

APPROVED Minute of SALAG PAC Meeting
Friday, 3rd February 2017 at 9.30am
Council chamber, Gordon House, Inverurie

Present

Belinda Miller	Aberdeenshire Council (Public)
Dawn Brown	Garioch Area Partnership (Private)
Gavin Clark	Scottish Natural Heritage (Public)
Gina Ford	Scottish Enterprise (Public)
Gerald Banks	National Farmers' Union Scotland (Private)

Officers in Attendance

Martin Brebner	Team Manager – European Programmes & Policy
Alasdair Cunningham	European Programmes Co-ordinator (South)
June Jaffrey	European Programmes Claims Officer (South)

Apologies

Lorna Paterson	National Farmers' Union Scotland (Private)
David Nelson	Kincardineshire Development Partnership (Private)
Dawn Tuckwood	NHS Grampian (Public)
Elaine Sinclair	Aberdeenshire Voluntary Action (Private)

1. Welcome & Apologies

The PAC Chair welcomed those present. Apologies were noted as above.

2. Declarations of interest

2.1 No declarations of interest were raised.

3. Minutes for Noting 30th August 2016

3.1. The minute of the PAC meeting of 30th August 2016, which was formally approved at the LAG meeting on 2nd November 2016, was noted.

4. Introduction

4.1. The Co-ordinator advised that project applicants were finding the application process complex and time-consuming and that some work needs to be revisited i.e. ensuring figures amended in one document are correctly replicated across all documents (applicants are failing to do this).

- 4.2. It has been highlighted that PAC members have had difficulties accessing the LARCS system and application documentation and sifting through a number of attachments per application. The PAC would like to see applicants following a standard naming protocol for attachments.
- 4.3. Martin advised that a letter highlighting concerns raised as an outcome of the survey findings will feed back to the Scottish Govt.

5. Projects

- 5.1. The PAC are asked to consider the merits of each application for recommendation to the LAG.
- 5.2. **02/P00006 Refurbishment of Drumoak Church – Support for the community**

This group attended the launch event and have worked with Alasdair in taking on board advice and information. Alasdair advised that the project is unique for the Parish of Drumoak in that there are no facilities for local residents use other than the primary school which has restrictions on time and availability. The group wish to refurbish the hall to be multi-functional facility whereby it can be set-up for church purposes at weekends (with mobile seating etc.) and general purpose at other times. A small café is proposed in the entrance way initially, with a view to expand this as a longer term vision for use as a community hub type space.

The eligible project costs is for £211k with the grant requested 50% of the overall project costs. Alasdair advised that issues surrounding procurement, a technicality over the legal owner of the building and the firming up of figures are required. Alasdair will approach Aberdeenshire Legal colleagues to ascertain who has of “control of the asset”.

It was noted that the most expensive quote was their preferred supplier but no written justification has been provided on this although Alasdair understands that the group went to full tender and were more confident that the build would be delivered by the preferred builder and would provide better value for money. There are complexities associated with church group VAT statuses. Alasdair advised that the group were a SCIO and are a formally constituted body.

The LAG would like the group to provide further information on the revision of the pricing structure for Lets (after building works) and the leasehold arrangements for the café business. Alasdair advised that the café may be let out as a “leasehold” for young business start-up in the area therefore reducing financial risk for the group. As the Deeside Way passes through the village it was deemed relevant to include cycle parking and link pathway for any sheltered housing users/prams etc.

It was noted that there are adequate skills within the group as the Project Manager is an architect and day-to-day project management will be undertaken by a named individual. The PAC agreed that this project proposal is a good use of the building and will be beneficial to the area.

The PAC would like Alasdair to check the demographic of the area, and if there are sheltered housing in the locality.

To satisfy the PAC, the applicant would be required to provide information and expand on the following queries;

- Building ownership – clarity on who technically owns the building and who is responsible for maintenance of
- Quotes – additional quotes required
- Preferred builder – justification/further information required
- VAT Status – clarify status
- Pricing policy – information to be provided on revised pricing for Lets
- Equality and Accessibility policies – required
- Cycle parking – encourage applicants to consider

PAC members are required to submit scoring sheets for this project.

THE PAC WAS SUPPORTIVE IN PRINCIPAL AND RECOMMEND THAT FURTHER INFORMATION BE REQUESTED FOR THE LAG MEETING.

5.3. 02/P00008 – Furniture Lodge Social Enterprise

Members of this group attended LEADER workshops and have been working with Area Project Officers on this project and primarily came from the Stonehaven floods some years ago. The project application is for £150k. This will be a two year project. Work has also been done with AVA around costings etc. The organisation and aims are based on the “Magpie” model, working with AVA. It was noted that there is high demand in the area for household item re-use. The group have been given access to use space at the local refuse to collect and store furniture. Change of use permission has been granted for their premises; with quotes for building works and office equipment costs being sourced. Workshops will be offered to young people of school age to offer them with experience in retail, furniture restoration etc. The group have done base-line salary costs to ensure that they are reasonable.

