

# Orkney LEADER/EMFF Programme 2014-2020

*“Leading Resilient Growth in Orkney”*



## Programme Review

14 August 2015 to 31 December 2016

Orkney LAG is being part-financed by the Scottish Government and the European Community LEADER 2014-2020 Programme



## Programme Aims

The Orkney LEADER Programme aims to 'achieve an increase in sustainable employment and incomes, and in social cohesion and quality of life, and to conserve and enhance the high quality of heritage and environment whilst maximizing the benefits of economic, social and environmentally sustainable terms'.

LEADER and EMFF funding will therefore be used to help support the local economy and communities to become stronger and more resilient, building capacity within communities. To achieve this, core themes were identified as priorities for the Orkney LEADER and EMFF programme, these being:

- Support for small business and enterprise start-up, growth and diversification
- Support for Orkney's tourism, cultural heritage, crafts and food and drink sectors
- Support for Orkney's community services and facilities
- Support for Orkney's natural environment and development of sustainable energy
- Support for development of Orkney's fisheries sector and communities

## Introduction

Following submission of the Local Development Strategy and Business Plan in September 2014, the Orkney LEADER programme was awarded an indicative allocation of just over £2.5 million of LEADER funding in August 2015. This was followed by a further allocation of £482,000 of European Maritime and Fisheries Funding in March 2016.

The Orkney LAG held its first meeting to allocate funds on 1 June 2016, with a further 2 meetings being held before the end of 2016. This resulted in funding being allocated to 8 projects of over £460,000.

Although the programme made a slow start and has faced a number of challenges, it is anticipated that demand for funding will continue to grow across Orkney.

<b>Summary of LEADER Activity</b>	
Number of LAG meetings supported	5
Number of LEADER enquiries received	112
No of LEADER expressions of interest received	63
Number of LEADER applications presented to LAG	9
Number of LEADER applications approved	8
Total amount of LEADER funding allocated to projects	£460,592.50

The Fisheries Local Action Group, having held 2 decision making meetings have already approved almost 60% of the available budget.

<b>Summary of EMFF Activity</b>	
Number of FLAG meetings supported	3
Number of EMFF enquiries received	12
No of EMFF expressions of interest received	5
Number of EMFF applications presented to FLAG	3
Number of EMFF applications approved	3
Total amount of EMFF funding allocated to projects	£280,659.77

## Local Action Group

The Local Action Group (LAG) is responsible for the strategic direction and implementation of the LEADER programme in Orkney, including making decisions on applications for funding. The LAG represents a wide range of interests and is made up of representatives from Orkney's public, private and voluntary sector.

The LAG first met on 17 August 2015 with 4 subsequent meetings being held up to the end of 2016. A Fisheries Local Action Group was also established as a sub-group of the LAG, meeting 3 times during 2016.

With the LAG now in operation, one of the challenges faced has been balancing the private and public representation, whilst ensuring the meeting remains quorate for decisions where match funding is being provided by Highlands and Islands Enterprise or Orkney Islands Council, or where a number of members have a conflict of interest in a project. This is particularly challenging when isles representatives have difficulties in attending the meetings through events out with their control. Planning meeting dates well in advance and checking LAG members' ability to attend has helped to avoid a situation where no decision could be made on an application, however, this is likely to remain an issue during the programme.

Members of the LAG during 2015/6 were:

Name	Organisation	Interest/Focus	Membership
Francesca Couperwhite (Chair)	HIE Orkney	Community economic development	LAG and FLAG
Phyllis Harvey (Vice Chair)	Orkney Islands Council	EU Liaison	LAG and FLAG
Susan Pirie	Scottish Agricultural College	Agriculture	LAG
Paul Ross	National Farmers Union	Agriculture	LAG
Stephen Ray	Sanday Development Trust	Economic / Social Development within Isles Communities	LAG and FLAG
Keith Dobney	Island of Hoy Development Trust	Economic / Social Development within Isles Communities	LAG and FLAG
Nic Thake	Shapinsay Development Trust	Economic / Social Development within Isles Communities	LAG and FLAG
Dawn Flett	Orkney Tourism Group	Tourism	LAG
Mark Hull	Community Energy Scotland	Renewable energy	LAG
Barbara Foulkes	VisitOrkney	Tourism	LAG and FLAG
Alister Brown (replaced by Morag Robertson in April 2016)	Orkney Islands Council	Community economic development	LAG
Morag Robertson	Orkney Islands Council	Community economic development	LAG
Bill Innes (replaced by Kerry Spence in August 2016)	Orkney Islands Council	Community education	LAG
Kerry Spence	Orkney Islands Council	Community education	LAG
Brian Cromarty	Voluntary Action Orkney	Youth development	LAG
Hannah Ker	Voluntary Action Orkney	Funding and training support	LAG
Amy Thomson	Employability Orkney	Employment Support	LAG

