

SHETLAND LEADER 2007 - 2013 LAG

MINUTES OF LAG MEETING HELD IN EDU BOARDROOM AT 9.30AM ON THURSDAY 12th DECEMBER 2013.

Present: Douglas Irvine, SIC
David Cormack, SGRPID
Ruth Henderson, Seafood Shetland
Mick Clifton, SIC
Michael Duncan, SIC
Donald Anderson, SADA
Jeemie Smith, FSB
Wendy Hand, VAS
Juan Brown, SNH
Tommy Coutts, SIC
Fiona Stirling, HIE Shetland
Carole Laignel, SSMO
Diana Abernethy, AB Associates Ltd
Sally Spence, SIC
Maree Hay, NCDC

Sheila Tulloch, SIC – LAG Co-ordinator

1. Apologies and Introductions

Apologies were received from Pete Glanville, Shetland Organics.

2. Membership Balance

Membership of the group was discussed and there was a slight imbalance. There were eight public and seven private sector members. In the event of a vote it was agreed one public sector member would abstain.

3. Declarations of Interest

LDR 119 – Hame fae Hame Ltd – Scalloway Early Years Integration Project

Diana Abernethy declared an interest.

CVG 108 – SBFS Properties Ltd – Enhanced Facilities at Scalloway Museum

Diana Abernethy declared an interest.

CVG 120 – SIC EDU – Hillhead Project

Tommy Coutts, Mick Clifton, Sally Spence, Michael Duncan and Douglas Irvine all declared an interest as SIC employees.

4. Minutes of 30th October 2013

The minutes were approved by Jeemie Smith and seconded by Carole Laignel.

5. Matters Arising – not dealt with elsewhere

Members were reminded this was the final meeting of the Programme to make approvals. The LAG were required to consider three projects and one request for further funding. Two of the potential projects presented at the last LAG meeting in October had decided not to submit full applications.

6. Latest Updates

Sheila presented the latest updates. Project CVG 070 – Shetland Islands Credit Union – Establishment of a Credit Union in Shetland were seeking an extension to their project until 31st January 2014. They were due to present a final claim by 31st December 2013. They are confident they will be able to do so by the new deadline. The LAG were happy to approve the short extension.

Project CVG 097 Bridge End Outdoor Centre Trust – Development of Bridge End Outdoor Centre Phase 1 had been unsuccessful with its application to the Robertson Trust and as a result of this the project required £90,000 of Convergence funding. Funding of up to this amount had been approved at the LAG meeting in October.

Sheila explained project LDR071 Hillswick Hall had recovered VAT but had snagging issues to resolve before the project could be completed and a final claim could be made by 31st March 2014. The LAG were made aware of several issues facing the project involving the applicant and the professionals involved in delivering the contract. The LAG were concerned that any delays to the project at this stage could result in funding for the project being lost. It was agreed the LAG would recommend the bodies involved be put in contact with mediators to resolve any conflict as promptly as possible.

Budgets were discussed. There was enough funding available to support all projects due to be presented at the meeting. It is likely the LAG will underspend slightly on both LEADER and Convergence budgets.

7. Potential Projects

LDR 116 – Skerries Development Group – Visitor Facility

The applicant, Skerries Development Group was seeking £7,910.50 or 65% of total project costs of £12,710 to develop visitor facilities to welcome visitors to Skerries and inform them of the tourist attractions available. The maximum amount of funding usually offered to applicants is 50% however the LAG can award up to 90%.

The facility will provide interpretation of the history, culture and natural heritage of Skerries with visitor information for travellers visiting the islands. This is the first time the Skerries Community will have a manned facility for welcoming visitors. It will be operated one day per week throughout the tourist season.

The project is located in a target area and fits well with the LAG Business Plan as well as a number of local and regional strategies.

The project is considered to be innovative as it is the first of its kind in Skerries. The displays will be mobile and as such can be set up in any location. The development of the project has been based on the results of visitor surveys carried out in 2013 and the local development plan.

The project represents value for money as it provides Skerries with an opportunity to become part of the wider network of visitor information points and will help raise awareness of the islands as a visitor destination.

Reasonableness of cost has been assessed. Quotes have been obtained for equipment and materials and hourly rates for development costs are similar to other projects.

LEADER grant aid is essential for this project to proceed. Pressure on Local Government budgets meant the match funding from Shetland Islands Council has been reduced to 30%. Without LEADER funding the project will not go ahead.

