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LEADER 2014-2020 Programme



Scottish Rural
Development
Programme



**Minutes: LEADER Programme 2014-2020.
Local Action Group Meeting.
18 July 2018 (11.00) – St. Magnus Suite, Pickaquoy Centre.**

Present: LAG Members (Public) –Phyllis Harvey (Chair), Kerry Spence, Alister Brown.

LAG Members (Private) – Sarah Sankey, Steve Ray, Edgar Balfour, Dawn Flett, David Scarth, Julian Branscombe.

LEADER Team – Alison Nimmo (LEADER Development Officer), Jill Sutcliffe (LEADER Assistant Project Officer)

The Chair checked that the meeting was quorate, per the LAG's Constitution formally adopted at the LAG meeting held on 3 December 2015. The Chair also checked and confirmed that the public/private minimum 49/50 split was met. She advised that Julian Branscombe would be chairing the final part of the meeting which considered the application from Orkney Sailing Club, as this project has also applied for Orkney Islands Council funding and OIC members would therefore be excluded.

1. Welcome and Apologies

The Chair welcomed the LAG members to the meeting.

Jill advised that apologies had been received from Chessa Couperwhite, Mark Hull, Susan Pirie, Bill Ross, Brian Cromarty and Hannah Ker.

The Chair informed the LAG that Amy Esslemont had resigned from OIC, she thanked her for all her hard work and informed the LAG that her post will be advertised shortly.

2. Minutes of the Last Meeting

The Chair advised that both of the projects approved at the April LAG meeting had been unable to proceed, so a note has been inserted into the April LAG minutes to reflect this, to avoid confusion when the minutes are made available publically on the LEADER website. Also, the project for an upgrade to the Graemsay Community Hall, which had only been indicatively scored at the last meeting, was still under discussion and was not yet at a stage to seek official approval.

The Chair asked the LAG for any comments, or queries, in connection with the draft minutes from the meeting held on 18 April 2018. There were none.

Dawn Flett proposed that the minutes be approved; this was seconded by Kerry Spence.

3. Financial Summary and Outputs

The Chair asked Alison to explain the financial summary and outputs papers.

Alison advised that currently the farm diversification and cooperation budgets still remain fully un-allocated, but we are awaiting a decision from the Scottish Government on the re-allocation of co-operation budget. It has been indicated that it will not be possible for the whole budget to be re-allocated, but the total budget to be spent in this category could possibly be reduced from 10% to 5%.

Admin and staffing costs should not exceed 25% of the total budget; however, if there is an underspend on projects by the end of the programme, it may not be possible to avoid exceeding the allowable amount. The consequences of this are unknown, however the LAG were hopeful that the Scottish Government would take in to consideration that the Programme delivery period had been condensed due to Brexit, which had resulted in a shorter period for project approvals.

The Scottish Government is also considering allowing the amalgamation of the economic/business and farm diversification budgets, at the request of other LAG areas

A LAG member wondered whether, as the farm diversification budget still has a lot of unallocated money, the decision made at the April LAG meeting to restrict farm diversification projects to non-agricultural activity should be re-visited. Following discussion of projects in development it was agreed to take no action at this time, as the value of farm diversification projects in development is more than the current budget allocation (though it was acknowledged there is no guarantee these projects will come forward to a full application).

Alison also advised that list of anticipated project funding (item 3c) is not up-to-date, as there have been various project developments in recent weeks. It was also noted that this list only includes those projects which have submitted an Expression of Interest and not simply an enquiry. Recent updates include the likelihood that Making Yogurt and Farmhouse Cheese (which was unable to take up its Offer of Grant following the April LAG meeting) will return to the LAG as a revised project; the John Rae Society project is now likely to be a feasibility study rather than the employment of a Project Manager, with costs therefore substantially reduced; and Expressions of Interest have now been received for some projects that were previously at enquiry stage.

A LAG member mentioned that the latest LEADER newsletter had included information about a possible food co-operation project with an organisation in Sweden. It was agreed that the information be forwarded to Edgar Balfour to look at in his capacity as project Manager for Orkney Food and Drink. There was however acceptance by the LAG that there was limited capacity available within Community Organisations to pursue Co-operation projects.

The figures for the number of businesses supported and the total number of jobs created in the voluntary sector (item 3d) were queried by LAG members, and LEADER staff will check these.

[LEADER staff checked the figures for businesses supported and jobs created following the meeting, and can confirm that the total number of jobs created in different sectors is an arbitrary figure, and has therefore been deleted and will not appear in future. The number of businesses supported reflects the target figures agreed by the applicant – the vast majority of the total number comprises data from DMO and BDO, both of whom support a large number of small tourism

businesses, e.g. B&B etc].