		and Development	
Issy Grieve	Orkney College (UHI)	Education and research	LAG
Edgar Balfour	Orkney Food and Drink	Crafts and Food and Drink	LAG and FLAG
Sarah Sankey	Royal Society for the Protection of Birds	Conservation and environment	LAG
Fiona Matheson	Orkney Fisheries Association	Fisheries	FLAG
Stewart Crichton	Orkney Sustainable Fisheries	Fisheries	FLAG
Fiona MacInnes	Orkney Fishermen's Society	Fisheries	FLAG
Alan Coghill	Orkney Fish Producers Organisation	Fisheries	FLAG
Dr Michael Bell	Heriot-Watt University - International Centre for Island Technology	Life Sciences	FLAG
Mark Shiner	Orkney College	Maritime Studies	FLAG

## Animation

The LAG held a soft launch of the LEADER programme in September 2015 through an announcement of the allocation of LEADER funds in the local press. Subsequently, correspondence was also sent to all Development Trusts and Community Councils regarding the new programme, with follow up visits where requested. Dedicated LEADER and EMFF websites were also created, together with a Facebook page and video case studies.

These tools, alongside the issue of 10 traditional press releases have been used to help advise potential applicants of the kind of activity that would be likely to fit with the Local Development Strategy.

Direct one to one advice has also been provided through a number of forums covering both the mainland and isles, including drop in sessions, presentations and at events such as Development Trust Meetings, the National Farmers Union local Meeting and the Voluntary Action Orkney Funders Fair. In addition to this the LAG has been represented at LEADER networking and knowledge sharing events held nationwide, including the national LEADER conference in Aviemore in March 2016.

