

SHETLAND LEADER 2007 - 2013 LAG

MINUTES OF LAG MEETING HELD IN EDU BOARDROOM AT 9.30PM ON THURSDAY 31st MAY 2012.

Present: Mhari Pottinger, HIE Shetland
 Pete Glanville, Shetland Organics
 David Cormack, SGRPID
 Ruth Henderson, Seafood Shetland;
 Kathleen Sinclair, NFU
 Tommy Coutts, SIC
 Mick Clifton, SIC
 Sally Spence, SIC
 Michael Duncan, SIC
 Jennifer Mouat, SSMO
 Jeemie Smith, FSB
 Diana Abernethy, AB Associates Ltd

 Sheila Tulloch, SIC – LAG Co-ordinator

1. Apologies and Introductions

Apologies were received from Maree Hay, NCDC; Kathy Hubbard, Shetland Arts; Wendy Hand, VAS; Alan Blain, SAT and Douglas Irvine, SIC. Mhari Pottinger, Vice Chair, stated she would act as Chairperson in the absence of Douglas.

2. Membership Balance

The public/private status of the group was checked and there was an appropriate balance.

3. Declarations of Interest

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

Potential Projects;

- 094 – Aithsvoe Marina – Campsite Visitor Facilities – Jeemie Smith

4. Minutes of 19th April 2012

A number of comments were made regarding the previous minute. Sheila Tulloch stated she had not reviewed the minutes prior to circulation as per normal procedure. Diana Abernethy and Sheila agreed to discuss and amend the minute and circulate to the LAG via email.

5. Matters Arising – not dealt with elsewhere

One LAG member stated they had been contacted and lobbied by telephone, in the evening by an applicant who had submitted an unsuccessful Stage 1 application. The LAG were extremely disappointed by this action. The normal LAG procedure of dealing with queries regarding LEADER is to encourage people to contact the LEADER Co-ordinator. The LAG member had done this and Sheila was able to deal with their grievances.

6. Re-approval of Year 2 funding for Project 078 – Shetland Collage RAISE (Rural Access to Innovative Skills for Employability)

Jeemie Smith explained he was not currently on the Shetland College Board of Management and as such did not need to declare an interest in the project as he had done when it was originally presented for approval last year.

On 10th March 2011 the LAG agreed to approve funding for the first year of this two year project on the basis that the applicant would provide an interim report detailing progress at the end of the first year. The report presented must provide evidence that the applicant had developed a dialogue and built links with local business and was responding to expressed demand. The 2nd year's funding would be released if the LAG considered the evidence satisfactory.

Sheila explained Karen Eunson would be attending the meeting to answer any questions LAG members may have regarding the project and the information circulated previously.

The RAISE project aims to deliver training across rural Shetland including the North Isles, Mossbank, Northmavine, Brae, Walls, Sandness, Aith, Whalsay, South Mainland and the Staneyhill area in Lerwick. The project also covers the development of online learning materials.

The group discussed the project and queried the outputs and outcomes reported so far. The amount and type of businesses contacted for the Business Survey was also queried.

Karen Eunson entered the room.

Karen provided an overview of the first year of the project. Overall progress has been good. The Business Survey initially had a low response rate and Learning Centres had to make direct contact with local businesses to achieve a suitable number of returns. Jeemie asked which type of businesses had been contacted and Karen explained local knowledge had been used to develop a list as well as telephone directories and assistance from Community Workers. It was suggested to contact the Federation of Small Business (FSB) as well next year.

Michael Duncan queried what provision existed before the RAISE project and how much was additional. Karen explained Shetland College had increased the areas covered by its learning centres to match the LEADER areas and

had also increased provision. Additional business courses have been introduced such as 'An Introduction to Sage' which proved popular and as a result of demand an advanced course will be introduced in Year 2. Weekly drop-in IT support sessions have also proved successful and a number of crofters have attended these to get support in dealing with online forms. David Cormack suggested Shetland College should liaise with SGRPID regarding assisting crofters as the Scottish Government is providing more on line help.

Targets and Outputs were discussed, Karen was able to provide up to date figures from claim 3. These figures showed a significant increase in some areas.

Sustainability of the project was discussed. Karen explained this was an issue but the development of online courses could help with this. The challenge was building up enough users, and in particular users willing to pay for the service.

Tommy Coutts queried how the project engaged with unemployed people. Karen explained that many unemployed people did use Learning Centres but contact has been made with different agencies to build on this. The ethos of the project was to help people whatever their circumstances over the long term.

Mhari Pottinger thanked Karen for attending the meeting.

Karen Eunson left the room.

The group continued to discuss the project and were happy to see that further progress had been made on targets and outcomes. The LAG agreed unanimously to release funding for the second year of the project.

7. Budget Updates

The latest updates were tabled and discussed. It was noted funding may have to be withdrawn from two projects that have not kept up to date with their claims schedule and have failed to provide progress information. It was explained this action would only be taken as a last resort. Mhari suggested 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 explained systems are being reviewed and this could be considered.

8. Potential Projects

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

BEOCT are requesting £133,590 which is 35% of overall project costs of £372,197. BEOCT propose to expand and improve on the existing facilities to offer a wider range of services to more users. An area of seabed will be

reclaimed to allow development of water based activities as well as providing a number of caravan pitches. A toilet and shower block to service the local community as well as Centre users will be constructed. The existing car park will also be improved as well as creating a small picnic/BBQ area.

