

**MINUTE OF GOVERNANCE MEETING
FOR NORTH AND SOUTH LAGS
THURSDAY, 17 JULY 2014 AT 1.00 PM
COMMITTEE ROOM 5, WOODHILL HOUSE**

Present

Belinda Miller	Head of Service
Martin Auld	RSPB
James Bream	Aberdeen Chamber of Commerce
Dawn Brown	The Garioch Partnership
Gavin Clark	Scottish Natural Heritage
Gina Ford	Scottish Enterprise
David Fyffe	Scottish Land and Estates
Rod Gunson	Formartine Rural Partnership
Jean Henretty	Rural Partnership Federation
Sophie Humphries	Formartine Community Planning Officer
Zillah Jamieson	Banffshire Coast Tourism Partnership
Emma Kidd	K & M Community Planning Officer
Duncan Leece	Banffshire Rural Partnership
Hazel McLaren	Marr Area Project Officer
Dawn Tuckwood	NHS Grampian
Andy Willox	Federation of Small Businesses

Officers in Attendance

Ellie Brodie	SRUC
Alasdair Cunningham	European Programmes Co-ordinator
Anne MacLennan	European Programmes Claims Officer

Apologies

Krysten Black	Scotland's Rural College
Jim Booth	SAOS
Martin Brebner	Team Manager – European Programmes & Policy
Michael Clark	Grampian Food Forum
Will Clark	PFFPA
Bob Collier	Aberdeen Chamber of Commerce
John Cox	PFFPA
Moira Gash	Deeside & The Cairngorms DMO
Linda Hope	North East Scotland College
John Loder	Formartine Rural Partnership
Eleanor Morris	Udny Development Trust
Jennifer Mouat	Scottish White Fish Processors Association
Scott Petrie	Scottish Land and Estates
Irene Rowe	Buchan Community Council
Liz Scott	Buchan Development Partnership
Lizzy Shepherd	Marr Area Partnership
Liam Smyth	Aberdeen Chamber of Commerce
Jill Sowden	Garioch Community Planning Officer
Caroline Smith	Banff & Buchan Community Planning Officer
Philip Smith	Visit Scotland
Ian Watson	Fraserburgh Development Trust
Chris White	Aberdeenshire Council – Area Manager

1. Welcome & Apologies

1.1 Belinda welcomed those present and introductions were made round the table.

1.2 Apologies were noted as above.

2. Aims

2.1 The aim of the meeting is to discuss and reach agreement on the following key issues:

- Who the Lead Partner will be.
- How LAGs are going to be organised and how they will operate.
- How each LAG will ensure that the Strategy is delivered and how LAGs can help to deliver projects.

2.2 The meeting will also look at how LAGs can work together efficiently.

3. Update on Strategy Documents (North & South)

3.1 Ellie Brodie, SRUC, updated on progress with the South strategy.

Following community consultation events, online survey and online consultation, the first draft of the strategy was submitted to Scottish Government at the end of March.

An online consultation and second workshop were held in May with the South Aberdeenshire LAG and, following analysis of data collated, the second draft of the strategy will be available within the next couple of weeks.

3.2 The final versions of the North and South strategies, along with the business plans, are due to be submitted to SG by the end of September.

3.3 Fisheries will form part of the strategy documents but will be removed from the responsibility of the North and South LAGs. A separate FLAG will be set up. A fishing industry focused community consultation event will be held soon.

Fisheries funding will focus on major fishing settlements rather than being coastline based. It will concentrate on marine fishing. It is anticipated that the rural fund (LEADER) will cover smaller coastal areas/projects.

3.4 Once the second drafts of the strategy documents are received, LAG members, through their networks, will engage with communities to review the strategies. Delegates were reminded that if something is not included in the strategy then it cannot be funded.

3.5 There is no flexibility with deadlines for submission of the strategy

documents or business plans to the Scottish Government.