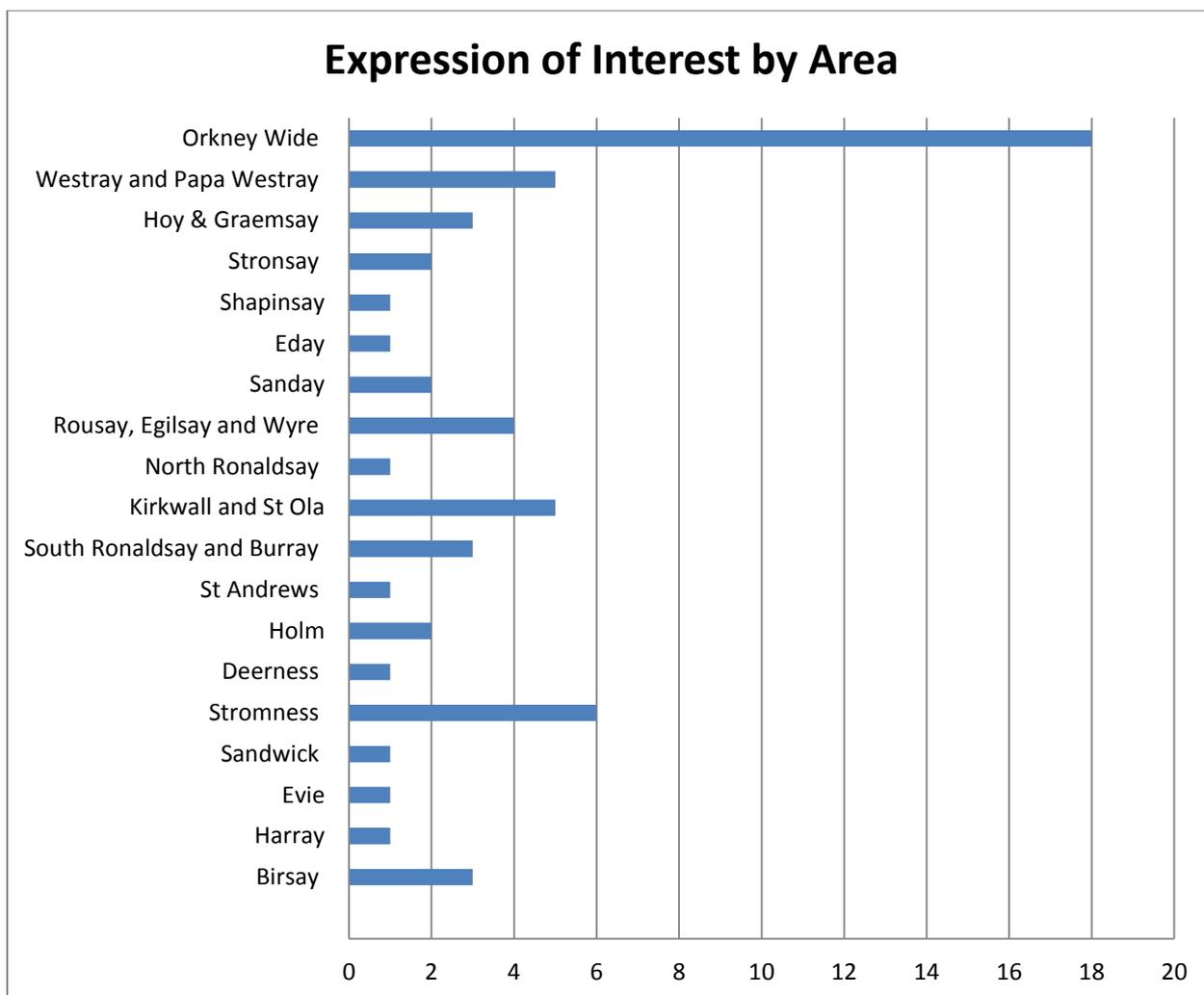


## LEADER Enquiries and Applications

The programme had a somewhat slow start, hampered by a lack of guidance provided on the requirements of the programme, which meant although publicity was being carried out and enquiries were being taken, in some cases these could not be fully progressed. However, this did provide potential applicants with time to work on developing their project ideas and finding match funding, providing the LAG with a pipeline of potential projects when the programme formally open to full applications in April 2016.

Unfortunately, the uncertainty around the situation regarding LEADER funding following the EU Referendum outcome in June 2016 further stifled progress on applications, with potential applicants understandably reluctant to commit to the LEADER process. However, following further guarantees provided in late 2016 regarding the future of the fund, applicants are now reengaging with the process.

Despite these challenges, since the beginning of the programme 112 enquiries have been received, involving project ideas from around Orkney. From these enquiries 63 Expressions of Interest have been received, with 11 being taken forward so far as full applications for consideration by the Local Action Group and 8 being approved as outlined on the next page.



