problem, because funding (often for the first time) has been given to those who can help deer management sustainably into the future.

**92 Conclusion:** Overall we conclude that WVP did become too much of a 'project factory' - many small projects of low impact, few larger projects with high impact, with a high project management cost in terms of workload to simply get projects off the ground. This model was very equitable, but we conclude it limited the impact on cull, sales and the regional economy.

93 Some question whether the marketing opportunities within WVP could have been treated as a 'project within a project' where perhaps the expertise of WVP staff did not particularly lie in this area and these were staff who in any case were more than busy with the workload driven by capital investment projects. This would have led to a rather different project design in hindsight - with perhaps marketing expertise more central to project resourcing, with direct approaches to potential stakeholders such as caterers, butchers, chefs and supermarkets and investigation into developing a wild venison brand.

94 We suggest that the tracking of project impact was too loose, where no real baselines were established for each grant recipient so it was almost impossible to know whether cull levels and venison sales were increasing and by how much.

This evaluation has filled the gap retrospectively, which is not ideal, but we suggest a closer monitoring of impact data would have thrown up opportunities to intervene and improve where results was less than expected, as projects progressed.

95 That WVP could adopt financial procedures from the Woodfuel East project is widely seen as very valuable, with many expressing doubts that WVP could have coped with its lean level of project staffing if the procedures had not been available 'off the shelf'. The sharing of a financial officer between Woodfuel East and WVP is widely seen to have been helpful in managing cash flow and projections.

96 Overall, there appears to have been a lack of follow up of projects once they had been approved - there were once in a lifetime visits, but the relatively high resourcing at project appraisal and approval stage seems to have been in imbalance with the resourcing invested in monitoring projects once they had been implemented. Greater resourcing at the post implementation stage would have created more opportunities to follow up with stalled projects (although we recognise more project spend would have been required to undertake this follow up). We observe in section 2.2 that 10 projects were approved that did not proceed, if 6 of these could have been prevented, the project would have fully met its businesses supported target and GVA impact would have been higher.

**97 Conclusion:** Overall, we conclude that the WVP team has worked extremely hard and effectively to cope with the large workload they faced and the modest level of resource at their disposal. This is particularly the case where the operational load - 228 registrations of interest and 49 projects implemented - was highly demanding of each Project Officer's time. We would in hindsight have explored supplementing project resource in two areas in particular - marketing expertise and more 'Project Officer' time to follow up with stalled applications, projects approved that never started and monitoring in the implementation phase to optimise outcomes.

## Other issues raised - management and administration

98 Many stakeholders have concluded that some project targets were unrealistic given the grant recipient group that were attracted to the project - the jobs target in particular. This is further discussed in section 2.2 *Jobs created output*.

99 The financial and administrative support provided by the Forestry Commission worked effectively which was important to the WVP. A closer partnership with Forestry Commission Woodland Officers would have led to a closer link between Woodland Improvement Grants and Wild Venison Project grants. This would have helped target those geographical areas where the need for the infrastructure provided by the WVP was the greatest. Many Woodland Improvements Grants enable deer management plans to be produced, identifying actions that could have provided more leads to WVP.

100 Financial control suffered when in 2012 grant monies were underused because of confusion between committed and actual project expenditure - when some projects failed to deliver on commitments to spend, the project became under-spent on grants because the actual spend was less than anticipated and Defra decided that under-spend could not be rolled forward into the next year. This accounts for a significant element of the shortfall between the initial grant allocation to the project and the £495,000 current estimate to project end.

101 The WVP team has subsequently very actively managed projects approved late in the cycle to align actual with projected spend.

102 All 49 projects involved the purchase of capital equipment of some kind and each project's inspection visit found that all were in use with the exception of one project and that situation was quickly rectified.

103 The WVP Steering Group provided the governance framework for the project. It met on a scheduled three-monthly basis with concurrent project approval meetings to assess and validate applications.

104 Several respondents have observed that the scoring system was effective in supporting decision-making. Occasional additional meetings were arranged to address specific issues where timescales were pressing.

105 Conclusion: The Steering Group and Approval Panel generally reflected legitimate interested parties and their differing interests well. In view of these varying interests, the independence of the Chair proved helpful. That 9 projects were rejected - and significant numbers of other projects amended - demonstrates to us that the appraisal and approval process worked well in preventing poor projects from being approved. This was despite pressure to recover from a slow initial uptake of projects and pressure towards the middle and end of 2013 to move projects quickly through the system to achieve spend and businesses support targets. There are, for example, projects where the applicant initially asked for over-specified equipment, but the project advised that a more modest investment (eg. a cheaper vehicle) was more than adequate, so a lower level of funding achieved the purpose.

