

## **SHETLAND LEADER 2014 - 2020 LAG**

### **MINUTES OF LAG MEETING HELD IN EDU BOARDROOM AT 9.00AM ON WEDNESDAY 7th October 2015.**

Present:

Mhari Pottinger, HIE  
Alan Blain, Shetland Amenity Trust  
Juan Brown, SNH  
Ruth Henderson, Seafood Shetland  
Graeme Howell, Shetland Arts  
Douglas Irvine, SIC  
Ann Johnson, Shetland Food Producers  
Bryan Leask, Hjaltland Housing Association  
Mary Leask, Visit Scotland  
Kathleen Sinclair, NFU  
Brian Spence, SIC (Global Classroom)  
Sally Spence, SIC  
Sarah Taylor, NHS

Sheila Tulloch, LAG LEADER Co-ordinator

#### **1. Apologies and Introductions**

Apologies were received from: Diana Abernethy, AB Associates; Tommy Coutts, Shetland College; Michael Duncan, SIC; Karen Eunson, CAB; June Porter, SIC and Steve Mathieson, who had sent a proxy from Visit Scotland, Mary Leask, in his place.

Mhari Pottinger welcomed everyone to the meeting and invited everyone to introduce themselves for the benefit of new members Graeme Howell from Shetland Arts and Mary Leask from Visit Scotland.

#### **2. Membership Balance**

There was one more representative present from the public sector than from the private/ voluntary sectors, but there were no projects to be approved and no vote would be required.

#### **3. Minutes of 26th August 2015**

The minutes were approved by Ruth Henderson and seconded by Juan Brown.

#### **4. Matters arising**

Mhari went through the action points from the minutes of 26<sup>th</sup> August:

- i. Sheila was to contact Alan Blain at Shetland Amenity Trust regarding his absence from the last 3 LAG meetings and Shetland Arts about a replacement for Donald Anderson. The presence of Alan and Graeme Howell from Shetland Arts at today's meeting showed that that had been successfully accomplished.
- ii. Sheila was to revise the LAG's constitution and circulate it for this meeting. Sheila said that she was unclear as to whether we should have a constitution or a

Memorandum of Understanding and Terms of Reference and had asked the Scottish Government for clarification; they were due to respond to the enquiry by next Wednesday. She had looked at other LAGs' constitutions, MOUs etc. and they were extremely varied both in style and content with no standard format. Mhari said that they would hold any further discussion to the next meeting.

- iii. Sheila had prepared and sent a LAG member profile template to all LAG members with a request that all profiles should be returned by 23<sup>rd</sup> September. She thanked all those who had returned their profiles (8 to date) and particularly those few (4) who had also sent photos but asked that those members (the majority) who had not yet returned their profiles and photos do so by 23<sup>rd</sup> October.

**Action: LAG members**

- iv. Sheila confirmed that as of yesterday, 6<sup>th</sup> October, the advertisement for the new post of LEADER Development Officer is now up on the Myjobscotland website and a link will appear on the Rural Network website later today. Unfortunately it still refers to the LEADER programme 2015-20 rather than 2014-20 but given that we are already nearing the end of 2015 this has no practical significance.
- v. Douglas was to have a meeting with Alistair Prior from the Scottish Government regarding the arrangements between the Scottish Government and SIC for the delivery of the new programme. This has not yet been arranged or even mentioned again since the signing of the Service Level Agreement but Douglas had met and spoken to Alistair at yesterday's RDOC meeting. Sheila also noted that one e-mail she had received from the Scottish Government had referred to a meeting with the LAG Chair and Mhari confirmed that she had received no communication regarding such a meeting.

**Action: Sheila**

- vi. Promoting the new programme is a separate agenda item and action points will be covered under that heading.

## **5. LAG membership**

It was noted that Jeemie Smith had sent an e-mail to all LAG members informing them that he was no longer a member of the Federation of Small Businesses and that as he was on the LAG as the FSB representative, he therefore had to resign from the LAG. Douglas said that he had spoken to Ian Brown from FSB who was keen that FSB should continue to be represented on the LAG. The LAG agreed that they wished FSB to be represented so Douglas will follow this up with Ian Brown.

**Action: Douglas**

Sheila informed the LAG that Karen Eunson had informed her that she was no longer chair of Moving On and could no longer represent them on the LAG although she will remain on the LAG as the representative for Citizens Advice Bureau. Moving On's activities are focussed on employability and training which are both areas which LEADER cannot fund under the new programme, so the LAG agreed that it is not necessary for Moving On to be represented on the LAG.