Alison explained that the anticipated Project Outputs remained low in many cases in comparison to the Business Plan targets. This is concerning but the only remedy is to encourage and assist more potential applicants to proceed to full applications, so that more projects can be approved. Regarding Item 3e, it was noted that figures for delivered Project Outputs are again low, but this is due to only 4 projects being complete, and that the outputs for the other approved projects will be measured once the projects are completed.

4. Enquiries Received

Alison updated LAG members on the initial enquiries shown in item 4a, advising that there may be some projects in the pipeline from Robert Gordon University looking for LEADER funding, and that several other initial enquiries have been received since the list was compiled. The Chair advised that HITRANS is currently in discussion with the relevant Ministers regarding funding for the potential Island Passport Scheme project.

The Chair re-iterated that all there is not much time left for organisations and individuals to apply for funding, as offers of grant and planning permission both have to be in place by the end of March 2019. Inevitably, not all the anticipated projects will come to fruition, and there was discussion regarding the ways organisations and individuals could be encouraged to apply for the remaining LEADER funding. The Chair advised that, should the projects to be scored in this round be successful, a radio interview is proposed as well as press coverage to take advantage of this good news story. It was agreed that the message must come across clearly this is the 'last chance' to apply, to galvanise those who may have ideas but have not yet come forward, not realising the length of time taken to work up and assess a full application.

Alison advised that there have been several enquiries from groups wanting to build new play parks, and wondered how the LAG thought multiple playpark applications could/should be dealt with, and whether it was happy for some playparks to be targeted at specific groups (e.g. under school age) rather than the whole community. After discussion it was agreed that playpark applicants should be advised of similar proposed projects in their area, enabling them to come up with a co-ordinated approach to demonstrating need and demand. The LAG was comfortable in principle with playparks being targeted at specific groups, provided that all scoring criteria, such as evidence of need/demand, innovation and social/environmental/economic impact, could be addressed (as for any project).

5. Approved Applications Progress and Change Requests

A list of change requests approved since the last LAG meeting had previously been circulated by e-mail, and there were no questions. Alison pointed out that issues regarding The St Magnus Way project and the Building Destination Orkney project mentioned at the last LAG meeting have now been satisfactorily resolved.

6. List of Projects as at 30 June 2018

The LAG was provided with a list of current projects as at 30 June 2018 for their reference. The Chair asked if the LAG had any questions relating to any of the projects. No questions were asked.

7. Draft Programme Review to 31 December 2017

This had previously been circulated to LAG members. There were no comments or questions and the document was approved.

8. Briefing Paper – Future of CLLD in Scotland

This paper had been prepared following discussion between the LAG Chair, Vice Chair and Alison, and gives the Orkney LAG recommendations for a community led local development programme following the completion of the current LEADER programme, and recommendations on the process of applying for and administering grants.

The Chair asked LAG members to look at the document in detail and feedback any comments to Alison within the next 2 weeks (i.e. by 2 August 2018). These would then be incorporated into the document which would be circulated to LAG members, for discussion if required.

9. Next Meeting Dates

The Chair asked the LAG to take note of the dates of the next meetings as provided below.

Round	Deadline for Applications	Papers to LAG	LAG Meeting
10	29 August 2018	24 October 2018	31 October 2018
11	29 November 2018	30 January 2019	6 February 2019

The Chair informed the LAG that Round 11 would only go ahead if funds were still available, and there is the possibility of a final round taking place in March 2019 for any applications which are “shovel ready”, subject to funding being available.

10. AOCB

The Chair asked if anyone had any other business to discuss. No business was raised.

11. Assessment of Round 8 Projects

The project applications were assessed using the scoring criteria as follows:

- Farm diversification projects - 12 criteria with a total of 36 marks available and a pass rate of 24
- Other projects – 13 criteria with a total of 39 marks available and a pass rate of 26

and against the following current LAG and Applicant Guidance versions:

- LEADER General Guidance for Applicants, Version 5, dated 13 February 2018

- LAG Project Assessment Guidance, Version 4, dated 13 February 2018

Lower Cottiscarth (14/P00037)

The Chair advised that the Reasonableness of Costs Declaration for the project had been completed by an independent third party. The LAG agreed the costs were reasonable.

Alison presented a summary of the project, as follows:

Lower Cottiscarth, an organic beef and sheep farm in Rendall, wishes to diversify by establishing self-catering accommodation on site. The proposed accommodation would be targeted at birders, nature lovers and (in winter) those interested in enjoying the area's 'dark skies'. The Cottiscarth and Rendall Moss RSPB reserve is situated on the hill land farmed by J & J Fraser & Son and is renowned for Hen Harrier and Merlin.

LEADER funding is sought for the building of one three-bedroomed unit and two two-bedroomed units. Each will be fully wheelchair accessible. Alison detailed the source of the match funding.

