

SHETLAND LEADER 2007 - 2013 LAG

MINUTES OF LAG MEETING HELD IN EDU BOARDROOM AT 9.30PM ON THURSDAY 9th AUGUST 2012.

Present: Douglas Irvine, SIC - Chair
Mhari Pottinger, HIE Shetland – Vice Chair
Pete Glanville, Shetland Organics
David Cormack, SGRPID
Ruth Henderson, Seafood Shetland
Tommy Coutts, SIC
Mick Clifton, SIC
Sally Spence, SIC
Michael Duncan, SIC
Maree Hay, NCDC
Leah Irvine, SIC
Diana Abernethy, AB Associates Ltd
Sheila Tulloch, SIC – LAG Co-ordinator

1. Apologies and Introduction

Apologies were received from Kathleen Sinclair, NFU; Kathy Hubbard, Shetland Arts; Wendy Hand, VAS; Alan Blain, SAT; Jeemie Smith, FSB; and Jennifer Mouat, SSMO.

Douglas introduced Leah Irvine to the group, she has recently been appointed as a researcher within the Economic Development Unit. She will be working as project officer for some LEADER projects, taking over from Lizzie Nicolson.

2. Membership Balance

Membership of the group was discussed. There were ten LAG members present however there was not an equal public/private ratio. The LAG referred to the constitution and decided if a vote was required two public sector members would abstain and there would be an appropriate balance.

3. Declarations of Interest

Declarations of interest were discussed and noted for the following project;

Potential Projects;

- 100 – SSQC – Somatic Testing of Shetland Milk – Ruth Henderson
- 099 – Fetlar Developments Ltd – Fetlar Electric Transport – Tommy Coutts

4. Minutes of 19th April 2012

The minutes were proposed by Michael Duncan and seconded by Ruth Henderson.

5. Minute of 31st May 2012

The minutes were proposed by Mhari Pottinger and seconded by David Cormack.

6. Matters Arising – not dealt with elsewhere

Diana Abernethy explained membership was to be reviewed; a number of LAG members had not been attending regularly. It was agreed Diana and Sheila would meet to discuss this further and report back to the LAG at the next meeting.

7. Latest Updates

Sheila explained the latest updates provided to the LAG. The LAG discussed progress on a number of projects. Some applicants will not be able to claim all funding allocated to them, this will include a number of SIC projects. The current underspend figure based on the latest information is £64,749. Pete Glanville queried whether projects with pending claims were included in the latest updates. Sheila explained the information presented to the group was as up to date as possible. If the LAG approved all pipeline projects it would be close to committing all funding currently available.

Michael Duncan stated the LAG may need to consider umbrella projects in more detail. In future each application may have to be presented to the LAG as a full LEADER application. This is the case in some other LAG areas. Michael and Sheila agreed to meet to discuss this further.

Mhari suggested again a standard letter should be sent out to all claimants stating the outstanding amount of grant funding still to be claimed with a deadline to respond confirming how much is likely to be claimed.

Sheila noted some LEADER projects have publicised their projects without acknowledging LEADER as a funder. All approved projects have to acknowledge LEADER funding.

Targets were discussed briefly. Data from projects approved shows most targets will be exceeded. Data from claims to date show targets are well on the way to being exceeded.

8. Request from Aithsvoe Marina Association re Campsite Visitor Facilities Project Potential Project 094

Sheila explained a request had been received from Aithsvoe Marina Association for the LAG to consider holding the match funding for their potential project until next financial year. The applicant had failed to secure Lottery funding and were seeking match funding from the SIC instead. Michael Duncan confirmed there was not enough funding in the SIC budget to fund the project this year. The project can be considered next year but there is no guarantee that there will be sufficient funding available.

Sally Spence stated the project may be eligible for funding under EFF Axis 4, however, a project of this scale would take a large proportion of the available budget.

The LAG decided to reject the request to hold LEADER match funding for the project but to invite the applicant to submit another potential project form to the LAG at a later date when they had match funding in place.

9. Potential Projects

100 – SSQC – Somatic Testing of Shetland Milk

Ruth Henderson left the room.

SSQC are requesting £4,500 which is 50% of overall project costs of £9,000 to purchase a somatic cell counter machine. The machine will enable SSQC to provide milk testing services to Shetland Farm Dairies. It will provide fast, accurate results, reduce wastage and improve quality. A letter of support had been received from the dairy.

The LAG felt the project was innovative and complemented many of the aims of the business plan. The jobs figure stated as an outcome seemed high. Concern was raised that the service would only be used by one customer, the dairy, and the difficulties currently being faced by the sector were discussed. It was also queried whether SSQC, whose remit had been to service the seafood sector, could provide services to other industries.

The LAG were unanimous in their decision to allow the applicant to proceed to the next stage and submit a full application providing it could answer the following queries; provide clarification on the jobs figure, quantify the current levels of wastage and provide confidence of the future of the dairy industry.

Ruth Henderson entered the room.