The LAG agreed this was a well thought out and developed project and were happy to approve funding. Please see attached voting record.

LDR 119 – Hame fae Hame Ltd – Scalloway Early Years Integration Project

Diana Abernethy left the room.

Hame Fae Hame Ltd, a private pre-school wrap-around nursery provider based in Scalloway in partnership with Scalloway Pre-School Ltd, is seeking £20,000 or 50% of total project costs to relocate to premises within Scalloway School. The project costs are for the renovation of the former classrooms to allow for the accommodation of the integrated service and for the purchase of indoor and outdoor equipment for the use of children.

Sheila stated that a Business Plan had been received from Hame Fae Hame with cash flow projections to follow. Tommy stated that he had received informal confirmation from SIC Capital Programme Service that they are in negotiations with Hame Fae Hame and Scalloway Pre School to lease part of the Scalloway School. With regard to the match funding, Tommy confirmed that the project fits the priorities of the SIC grant scheme and Diana had told Sheila that the funds from Scalloway Pre School were in place.

The LAG noted that the project scored highly as a strong fit to LEADER and expressed the opinion that increasing childcare capacity, for which there is currently an unmet demand, by bringing all childcare providers in Scalloway together on a single site is innovative as well as both logical and practical.

The LAG agreed with the assessments of Innovation, Value for Money, Reasonableness of Cost and additionality provided by the Project Officer in the Application Evaluation.

The LAG all agreed that this is a great project which they are happy to support. Please see attached voting record.

Diana Abernethy returned to the room.

CVG 120 – SIC EDU – Hillhead Project

Tommy Coutts, Mick Clifton, Sally Spence, Douglas Irvine and Michael Duncan left the room. In the absence of Douglas, Fiona Stirling acted as Chairperson.

Shetland Islands Council Economic Development Service were seeking £11,075 or 50% of total project costs of £22,150 to commission a concept design, including planning phases, which will examine converting the Old Library Building on Hillhead into a textile manufacturing hub to address many of the issues currently facing the sector. This process will include consultation with businesses and stakeholders over design, requirements, marketing and sustainability.

A recent review of the Shetland textile sector identified barriers to growth. One weakness highlighted was a significant lack of manufacturing capacity. The Textile Facilitation Unit at Shetland College acts as a de facto hub however this facility is also an educational resource and there is a lack of capacity to meet the full extent of local demand. As a result there are significant manufacturing bottlenecks resulting in orders being either delayed or unfulfilled. This project would investigate one potential solution to address the restrictions on local manufacturing capacity.

The LAG discussed the project in detail and had a few queries. Some members queried whether it was a viable concept. Many people work in the textile industry as it suits their lifestyle to work flexible hours at home, they may not welcome the opportunity to work in a building in Lerwick. Displacement was also queried; members wondered if tourists were able to visit a building in Lerwick to view and purchase textiles would it discourage them from visiting rural areas to do the same thing? It was noted that these may not be significant issues as the main focus of the hub will be about bringing people together to share ideas and learn new techniques. Workers from rural areas would be able to visit, network and meet colleagues. This would address some of the barriers home workers are faced with whether they work centrally or in a remote rural location. The facility would encourage tourists to visit other manufacturers in Shetland by providing information on where they are located and how to get there.

The LAG felt it would be useful to involve the industry early on with a view to taking ownership of the project once the study is complete.

The concept of a strategically located and designed textile hub will be an innovative new development for Shetland and for the local textile sector. This will help to stimulate collaborative working and the creativity of local businesses.

The project will provide value for money by providing the industry with a route map for future development which will help to alleviate some of the problems identified in the textile review. Most businesses in the sector would be unable to undertake such a project due to lack of available capital.

Reasonableness of cost will be established as the project will undergo a tendering process to establish the market rate. Quotes will be obtained for other items such as venue hire and advertising.

The project is being undertaken by the Shetland Islands Council Economic Development Service. Due to recent budget cuts external funding must be secured in order for the project to proceed.

The LAG agreed the project was innovative and could address issues resulting in significant benefits for the textile sector. The LAG were happy to approve the project but were keen to ensure the applicant encouraged early involvement with the industry to identify stakeholders to move the project forward once the project was complete.

Tommy Coutts, Mick Clifton, Sally Spence, Douglas Irvine and Michael Duncan all returned to the room.