Kathleen had identified a young crofter from the Westside, Annie Nicolson, who was interested in joining the LAG and the LAG agreed that this would be a positive step and that she should be invited to join.

**Action: Kathleen**

## **6. LEADER 2014-2020 update**

Douglas reported that he had attended an RDOC (Rural Development Operational Committee) meeting in Edinburgh yesterday at which there had been some discussion about the new LEADER programme. It would seem that Scotland is actually ahead of much of the EU including the other parts of the UK and Ireland as far as rolling out the new LEADER programme is concerned. Alistair Prior (head of the Scottish Government LEADER team) had confirmed that the online system would be up and running in April 2016 and in the meantime manual forms would be issued to LAGs by the end of October.

Sheila reported on what had been said at the LEADER Co-ordinators' meeting in Kirkwall on 17<sup>th</sup> and 18<sup>th</sup> September at which Alistair Prior had also been present and had given the same timescales regarding application forms as above. The co-ordinators had expressed concern that draft application forms and guidance distributed earlier in September fell far short of being anywhere near ready for use. Alistair also announced that from the beginning of November he would no longer be directly involved in LEADER and there would be a new Head of Delivery for LEADER (and other SRDP schemes such as food processing).

Alistair had raised several other issues which were of some concern to co-ordinators:

- Only "bespoke" training would be eligible for LEADER funding; otherwise training is ineligible.
- Food processing/ manufacturing is ineligible.
- State Aid rules mean that applicants for projects for which the funding is not considered to be state aid may be required to return to LEADER any surpluses made up to 5 years after the project end date.

The LAG discussed what impact the State Aid rules might have on applicants, particularly on voluntary groups where the objective of the project was to make them more financially sustainable. Mhari said that she had asked HIE's State Aid expert for his opinion and he has suggested that it should hinge on whether or not the surplus was to be used for purposes that would be eligible for LEADER grant.

*Sarah Taylor left the meeting.*

## **7. Expressions of Interest**

Mhari asked LAG members for declarations of interest, financial or otherwise, in any of the Expressions of Interest to be considered at today's meeting. Ann said that she was a member of SLMG and Brian Spence said that he was a resident of Cullivoe and closely acquainted with members of North Yell Development Council. It was agreed that these declarations of interest should be noted but that there was no need for either Ann or Brian to leave the room as no vote would be required.

### **001 Mrs H J Mackenzie - Mackenzie's Farm Shop and Cafe**

LAG members expressed full support for this project which promoted local food production and would also provide a facility for tourists. They noted that there was a high demand in Shetland for local food and demand currently exceeded supply. Mary noted that Visit Scotland had written a letter of support for the project as it would also benefit tourists. The LAG considered the project to be a good fit with the Local Development Strategy for Shetland (LDS) and a worthwhile project and recommended that it should proceed to the application stage.

### **002 Shetland Community Benefit Fund Ltd – Development of Business Plan**

Shetland's community councils have formed the independent co-operative SCBF Ltd to administer community benefit agreements with renewable energy developers and need to develop a business plan.

- There was some discussion among LAG members as to whether a new organisation was really needed to administer this fund (which will in the first instance comprise community benefit payments from the Viking Energy windfarm) but it was agreed that no existing organisation could fit the bill and that the SCBF would be unique as a partnership of all community councils in Shetland.
- The timing of the application was queried as Viking has not yet been approved and will not get full approval until the provision of an interconnector between Shetland and the Scottish mainland is agreed. It was noted that Viking is due to be approved in the spring of 2016 and things could potentially move quickly once that happens so it is preferable to have something in place before then and there is still a lot of work to be done around consulting with communities.
- A LAG member asked if the outcomes aspired to by SCBF should have to fit with LEADER objectives and it was suggested that the LAG should aim to influence those outcomes.
- SCBF Ltd. are looking for more than the 50% funding that the Shetland LAG has set as their maximum and Mhari said that the likelihood was that the funding requested would be split between LEADER and HIE.
- It was noted that under the rules for the new LEADER programme the applicant would be required to prepare a business plan for a project to develop a business plan.

The LAG considered that the project fitted with the LDS and recommended that it should proceed to the application stage.