- 3.6 An additional £20 million has been allocated Scotland wide to deliver farm diversification and to support rural businesses in the form of small business grants.
- 3.7 All applicants will be required to submit a business plan to accompany their application. In the case of community groups this will be a development plan.
- 3.8 Monitoring and evaluation will form a key part of the new programme.

4. Governance

- 4.1 In the current programme Aberdeenshire Council acts as Lead Partner. There is an opportunity to continue with this model or LAGs can themselves be set up as legal entities by becoming accountable bodies in the form of a not for profit company limited by guarantee.
- 4.2 Delegates were split into three groups and were given an opportunity to discuss.

In the current programme, the Lead Partner pays out approximately half a million pounds in project grants per quarter before reclaiming the funding from Scottish Government.

The Council, as Lead Partner provides a range of in-kind services and facilities including office space, cash flow and professional services such as accountancy, legal, audit and QS. The Lead Partner also underwrites the risk of payment of fines or repayment of grant for any errors identified.

It was felt that, although building a legal entity could possibly provide the LAG with more choice on how to operate, it could prove difficult to manage.

LAG agreed that the legal entity option could be built into discussions over the course of the next programme, and it may be possible to consider other models of governance across the EU. However, it was decided that now would not be an appropriate time to embark on creating a new legal entity for the 2014-2020 programme.

- 4.3 It was unanimously decided that Aberdeenshire Council remain as Lead Partner, with a memorandum of understanding to be drawn up between the Lead Partner and the LAGs.

5. LAG Membership

- 5.1 It was agreed that another call be issued to all interim North and South LAG member organisations currently on the list asking them to confirm their participation in the LAG. This will include a LAG application form and a brief description of what is involved with LAG membership. Organisations will be required to submit a short paragraph about why they want to be part of the LAG.
- 5.2 Once it is decided which organisations want to be involved in forming the LAGs, each organisation will nominate a dedicated person and substitute and will be asked to provide details of that chosen person's skill set.
- 5.3 Fisheries will form their own entity.
- 5.4 The original list of 30 organisations on the interim LAG was circulated. In order to identify if there is a skills gap, members were split into three groups to discuss Interim LAG membership.

The following points are to be considered:

- Membership has to be 49% public to 51% private. Aberdeenshire chose to have a one third public/private/community split.
 - Qualities required to be a LAG member. Strategic role, ability to review the local development strategy and ensure LAG is delivering to the strategy.
 - Each strategy will deliver to certain themes, namely: Enterprise Natural Environment, Tourism, Farm Diversification and Transnational.
- 5.5 Geographic spread to ensure good coverage was considered to be important as was connecting people and communities.
- 5.6 Gender balance must be addressed. It was suggested that the SWRI, who had previously declined to be involved in the new programme, be re-approached.
- 5.7 Youth representation was also considered to be important. Youth Parliament or Youth Forums could be approached.
- 5.8 Representation from the Childcare Partnership or the Scottish Playgroup Association was also suggested.
- 5.9 Making a commitment to regularly attend meetings was also discussed. It will be important to consider timings of meetings and where meetings are held. There have been issues previously with being quorate for meetings and it was considered to be essential to have a nominated substitute from each organisation. This should be built into the LAG constitution/agreement at an early stage.

- 5.10 Discussion took place on the need for co-opting members with particular specialist expertise on a one-off basis to assist with the assessment of projects. These specialists would be available to give advice but would have no voting rights.
- 5.11 With the benefit of additional information being available on what is involved in being a LAG member, it was considered worth re-approaching those who had previously opted out of joining.
- 5.12 LAG membership will be ever evolving and it will be important for the constitution to reflect the need to be fluid.
- 5.13 Deciding on membership of the LAG must be an open and transparent process. Timescales are tight and this call to join must be issued within the next two weeks.
- 5.14 Some interim members are on both the North and South LAGs and some are on one only.