### 3 Recommendations

106 These recommendations are derived directly from our conclusions which appear in boxes at regular intervals in the previous section (Section 2 Findings and Conclusions). The Wild Venison Project ends in December 2013 so there are two sets of recommendations that we summarise below:

- recommendations specific to future management of deer and the woodland landscape
- more general recommendations about the planning and delivery of funded projects where the lessons are applicable across a range of project types

#### **Deer management and the woodland landscape**

107 We recommend that any development of the WVP model recognises that a better balance needs to be struck between the size of the problem and the scale of the solution. There is still in the region and the country:

- a significant deer population problem
- deer related damage continues to be a major economic and safety concern
- demand for wild venison is present and growing
- there are still opportunities to further stimulate both supply and consumer demand in the wild venison supply chain

The WVP model, as a pilot project, has been largely proven but on a limited, localised scale. Given the relatively small impact that WVP has made on cull numbers in the region and on the value of wild venison sales, there is a case for reviewing how the model is developed. We identify three main opportunities:

108 To fund projects at a landscape scale, where stalkers, forestry agents, landowners and other interested parties collaborate together on large scale deer management projects that would have high impact on cull levels and wild venison sales and would have significant knock on effects on DVCs and damage to crops, trees and woodland.

This model would be predicated on the basis that the price of wild venison alone is unlikely to cover the cost of deer management, but the combined benefits of reduced damage to woodland and crops, reduced DVCs, development of the wild venison supply chain and job creation makes such a project viable. **This leads to larger scale solutions to the deer population problem, but is based on a less proven collaborative model.**

109 To fund projects that target larger single organisations (perhaps alongside smaller organisations to further develop the regional infrastructure) that, within funding eligibility rules, can make a significant impact on cull levels and supply to the wild venison supply chain (Hatfield Forest NT being the main example we came across in this evaluation). **This leads to larger scale solutions to the problem that are easier to initiate and manage than landscape level projects, but where the opportunity at a regional level may be limited.**

110 To fund projects described at paragraphs 108 and 109 above, but on a national scale - deer numbers in the UK are estimated at 2 million where 1 million would be a healthy, manageable level. A national project would clearly leverage the benefits compared to a regional project and would be co-ordinated nationally, but would require a regional project organisation at the operational level to develop relationships and projects in targeted areas of need.

111 In our view, models 1, 2 and 3 are not mutually exclusive.

### **Wider recommendations about funded projects**

112 Any future model should balance bottom up local level projects with a top down targeting of regional priorities for deer and woodland management.

113 The 'project factory' is not a sign of success (ie. funding many projects) - large numbers of funded projects within a single programme tend to require too much management and administration time relative to their benefit.

114 Baselines need to be established from the outset if project benefits are to be satisfactorily assessed.

115 Additionality is likely to be high in future projects aimed at developing a growing market such as wild venison because demand far outstrips supply.

There is still scope to build on the WVP model in a nascent market and issues such as reducing deer related damage are still significant priorities.

116 Project models that develop the capital infrastructure in this sector are likely to attract good demand from applicants and offer sustainable long time benefits.

117 Projects need to be resourced so that they can manage attrition, where for example almost one third of late stage applications in WVP never made it to the implementation phase - this requires close follow up of late stage applications and a simpler, shorter application process to limit drop out rates.

118 We recommend a single project application form to cover both concept and full application stages and the option of a one stage appraisal - we note EEDA had in many areas of operation a one stage process for projects below 250k, whereas WVP had a two stage process for projects where funding was a few hundred pounds.

119 If project models are predicated based on a range of benefits - eg. in WVP reduced crop and woodland damage and reduction in DVCs - then the project needs to establish a means of monitoring and evaluating such benefits.

120 Job creation is an important component of many funded projects, it offers substantial economic benefits in terms of GVA. Job targets need to be realistic, we also suggest projects should more directly target larger organisations and estates that offer the potential to contribute significantly to jobs targets - in one sense, projects that create jobs also then allow the opportunities to leverage other benefits by making the overall ROI viable.

121 A project aimed at developing marketing and commercial opportunities needs to be resourced appropriately - by having marketing expertise within the project team and having a clear plan to identify opportunities.

122 We recommend the development of marketing led demonstration projects early in the lifecycle so that others can understand the opportunities of moving up the added value supply chain and see the benefits - otherwise 'marketing support' may be seen as an intangible where the cost is clear and immediate, but the benefits are future and uncertain.

123 Projects involving local and small-scale projects need to be resourced to offer a high level of 'hand holding' to help inexperienced applicants through the process.