### **003 Shetland Moving Image Archive – Digitisation phase**

This project represents the latest phase of a project for which the previous phase received funding from the LEADER 2007-2013 programme. The LAG agreed that the project was a good fit with the cultural heritage aspect of the LDS and recommended that it should proceed to the application stage.

#### **004 Walls and District Agricultural Society – New Showfield Shed**

There was a discussion between LAG members as to how this project fitted with the priorities in the LDS and what it offered by way of innovation. It was observed that a similar project, albeit on a larger scale, for the Cunningsburgh and Districts Agricultural Society received funding under the previous LEADER programme and it was suggested that similar conditions should be applied requiring that the shed be used for the benefit of the community outside the show period. Suggestions were made for additional uses such as exhibition space particularly focussing on cultural heritage. Kathleen pointed out that Walls is Shetland's oldest agricultural show, has been in existence for over 100 years and has recently expanded over two days and incorporated an exhibition of vintage cars. It was agreed that, while the project as presented didn't directly hit the LDS priorities, it did relate to an important part of Shetland's cultural heritage and there was scope for enhancing the project so that it provided a better fit with the LDS and, with the proviso that the project address use of the shed beyond show days and demonstrate some degree of innovation, the LAG recommended that it should proceed to the application stage.

#### **005 Shetland Livestock Marketing Group – Shetland's Rural Economy**

SLMG are proposing to collate an analysis of the inter-relatedness of the rural economy to aid a greater understanding of its implications for the Shetland community. This project generated discussion about the issues surrounding Shetland's rural economy including encouraging the use of local produce, carbon reduction, links between agriculture, textiles and tourism but the LAG considered that the Expression of Interest did not present any clearly defined ultimate outcome for the project. The LAG concluded that they did not have enough information to agree that the project should proceed to the application stage and recommended that the applicant should resubmit the Expression of Interest with more information and should be asked to demonstrate how the project fits with the priorities of the LDS.

*Bryan Leask left the meeting.*

#### **006 The Belmont Trust – Belmont House Development**

The Belmont Trust is proposing to convert an existing garage at Belmont House into workshop facilities and to upgrade some facilities within the house. There was a question as to what kind of workshop facilities were to be provided and the reply was that these were primarily to be facilities for artists to run residential workshops thereby encouraging greater use of Belmont House accommodation outwith the main tourist season. Belmont Trust are looking for more than the 50% funding that the Shetland LAG has set as their maximum and Mhari said that HIE would consider contributing financial assistance alongside LEADER. The LAG considered the project to be a strong fit with the cultural heritage, tourism and leisure element of the Local Development Strategy for Shetland (LDS) and recommended that it should proceed to the application stage.

#### **007 North Yell Development Council – Cullivoe Harbour Industrial Estate Extension**

North Yell Development Council are proposing to extend their existing industrial estate by purchasing and clearing an area of adjoining land to meet demands for space for new businesses and for the expansion of existing businesses. Mhari said that there had been some discussion with HIE but that the project was still at a preliminary stage. The purchase of the land would be funded through the Scottish Community Land Fund. It was possible that the project could be broken down into phases.

Brian informed the LAG that both the mussels processing factory and the ice plant were currently working at full capacity and the LAG agreed that Cullivoe was a very go ahead community and worthy of LAG support and that the proposed project was a good fit with the LEADER priority action to “Develop and enhance services and facilities which support a high quality of life in local communities”.

A LAG member questioned whether the LAG should wait until all consents were in place before the applicant was invited to make a formal application and it was also queried whether LEADER was the most suitable funder for a project of this size and whether there were any bigger funds that this project would be better suited to. It was agreed that there was a need for a project plan which included consideration of planning timescales and that a lot more information needed to be provided but in principle the LAG was happy to recommend that the applicant should go forward to the next stage.

*Ann Johnson left the meeting.*

#### **8. Promoting the new programme**

As the meeting was already running over its allotted time, discussion of promoting the new programme was kept short.

- Sheila said that she was in discussion with NB Communication regarding a redeveloped website.
- Ruth suggested that the LAG should take a table at the Shetland Food and Drink Fair (30<sup>th</sup> October to 1<sup>st</sup> November) and possibly also at the Craft Fair later in November.
- Brian suggested that the LAG should look at putting together some brief videos of projects similar to those Promote Shetland has been producing.

**Action: Sheila**

#### **9. AOB**

There was no other business.

#### **10. Date of next meeting**

Wednesday 25<sup>th</sup> November, 9.15 a.m. at Solarhus.

Meeting closed at 11.05 am.