## LEADER Projects Approved

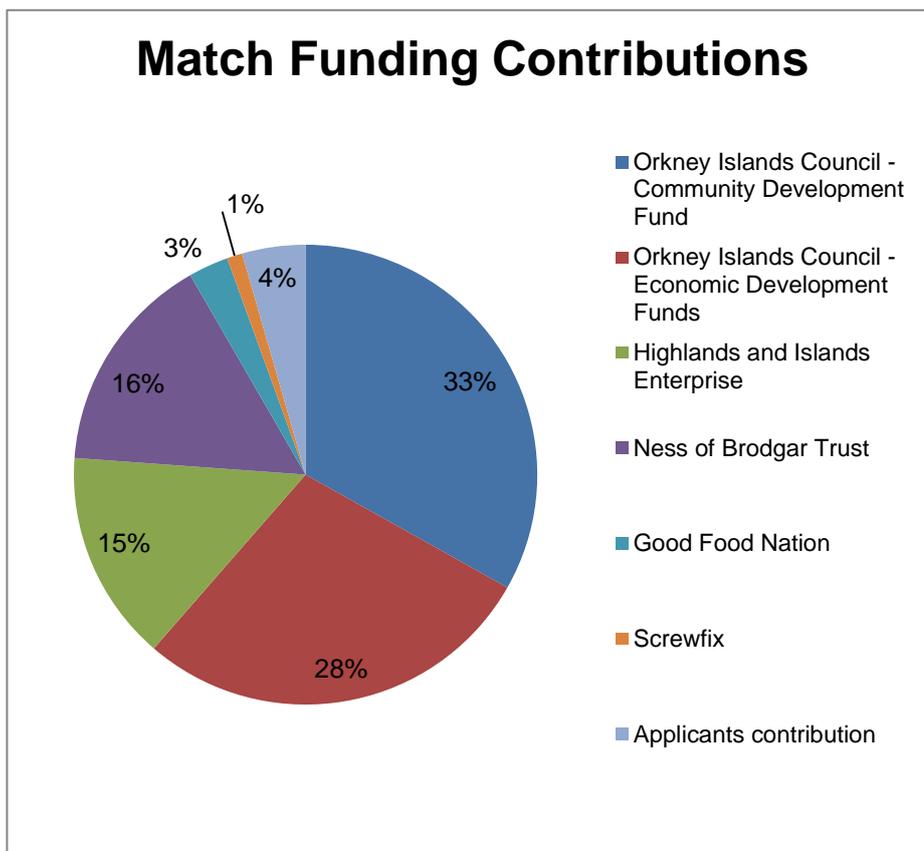
Round 1		
Upgrade to Burray Hall	£35,033.27 (50%)	Feedback from the local community demonstrated a need for an upgrade to the fabric of the building and a desire to see an increase in the type of activities offered for all ages. Whilst securing the fabric of the building, the Association also included energy efficiency measures and an upgrade to the kitchen as it was no longer suitable for use. These improvements were complemented by provision of new equipment which aims to cater for all ages and abilities. By carrying out this project it will allow the hall to encourage more users, increasing the viability of the hall, allowing it to remain a central hub and focus for community activity.
Installation of Artificial Surface at Kirkwall Bowling Club	£68,721.00 (49.61%)	This project involves the installation of an artificial outdoor bowling green at the Kirkwall Bowling Club. The exceptionally inclement weather during 2015 underlined the need for an artificial surface. Installation of the surface will allow play to be assured irrespective of weather, extending the playing season and thereby increasing the opportunity for members and non-members to use the facility. The Club hopes that this will attract more people of all ages and backgrounds to participate in an activity which can be tailored to their ability and fitness level, benefiting their well-being.
Round 2		
Birsay Play Park	£14,661.35 (50%)	This project will see a new play park created in the grounds of the Birsay community hall. As well as play park equipment, the area will be landscaped to provide a sheltered garden area with seated picnic area and BBQ. It is hoped that the project will also help to bring the community together by designing and final volunteer landscaping/gardening opportunities.
Stromness Town House Garden Improvement	£45,990.87 (50%)	An outdoor multipurpose community space within the heart of Stromness is to be constructed, incorporating stone paving to complement the surrounding historic setting, seating and planting beds. This will create a community area in the town centre which will be open to casual use year round by the public as a space to relax. An easy to erect, removable canopy will allow the area to be used as a performance space for cultural events, encouraging footfall in the town.
Round 3		
Digital Media Orkney	£174,000.00 (50%)	This is a 3 year project which aims to develop and transition Orkney's collective marketing activity to fulfil an increasing requirement for digital media and content. The project will enabling an integrated step change in the external promotion of Orkney's four key sectors – tourism, food & drink, creative industries and energy, coupled with promotion of Orkney's communities and activities, demonstrating to the wider world that Orkney it is an excellent place to live, work, study, do business and visit.