8. Request for additional funding CVG 108 – SBFS Properties Ltd Enhanced Facilities at Scalloway Museum

Diana Abernethy left the room.

This project was approved by the LAG on 14th March 2013 with Convergence funding of £36,450, being 45% of total project costs of £80,900, but a formal offer of funding has not yet been made. Sheila had received a letter from SBFS Properties Ltd., which had been circulated to the LAG by e-mail prior to the meeting, requesting additional funding of £9,151 towards the project. This would maintain the Convergence funding at 45% of total costs (now £101,336 including VAT). The letter set out in detail why the original plans had changed and what would be achieved with the additional funding.

HIE are the co-funder and a request for an increase in funding had also been made to them. Fiona indicated that HIE were likely to approve the increased funds.

The LAG agreed that the changes outlined would result in a much better building than originally proposed and considered that this was a good use of LEADER funds. They noted that the Scalloway Museum is a tremendous facility and that this project will provide much needed additional toilets.

The LAG unanimously agreed to approve the request for additional funding. Please see attached voting record.

Diana Abernethy returned to the room.

9. Feedback from additional LAG meeting re Local Development Strategy (LDS)

Sheila discussed notes circulated previously of an additional LAG meeting held on 21st November to discuss the preparation of the LDS. A SWOT analysis has been prepared in draft form. Anyone with queries or additions should contact Sheila. Following on from the meeting on 21st November, a sub group met on 26th November to discuss the location, dates and format for public meetings to be held as part of the LDS preparation. Notes from this meeting had also been circulated previously.

The LAG decided it would be useful to widen the focus of the public meetings to include information and displays from other partner agencies. The sub group will meet again to discuss this further.

10. Presentation from CVG 076 SIC – Community Energy Efficiency Programme (CEEP)

Michael Duncan gave a presentation on the Community Energy Efficiency Programme (CEEP). The project was awarded £200,000 of Convergence funds by the LAG in March 2011. This represented 50% of the total budget of £400,000. The remaining 50% was secured from the Shetland Islands Council. Agencies were aware energy costs were an issue for groups and the project arose following a survey undertaken by the Shetland Halls Association in 2009 which showed that community groups were struggling to deal with rising energy costs and as a result usage levels of facilities were reducing. In addition there were a lack of dedicated local or external sources to deal with the problem.

SIC Community Planning and Development service formed a partnership with Community Energy Scotland to address energy issues and the funding scheme was developed. Once funding was secured the scheme opened on 1st April 2011. There was a two stage application process. Stage one was for energy audits to identify works required. Stage two offered capital grants for facility upgrades including insulation, draught proofing, double glazing, low energy lighting and heating systems. Groups took a mixed approach to developing projects.

The programme faced a series of challenges, in spite of this the results were impressive. The programme awarded £374,340, secured match funding of over £124,000. A range of facilities throughout Shetland were supported. 43

CEEP were awarded, 16 energy audits completed and 27 capital grants were awarded. A total of 26 community facilities were upgraded.

An evaluation provided details of how successful applicants thought the scheme was. Results were very positive.

Michael presented case studies of two community halls and the difference the programme had made to their facilities.

The CEEP scheme will be used a model for other local authorities. It was nominated as a finalist for Scottish Green Energy Awards 2013.

Douglas thanked Michael for his interesting presentation and agreed the CEEP scheme had benefitted the Shetland community as a whole.

11. AOB

At the last LAG meeting in October Ruth Henderson queried whether the LAG could send a brief note to the Shetland MSP or MEP concerning the amount of extra work created for the LEADER Programme by the interpretation of the rules at a Scottish level. It was agreed a to try and arrange a meeting with the Shetland MSP to discuss the issues. Sheila will try to arrange a meeting after the Christmas break.

There will be a LEADER Conference on 20 March 2014. It is open to all LAG members and funds could be available for one or two LAG members to attend. Anyone interested is to email Sheila for more details.

Douglas pointed out that as part of the new Programme the Lead Partner can no longer act as Chair of the LAG. A new Chairperson will need to be found for the new Programme.

Sheila reminded the LAG this was the last scheduled meeting to make approvals. However, the LAG must continue to have meetings to follow up on projects as well as to develop the LDS for the new 2014 – 2020 Programme.

12. Date of next meeting/closure

A full list of meeting dates for 2014 would be circulated shortly. The next meeting will be held on Thursday 6th February 2014.

Meeting closed at 11.15 am.