Following recent communications from the Scottish Government the applicant will need to make a small administrative adjustment to the application before an Offer of Grant can be made. This entails adding an additional delivery milestone to assist with SG budget forecasting. Therefore, the project can only be given an indicative score, but if approved at this meeting a LAG member will need to sign off the finalised application by email. Sarah Sankey agreed to do this.

The Chair invited the LAG to discuss the project and ask any questions.

The LAG agreed that the project:

- Would bring benefits to the local area.
- The contribution to outputs is proportionate to the funding being requested, and the applicants have shown a high level of commitment to the business.
- Shows evidence of support for the project, but limited evidence of need/demand, was provided in the application
- Although ambitious, the business plan appears viable with deliverable costs and timeframes.
- The building timeframe is ambitious, but appears achievable.
- General potential barriers and risks have been identified, and although all are fairly major, they have been addressed, with appropriate plans in place.
- There are some innovative aspects to the project.
- Has strong links to Orkney-wide strategies including Tourism, Biodiversity and the Council Plan, and complements other projects.
- Has good environmental and economic linkages, but could have provided more social linkages.
- The renewable energy aspect of the project means it will have a minimal negative environmental impact, but as a new build it will have a negative impact.
- Would not be able to proceed without LEADER funding.

The project received an indicative score of 24. Once the administrative adjustment detailed above has been completed the project will be reviewed and formally scored by Sarah Sankey. If passed, a Decision in Principle will be issued, with a formal Offer of Grant subject to written confirmation of

match funding (confirmation to be provided to the LEADER team within 60 days of the Decision in Principle). An Offer of Grant of £75,000 (26.22377622%) may then be made to the project.

At this point all Orkney Islands Council members of the LAG left the meeting, as the remaining project to be considered has also applied for OIC funding. Julian Branscombe took over the Chair.

Orkney Sailing Club (14/P00040)

The Chair advised that the Reasonableness of Costs Declaration for the project had been completed by an independent third party. The LAG agreed the costs were reasonable.

Alison presented a summary of the project, as follows:

Orkney Sailing Club is a volunteer-run organisation whose primary objective is to encourage the sport of sailing in Orkney. OSC will celebrate its 130th Anniversary in 2019 and is currently establishing a programme of activities to promote and increase sailing activity in Orkney through improving accessibility to sailing and enhancing the facilities and opportunities available to its existing and new members.

As part of this programme, OSC is seeking LEADER funding to establish a fleet of Club boats that can be used by existing, new and prospective members for training and racing. This will see an established fleet of dinghies that are available to the community to engage in sailing without having to purchase their own equipment, ensuring that sailing in Orkney is as accessible as possible. Alison detailed the source of the match funding.

Following recent communications from the Scottish Government the applicant will need to make a small administrative adjustment to the application before an Offer of Grant can be made. This entails adding an additional delivery milestone to assist with SG budget forecasting.

At the same time, the applicant will be given an opportunity to make further minor amendments relating to the project end date. This is due to the implications of Article 65 for this project, which have only recently been confirmed by the Scottish Government.

Therefore, the project can only be given an indicative score, but if approved at this meeting a LAG member will need to sign off the finalised application by email. Sarah Sankey agreed to do this.

The Chair invited the LAG to discuss the project and ask any questions.

The LAG agreed that the project:

- Would benefit the whole of Orkney, not just the local area.
- There will be a high level of benefits for the funding requested.
- There was evidence that the sailing community had been thoroughly consulted, but the public had not been surveyed on the need/opportunity for the project, and therefore only limited consultation could be demonstrated.
- The impact of the project will build capacity through broad community involvement.
- The project and business plans are robust, with clearly identified delivery mechanisms, realistic costs and timeframes.
- The objectives are appropriate and realistic; it is recommended that the end date of the

project be changed to 31 March 2019 (i.e. when the equipment is received). Potential risks and barriers have been identified for both the LEADER project and the longer-term project.

- Thorough and robust plans are in place to address the specific potential barriers and risks.
- Is innovative to the programme area, both in terms of the LEADER project and the wider project.
- Has strong links to Orkney-wide strategies including the Development Plan and the Sports Strategy, and complements other projects.
- Has strong social and economic linkages.
- Overall it will have a minimal negative environmental impact.
- Would not be able to proceed without LEADER funding.

The project received an indicative score of 35. Once the administrative adjustments detailed above has been completed, the project will be reviewed and formally scored by Sarah Sankey. If passed, a Decision in Principle will be issued, with a formal Offer of Grant subject to written confirmation of match funding (confirmation to be provided to the LEADER team within 60 days of the Decision in Principle). The Offer of Grant for £37,263.79 (47.4999649%) may then be made to the project.

The meeting closed at 13.30.