Ness of Brodgar Development Project	£72,010.35 (50%)	This project will fund the appointment of a Full Time Manager for the Ness, for a 24 month period, to concentrate on developing the full potential of the site as an excavation of world importance, as an educational resource, to explore the potential to be a sustainable visitor attraction and to grow Orkney's visitor market with its associated spin offs in terms of increased sustainable employment and income. This new post will be supported by a 0.5 FTE project officer to assist the Manager, organise post-excavation, and project specific administration.
Orkney Boat Haven/Museum Feasibility Study	£4180.00 (47.5%)	This project will see a feasibility study being carried out to assist the Orkney Historic Boat Society (OHBS) in determining the viability and achievability of establishing a Boat Museum/Haven of national importance in Stromness. The Museum would incorporate an interpretation centre including aspects of Orkney's maritime heritage. It will also serve as a base for a boat building training programme and boat restoration.
Westray Circular Economy Growers	£45,995.66 (49.54%)	Westray sits at the end of a very long wholesale supply chain of fruit and vegetables. This pilot scheme aims to erect two greenhouses, built specifically to withstand the local weather and grow a small but experimental range of produce in each of the systems, one being traditional soil, the other hydroponics, giving the opportunity to measure the success of each space. Taking advantage of the long summer daylight hours and complimented with a heating and lighting system, the aim will be to push the boundaries of the growing season, aiming towards developing a reliable and sustainable crop.

## Match Funding

The 8 projects approved has committed over £460,000 of LEADER funds towards projects with a total value of over £1 million, meaning each pound of LEADER funding approved has attracted a further £1.19 of match funding.

The match funding secured by LEADER projects has primarily been provided through Orkney Islands Council Grant funds, although the chart below shows the diverse range of funds which has been accessed by applicants.



## EMFF Enquiries and Applications

The FLAG has made 3 approvals to date, as outlined below, allocating almost 60% of the budget available in its first two funding rounds. However, there have been a minimal number of enquiries and expressions of interest received for the fund. It is believed this may be because Orkney has not delivered a programme of European funding for Fisheries before, and therefore people are unsure of the opportunities available. It is hoped that with more targeted publicity, the number of enquiries and applications received will increase.

## FLAG Projects Approved

Round 1		
Diversification and enhancement of Orkney small scale coastal fisheries	£69,299.62 (75%)	<p>This is a multi-faceted project looking to develop added-value products from the small scale fisheries around Orkney, allowing diversification of fishing effort to other species, diversification of products through the local fishermen's co-operative processing factory, and enhancement of supply chain integration.</p> <p>By developing value added products from underutilised and less commercial species, and identifying markets for them, this would enable fishermen to have the confidence to invest in the gear needed to diversify their catch. This diversification would provide a safeguarding of jobs and potential additional income, directly benefiting the fishing industry and the communities it supports.</p>
Orkney Shellfish Research Project	£110,170.00 (100%)	<p>This 15 month project will involve the development of an inshore fisheries management framework for Orkney including harvest rules and harvest control strategy for brown crab and lobster, as well as ongoing shellfish stock assessments.</p> <p>Although Orkney has a highly developed inshore fisheries sector combining some one hundred locally owned and operated vessels and two co-operatively owned crab processing factories, to maintain this requires sustainable harvesting of stocks.</p> <p>The development of management and research frameworks for Orkney inshore fisheries will therefore help secure the jobs of more than 130 staff who are employed in the processing factories, and the livelihoods of the inshore fishermen, supporting both the sector and our communities.</p>
Round 2		
Orkney Green Fishery Development Strategist	£101,190.15 (100%)	<p>This project will see the creation of a 3 year post dedicated to collaborative working with fishermen, to evaluate current practise in the industry and develop consensual strategies to enable collective adaption to improved gear, practises and access to species, underpinned by sustainable objectives.</p> <p>The information gathered and production of an innovative piece of gear for the sector will help sustain the fisheries industry for the benefit of the community.</p>