The group have requested 100% of their project costs, but due to a technicality with Scottish Government guidance which changed during the assessment period; it is now clear that revenue generated cannot be used as match funding. Due to a further change in Scottish Govt. guidance the co-ordinator has submitted a query to the Scottish Govt. to clarify the position. Alasdair has asked the government to clarify how projected revenue is to be calculated at final claim stage. The group are in the process of a Community Asset Transfer (CAT); a caveat is in place whereby LEADER funding is required to be granted prior to a CAT being finalised. Alasdair confirmed that the LAG can offer a grant in principle to the group (which expires after 60 days).

As there is zero landfill legislation coming into effect by 2020, the PAC suggest the group look at the Landfill Communities Fund and contact the two operators of land-fill sites in the Stonehaven area. They are actively encouraged to explore additional land-fill tax funding through these organisations. Alasdair will alert the group to these potential funders. Concern was raised as the funding package is complex; the £82k figure for revenue funding was considered ambitious but Alasdair advised that the project costs are based on figures from Magpie and the Fraserburgh project. SIS are

behind the project with a £40k bridging loan which can help the cash flow. A further query will go the Scottish Govt. as clarity is required on using revenue income as match funding.

PAC members are required to submit scoring sheets for this project.

To satisfy the PAC, the applicant would be required to provide information and expand on the following queries;

- Cash flow – review the cash flow document for consistency/accuracy
- Sales projections – clarify projected figures
- CAT – clarify if this is affected by potential LEADER delays
- Other funders – evidence why other funders haven't been explored/don't suit
- Corridor – clarify if consent/permission is required/obtained

THE PAC WAS SUPPORTIVE IN PRINCIPAL AND ASK THAT THE APPLICANT ANSWERS THE QUERIES ABOVE OR CONSIDERS DEFERRING THE APPLICATION.

5.4. 02/P00009 – Clubhouse Extension

Alasdair has met the Kintore Clubhouse group on a number of occasions who advise they have been planning a re-vamp of the facilities for a number of years; the group have been receptive to advice from the Co-ordinator. The project costs are £164k with 50% grant from LEADER being requested. The group have £82k available for match funding. It was noted that no major investment has been undertaken on the facilities for the last 35 years or so. Alasdair advised that there is a need for additional multi-use facilities in Kintore.

As the facility is near the local primary school the group have close links with the school and which to offer bowling training to the children. It is anticipated that increased revenue will also come through increased demand for funeral teas. The PAC would like to see the improved facility being used by the wider community but it was noted that the application did not give justice to the proposals. The PAC would like evidence of wider community engagement and establish demand (by demographic) on why bowling is still current. The group have to tidy some issues around procurement and quotes.

The group will be signposted to Inch bowling club as a model example of improvements.

Queries were raised by the PAC regarding;

- Cash flow – cash flow document was incomplete
- Procurement and quotes – to be revisited as survey/planning fees quote missing from documents submitted
- Demand – evidence of buy-in/need and demand required
- Engagement with wider community groups – evidence this by letter
- Membership fees – clarity required
- Community use – to be regularly available and at reasonable cost

PAC members are required to submit scoring sheets for this project.

THE PAC WOULD REQUIRE FURTHER INFORMATION BE PROVIDED BEFORE GOING TO THE LAG.

6. AOCB

- 6.1. The Co-ordinator asked the PAC for their views on an EOI submitted; an agricultural business which exports used machinery to Europe and undertakes machinery maintenance is considering submitting a farm diversification project application. The project would also see the employment of training/apprenticeship type role for 1/1.5 persons. The applicant would require significant support with building a business case and submitting a full application. Alasdair advised that the Business Plan requires work and he has sent information to the applicant regarding Business Development Executive support. The PAC felt that as this project would provide benefit to a rural economy in a wider sense they support this type of application. Alasdair will continue to work with the applicant.
- 6.2. Alasdair advised that the Co-operation element of LARCS is now live; projects beyond the LAG area, North Aberdeenshire etc. are encouraged. It was clarified that the LAG can lead on co-operation projects if they so wish.

Alasdair highlighted Grampian Growers, youth development scheme, as a potential project as this has Europe wide reach.

- 6.3. Alasdair was pleased to advise that the project quality was improved for this round.
- 6.4. It was noted that the PAC felt that accessing documents on-line has been difficult due to issues regarding LARCS system down-time, accessibility issues, appropriate naming of documents by applicants etc. The PAC members asked that a more user friendly system be in place for LAG members. A naming convention and document control process will be looked at.

7. Date of Next Meeting

- 7.1. The next PAC meeting will be held on Tuesday 30 May 2016 at 2pm in the Ury room, Gordon House, Inverurie.
- 7.2. The next LAG meeting will be held on Tuesday 28 February 2016 at 2pm in the council Chamber, Gordon House, Inverurie.

Minute Taker - June Jaffrey, European Programmes Claims Officer
08/02/17



The European Agricultural Fund for Rural Development: **Europe investing in rural areas**