097 Bridge End Outdoor Centre Trust (BEOCT) – Development of Bridge End Outdoor Centre

This project had been submitted to the LAG at the last meeting in May. The project was invited to submit a full application if it successfully passed Stage 1 of the Coastal Communities Fund. BEOCT had been unsuccessful with this and were reapplying to the LAG requesting a higher amount, £176,794 which is 47.5% of overall project costs of £372,197. As well as an increase in funding from LEADER the applicant was seeking increased funding from the SIC Capital Grants Scheme and Tourism Scheme. The applicant was also now seeking funding from HIE as well to complete the funding package. Michael confirmed an SIC application is underway and is likely to be submitted next year to the SIC Capital Grants Scheme for an increased amount of funding and that, similar to the Aithsvoe project, there is no guarantee funding will be available next year either. Mhari stated HIE were working alongside the applicant. A business plan was being prepared, the group were changing their status and investigating transferring ownership of the Centre from the SIC to the group.

The LAG discussed the project in detail including phasing the project which was deemed not practical. The successful track record of the applicant was discussed, the group have recently upgraded the Centre. Similarities between this project and the Aithsvoe Marina Association project were noted. The LAG decided not to approve the potential project at this stage but to invite the applicant to resubmit the potential projects form when they had match funding in place.

098 – SAT – Investigation Short Rotation Coppice (SRC) as biofuels in Shetland

This project was reapplying to the LAG having been rejected in April. The applicant is seeking £16,475 or 40% of overall project costs of £41,255. The project aims to test the suitability of six willow varieties in order to test the potential of SRC in Shetland. Two of the varieties have not been tested at all in the UK for potential as SRC. This is the first willow trial to take place in Shetland.

It was queried whether the project had already started as the project description stated the applicant and others “*has planted a willow trial*” and the estimated project start date was August 2012. The involvement of Shetland Amenity Trust was also questioned.

The breakdown of costs were queried; this information is not provided on the potential projects form but is provided in more detail at the full application stage to the LAG. Sheila provided estimated costs indicating the statistical analysis evaluation stage was likely to cost around £26,000. The LAG felt it would be difficult to fund the project trials element due to land ownership issues.

The LAG decided not to fund the trial, however, it would consider a stage two application for the analysis and best practice guidance element of the project. The applicant will have to follow LEADER procurement guidelines regarding selecting the services of a consultant to undertake the analysis. As a result the applicant is invited to submit a stage two application for the analysis element of the project only. Clarification as to whether the trials have already started must also be provided.

099 – Fetlar Developments Ltd – Fetlar Electric Transport

Tommy Coutts left the room

The applicant was seeking £18,050 or 47.5% of overall project costs of £38,000 to erect a building to provide a garage and charging facility for its electric minibus. The building could also provide limited short term storage space for other uses.

It was noted the LAG had approved funding for the electric minibus earlier in February. At that time storage of the vehicle was queried and the applicant had confirmed space was available.

The LAG felt the project lacked innovation, would be a poor use of funding and would provide little additionality. The project was unanimously rejected.

Tommy Coutts entered the room.

10. Projects for decision

093 – South Nesting Public Hall (SNPH) – New Facilities, Refurbishment and Extension

SNPH are seeking £87,210.54 or 45% of total costs of £193,801.20 to refurbish and extend the local hall as well as provide electrical hook-up/service points for caravan and camper vans.

The LAG discussed the application and felt it was a worthwhile project. It displayed innovation by consulting with the community to identify the future needs of users and improve sustainability of the hall. South Nesting is an area that has grown over the years. Hall and camping/caravan users can pick up keys from the local shop which may result in an increase in custom for a rural business.

The project will provide value for money by improving the services available to the local community as well as encouraging more visitors to the area. It will also provide a new income stream for the hall. The project has been assessed for reasonableness of cost. Figures provided are based on estimates from professionals. If funding is approved the works will be put out to tender. The project would not be able to proceed without LEADER funding. Michael confirmed the project is due to be considered for funding from the SIC at a meeting in October.

The LAG unanimously agreed to approve the project, see attached record of voting.

096 – Shetland Skatepark Association (SSA) – Shetland Skatepark

The applicant is seeking £62,000 or 24% of overall project costs of £258,000 to build a skateboarding facility at the Knab in Lerwick.

The applicant has secured funding from the SIC and it has raised the bulk of its own contribution. The SSA have been campaigning for a new facility since 2001.

It was queried how the applicant would record users. Leah Irvine stated links have been developed with the Shetland Bike Project who will hire skateboards to users and are willing to provide details of usage. SSA use social networking sites to keep members updated and can use this as another method of recording usage however it may be difficult to record day to day usage.

It was queried how the facility would be maintained. The SIC have agreed to treat the facility in the same manner as local play areas.

The LAG felt this project had a good fit to LEADER and was innovative as there is no existing facility in Shetland. The project represents value for money based on project targets and outputs. The project has been assessed for reasonableness of cost, and will go out to tender once the full funding package is in place. The group are in contact with other skate parks in the UK and feel the estimated costs are standard. The project will be unable to proceed without LEADER funding due to the costs of the project. The project cannot be downsized.

The LAG unanimously agreed to approve the project, see attached record of voting.

11. AOB

LEADER Conference

The next LEADER conference will be held on 22nd November in Glasgow. Up to five LAG representatives are welcome to attend; this is expected to be a mix of LEADER co-ordinator, lead partner representative, LAG members and project officers. Sheila explained travel costs could be reimbursed from the LEADER admin budget for up to two LAG members. Sheila will send an email to LAG members with more information and anyone interested in attending can respond.

12. Date of next meeting/closure

20th September 2012, EDU Boardroom.

Meeting closed at 11.25 am