## Programme budget

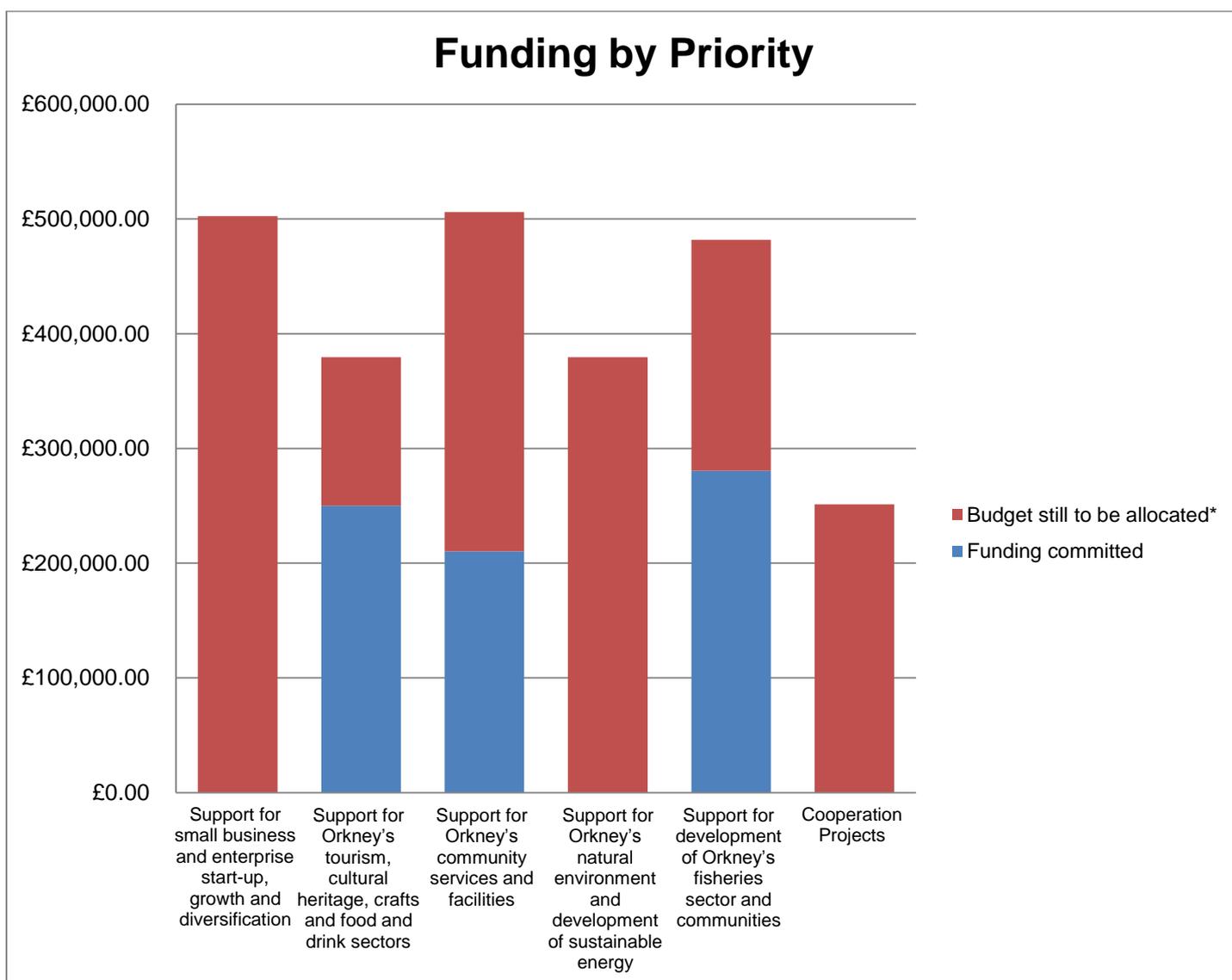
Of the funds currently available to the Local Action Group for LEADER projects, 23% has now been allocated. This funding has been awarded to projects sitting within two of the core themes:

- Support for Orkney's tourism, cultural heritage, crafts and food and drink sectors
- Support for Orkney's community services and facilities

In comparison to the previous LEADER programmes (2007-2013) progress at this stage, the LAG has awarded 10% more funding, but to 5 less projects. The average grant award in the previous programme at this stage was just over £24,000, with the current average over £57,000. With limited data assumptions should not be made on why this maybe, however, it is likely that the ability for projects to apply for more than 2 years funding has contributed to this.

Funds drawn down to date by the projects allocated funding has come to just over £28,000. Most of the projects allocated funding have only just begun their activity, meaning draw down has been minimal.

Going forward, over £1.5 million is still available to allocate to projects, with the most funds currently available within the theme 'Support for small business and enterprise start up, growth and diversification.'