It was agreed that both interim LAGs would meet as a group to discuss governance issues and until the two LAGs are ready to be launched.

Once the new programme is up and running there may still be occasions where the two LAGs will need to meet, for example, when any joint/inter-regional applications are received.

6. Chair & Vice Chair Positions

- 6.1 Belinda Miller, as current chairperson, will remain as authorised signatory for the current programme.
- 6.2 It was suggested that nominations be sought for a chairperson and two vice-chairs for each LAG. This position could be a rolling chair-ship which could be renewed every two years.
- 6.3 The role of the chair was discussed. The chairperson must have a sound knowledge of all projects and what stage they are at. The chairperson holds regular meetings with the team and is responsible for countersigning all claims and project amendments and therefore has to be available. The chair is also required to attend quarterly meetings with Scottish Government.

There was no vice-chair in the current programme and this was considered to be a weakness. Appointing two vice-chairs will help to spread the workload to some degree. It was suggested that the vice-chairs and the chairperson all come from different sectors.

- 6.4 The process for nominating and electing the chair and vice-chairs was discussed. LAG members will be invited to apply to become chair/vice-chair.

LAG members who are interested in taking on the post will be invited to

write a personal statement and a short paragraph about why they would make a good candidate. Personal statements will then be circulated to allow interim LAG members to vote.

There are no financial resources available for the post of chairperson, only travel expenses can be reimbursed.

Belinda suggested that the commitment required equates to approximately one day every two weeks although members considered this to be a conservative estimate. Belinda will draw up a full list of the Chairperson's tasks.

If this is split between three people then it would be less onerous. An individual from an organisation would have to get permission from that organisation to make the required commitment. A total of six people will be required for the two LAGs.

Members agreed that the first step will be to firm up and formalise the North and South LAGs. The LAGs will then vote and decide on a chair/vice-chairs.

7. PAC/LAG Structure

- 7.1 Discussion took place about the possibility of reducing duplication of the work involved with the two-tier system of the Project Assessment Committee (PAC) and Local Action Group (LAG).

Members were reminded that the PAC is a sub-group of the LAG. The PAC makes a full assessment of the project application form, along with any supporting documentation supplied by the applicant. The PAC then makes recommendation to the LAG.

Some members felt uneasy about doing away with the PAC and replacing this process with an initial e-mail assessment by the full LAG.

There is merit in face-to-face discussions and it was felt that, although the LAG makes the final decision, PAC members have the technical skills to make the initial assessment.

Although there was merit in the possibility of having rotating membership of the PAC, there is a danger of losing consistency of technical expertise.

Members felt it would be unfortunate to change this process which has worked well in the current programme.

8. Thematic Funding Rounds

- 8.1 Alasdair put forward the possibility of thematic calls for funding rounds in the new programme based on community, business and farming.

Funding for transnational projects will be ring-fenced.

- 8.2 One of the plus points of the current LEADER programme is the relatively short timescale from the application process to award decision. Members expressed concerns that thematic calls will cause further delay. The timelag would be difficult for applicants when it comes to securing match funding.

Following discussion, members decided against thematic calls because of timescale implications. However, it may be possible to put out an extra call for a particular theme if applications for that theme are seen to be coming forward.

9. AOCB

- 9.1 The information which has been issued regarding the Farm Diversification meeting on Tuesday, 29 July and the Small Business Grant meeting on Friday, 1 August will be forwarded to interim LAG members to be cascaded out any contacts who might have an interest in this area.

10. Next Meeting

- 10.1 There is only a month to prepare the Business Plan and there are still a number of questions to be answered.

Members discussed whether it would it be possible to meet again as a full group, if it would be better to form a small sub-group or if any questions could be dealt with via e-mail?

It was agreed that it might prove difficult to fit in another meeting within the timescale so members were happy to hold any discussion about the business plan by e-mail.

It was hoped that another joint meeting could be held late August to go over the strategy documents and business plans prior to submission