Mhari stated the group had previously received LEADER funding for a Wind to Heat Project in 2008. Sheila circulated a Feasibility Study the applicant had commissioned.

The group discussed the match funding proposed from the Coastal Communities Fund (CCF) which amounted to 35% of the total funding package. There is a two stage application process for the CCF, the applicant has submitted a Stage 1 application and is awaiting an outcome. If BEOCT are successful a Stage 2 application can be submitted in the Autumn with a decision possibly by the end of the year. It was noted that if the project proceeds to the next stage of LEADER, money will essentially be ring fenced until a full application is presented to the LAG. If there are delays this could result in other projects potentially missing out on funding. The project development was discussed further. Sheila explained applicants can still claim funding in 2014. It was suggested that if the CCF application was unsuccessful and the group failed to secure funding for the whole project, it may be possible to break it down into distinct phases.

It was noted BEOCT are a group with a strong track record and capacity to deliver. The group have recently upgraded the centre.

The LAG agreed the project was innovative, represented value for money and costs were reasonable given that the project included land reclamation. The project was not located in a target area but could have Shetland wide benefits. The project could not proceed without LEADER funding.

The LAG unanimously decided to invite the applicant to submit a full application if the project successfully passes Stage 1 of the CCF.

094 – Aithsvoe Marina – Campsite Visitor Facilities

Jeemie Smith left the room.

This potential project had been presented at the previous LAG meeting in April. The LAG had been concerned at the high level of costs in relation to outputs as well as the amount of storage space proposed. The LAG decided to invite the applicant to resubmit their potential project form after meeting with the LEADER Co-ordinator and either justifying the high costs or reducing them. The group had done this and were able to resubmit.

The project aims to improve the existing facilities at Aithsvoe Marina by constructing a multipurpose building and campsite facility. There will also be interpretation of the area and an information point.

Sheila circulated information providing breakdown of costs and outline plans. She explained she had met with the applicant and discussed the concerns

raised at the LAG meeting. The group were registered for VAT but were unsure how much of the project costs they would be eligible to reclaim. Sewerage costs were high due to the site location.

Michael stated the applicant had been awarded planning permission.

The LAG discussed match funding. The group were requesting £64,672 from LEADER which represents 44.8% of total projects costs of £144,344. The remaining funds are to be sought from the Big Lottery (44.8%) and own funds (10.4%).

The LAG considered the updated information presented and felt the project offered value for money, costs appeared to be reasonable and the applicant had justified elements of the project that seemed high. Additionality was discussed and the project could not proceed without LEADER funding. The project is not in a LEADER area but has taken an innovative approach, for example, links are being developed with RSPB as the project is located in an ideal area to view birds.

The LAG unanimously agreed to invite the project to submit a full application if it can demonstrate progress with its Lottery application by the time of the next LAG meeting, 26th July.

Jeemie Smith entered the room.

9. Projects for decision

092 – North Yell Development Council (NYDC) – Project Manager

NYDC were seeking £38,000 or 47.5% of overall total project costs of £80,000 for a two year project to employ a project manager. The manager will develop three major capital projects for NYDC;

1. Development of a 5 turbine 4.25MW wind farm
2. A highly innovative project to develop a community owned tidal array project in Bluemull sound for generating electricity
3. An extension to the present Cullivoe Industrial Estate to provide sites that will allow existing businesses to expand as well as attracting new businesses.

The application had scored 133 out of 150 placing it in the very successful fit to LEADER criteria. Match funding of 47.5% was proposed from HIE, Mhari stated this was not yet confirmed but the applicant was account managed by HIE.

The LAG discussed the application and noted the project was located in a target area and extremely innovative. NYDC had achieved substantial progress in developing the three projects but would be unable to progress using volunteer input alone. The project manager will be able to control and deliver on the whole project.

The LAG felt the project costs were reasonable and reflective of a project manager salary. The project represented value for money as three projects were being undertaken at the same time. Additionality was discussed and the project could not proceed without LEADER support as the applicant could not fund it themselves.

NYDC is a limited company and it was discussed how the project manager would be recruited and supervised. LEADER guidance would have to be followed and the position advertised accordingly. Formal management reports would have to be prepared to detail progress.

The LAG unanimously approved the project. See attached voting record.

10. AOB

016 – Soil Association Scotland – Crofting Connections

Sheila explained this is a 3 year project which was approved for 2 years by the LAG in 2009. The project involved six different Local Action Groups and was delivered across Highland and Islands LEADER areas. This created an administrative nightmare for the organisation as they had to submit separate claims to each LEADER area. Issues with the complex match funding at the start of the project led to a delay in approving the Shetland LEADER funding so that the project here was only funded from March 2010. The project had been delivered successfully on the ground but the claims were a long way in arrears. The applicant was seeking a six month extension to the project until the end of June. They were not requesting any additional funding. The LAG agreed to approve this on the condition that all claims are presented by the end of August.

Membership

It was agreed to review membership of the LAG and this will be added as an agenda point for the next meeting. In addition LAG member profiles should be updated and this should be done before the next LAG meeting.

11. Date of next meeting/closure

26th July 2012, EDU Boardroom.

Meeting closed at 11.15 am