\* Budget subject to change

## Outputs

Although for budgetary purposes projects are allocated to one core theme, projects tend to contribute to the outputs of more than one of the themes. The projects approved to date have provided target outputs and outcomes for their project, as outlined against the targets set in the Local Development Strategy (LDS) below. One of the main areas which will require attention going forward is support for Orkney's natural environment and development of sustainable energy, although there are applications in the pipeline which would contribute, and farm diversification.

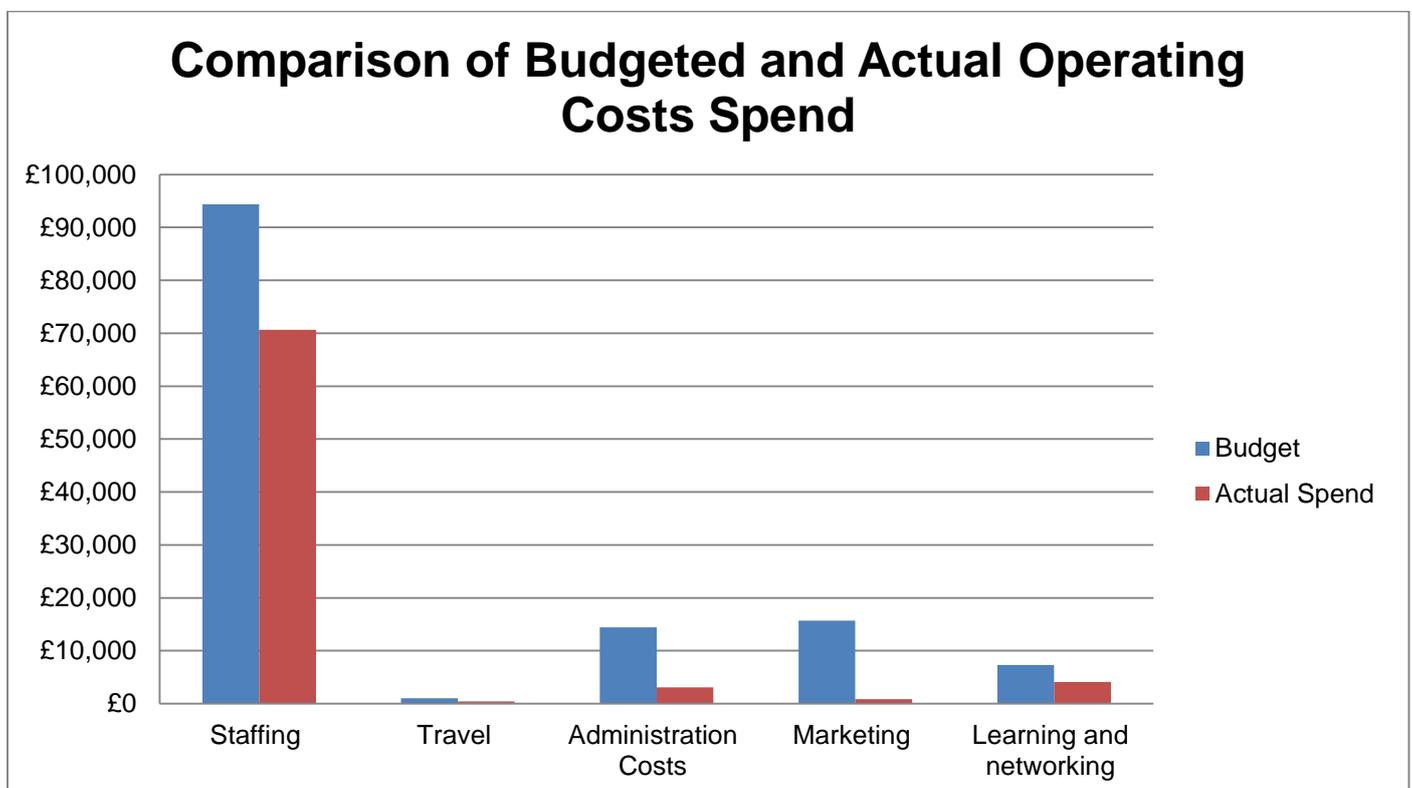
	LDS Target	Total from Applications received	
<b>Support for small business and enterprise start-up, growth and diversification</b>			
No. of businesses supported	40	500	1250%
No. of industry sectors supported	6	4	67%
No of Farm Diversification projects supported	10	0	0%
<b>Support for Orkney's tourism, cultural heritage, crafts and food and drink sectors</b>			
No. of facilities developed	7	1	14%
No. of new technology and marketing developments	14	1	7%
No of cross-sectorial opportunities explored	10	7	70%
No of events supported	25	4	16%
<b>Support for Orkney's community services and facilities</b>			
No. of community events/activities	250	30	12%
No. of communities supported	30	12	40%
No. of community facilities benefitting	10	6	60%
No. of community initiatives supported	15	2	13%
<b>Support for Orkney's natural environment and development of sustainable energy</b>			
No. of natural heritage sites assisted	10	0	0%
Length of pathway or access areas developed (km)	10	0	0%
No of sectorial events/activities supported	25	0	0%
No of sustainable energy initiatives supported	6	1	17%
<b>Support for development of Orkney's fisheries sector and communities</b>			
No. of new market opportunities identified	8	0	0%
No. of fisheries communities enhanced	6	24	400%
No. of fisheries assets developed	8	15	188%
No. of diversification measures developed	6	10	167%
No of jobs created/safeguarded	15	6.5	43%
<b>Indictors relating to all strategic priorities</b>			
No. of ICT initiatives	15	1	7%
No. of bespoke training projects delivered	15	0	0%
No. of training days	50	0	0%
No. of promotional & marketing initiatives	150	5	3%
No. of market research initiatives	10	1	10%
No. of value added initiatives	100	0	0%
No. of studies and trials	10	1	10%
No. of jobs created	40	4	10%
No. of jobs safeguarded	60	0	0%
No. of people participating in LEADER projects	2500	116	5%

## Operating Costs

The budget available to the LAG for administration and animation of the programme has, to date, been found to be sufficient for the programme's needs, with savings being identified where possible, and transferred to be allocated to LEADER projects. For the period from the signature of the SLA to the end of 2016, £132,825 had been allocated to operating costs, however, the actual spend was just over £79,000; some 40% less than anticipated.

The original budget allowed for 3 (2.6 FTE) members of staff, however, it was not felt necessary to appoint more than 2 FTE staff members at this time; creating a saving on staff costs for this period. The team being based within School Place has also proved to be economical as the programme does not have overheads such as rent, heat or light to cover.

Going forward however, the budget will continue to be closely monitored to ensure it is used in the most economical manner.



## Looking ahead

The level of information that is now being requested of applicants is beyond anything required in the previous LEADER programmes. This puts pressure on the applicants to ensure they carefully plan, closely manage and appropriately record the progress of their project. This is of course good practise for any project, however, when working with local community groups, who may have limited expertise in this area, and who are trying to develop and run the projects in their spare time, it can cause some frustrations.

The new IT system, Local Actions in Rural Communities system (LARCs), should provide applicants with a platform on which to manage projects, however, the system adds further administrative complexity to the programme for applicants who are not used to the operations of such a system.

Ultimately, these complexities could lead to applicants being put off applying for LEADER funding, if they believe the process is too difficult. It has always been the case that the LEADER staff would provide applicants with support and guidance, however, this is becoming more imperative going forward. With a significant amount of LEADER and EMFF funding still available for allocation, the LAG want to help our local communities to utilise this in order to provide social, environmental and economic benefits for our Islands.

The administration of project claims will become a greater part of the LEADER team's role in the coming year, with more projects making a start. Applicants are likely to require training and assistance in making claims on the IT system, which will be provided by the staff team. The capacity of the staff team will be monitored to ensure that projects are being appropriately supported, with the Scottish Government requirements for administering and monitoring the programme being met.

Targeting of publicity to attract further projects in those core themes where there has been limited interest to date will also be a priority in the next year – with farm diversification an area in which LEADER especially needs to raise its profile. Although LEADER has not delivered funding for farm diversification in the past, there is an opportunity to deliver innovative projects which will be of direct benefit to our farm businesses and local communities.