

THE HIGHLAND COUNCIL
RESOURCES COMMITTEE
3 December 2008

Agenda Item	
Report No	

LEADER PROGRAMME

Report by Assistant Chief Executive

SUMMARY

This report provides an update on the LEADER Programme and seeks Council support for the proposed Programme allocations.

1. Introduction

- 1.1 The Council, on behalf of the Highland community planning partnership, is the lead partner for the Highland LEADER Programme. The LEADER Programme is part of the Scottish Rural Development Programme and provides funding to enable communities to plan for and develop their own area. It is a bottom-up form of community development and empowers communities to help themselves.
- 1.2 At the June 2008 Resources Committee, Members considered a paper titled European Union Funding Update and agreed a number of actions regarding the delivery of the LEADER Programme. In particular, indicative area allocations were agreed on the basis of a 2/3 population, 1/3 area formula, to enable the Programme to be launched as soon as the full details of the LEADER/Convergence award became known. In addition, Members requested that a further report be brought back to the Committee to consider the proposed full area allocation along with allocations for strategic, trans national/regional projects and administration costs.
- 1.3 The LEADER Programme was not launched as anticipated in the summer months as no confirmation was received of the Convergence Award (which makes up part of the Programme). The final LEADER Programme award of £14.26m is now known (LEADER £6.76m and Convergence £7.5m) for the period 2007-2013 and on 8th November 2008 the programme opened for a shadow round of applications. The shadow round for applications will end on 8th of December 2008 and after consultation with local groups, a decision on those projects to receive funding will be made in late January / early February 2009. The aim with this round is to fund a small number of time critical projects that are ready to proceed and have their match funding in place. Once the Highland LEADER 2007-13 Programme is formally launched, it will be open to all eligible applicants.

- 1.4 Members will be aware that the approach adopted with the LEADER Programme seeks to devolve decision making on local projects to 11 local groups. To this end, in close working with the Ward Managers, efforts have been directed over the past 5 months in assisting local groups to prepare or refresh local community development plans. Once such plans are complete and the local groups have the required mix of public, private and community sector representatives, a financial allocation as well as authority to consider and determine applications for LEADER grant will be given to each local group. For the first year of the Programme, a grant rate of 40% is available to all applicants. A higher rate of 45% LEADER will be available if 45% public match is provided.

2. Programme Launch

- 2.1 Arrangements are currently being made for a formal launch of the Programme by the Leader of Council, Cllr. Foxley, at the Strathpeffer Pavilion on 11th December 2008. Representatives from each of the 11 area local partnerships, together with representatives from public, private and community sector partner organisations have been invited to join the Council at this launch event.

3. Programme Allocations

- 3.1 The LEADER Programme Strategic Local Advisory Group (the public, private and community sector group which oversees the management of the Programme) met on 28 October 2008 and recommended that the Programme funds be allocated as follows:

- The indicative £5m area allocation is increased to £7m. This will be made available for an initial 3-year period against which progress will be measured. Those area partnerships that reach full commitment and 50% spend will be able to bid for the remaining funds (£2.86m). Where areas are having difficulty in committing and spending their allocation in the required timescale, funds may be vired to areas with greater demand.
- £3m will be held back to fund projects that are of a strategic rather than local nature.
- £900k will be allocated for administration costs. This includes some contingency funding to allow for increased costs linked to additional Scottish Government administrative requirements.
- £500k for transnational / regional projects. Funding for this purpose is a requirement of the Programme but the allocation proposed has been reduced from the original bid allocation of £1m. This is seen as a necessary step given the need to secure public match funding across the Programme and hence a lowering of the grant intervention rate.

A detailed breakdown of the proposed Programme finance and local area allocations is provided in Annex 1.

4. RECOMMENDATION

4.1 The Committee is recommended to:

- (i) Note the final LEADER Programme award, the opening of the Programme for a shadow round of applications in 2008 and the proposed formal launch of the Programme on 11 December 2008.
- (ii) Support the proposed Programme allocations as detailed in Annex 1.

Signature:

Designation: Assistant Chief Executive

Date: 18th November 2008

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ANNEX 1: FINANCIAL TABLES

Proposed Programme Allocations

Highland LEADER Programme	
Administration	£900k
Trans national/regional projects	£500k
Strategic Highland projects	£3m
Local Area Partnerships	£7m
Funds remaining for second round	£2.86m
Total LEADER/Convergence Award	£14.26m
Private Sector Match Funding (to be identified/secured)	£1.41m
Public Sector Match Funding (to be identified/secured)	£13.93m
TOTAL PROGRAMME	£29.60m

Proposed Local Area Partnership Allocations

Local Area Partnerships	
Caithness	£955,025
Sutherland	£1,024,957
Tain and Easter Ross	£303,580
Cromarty Firth	£406,621
Dingwall and Seaforth	£393,378
Black Isle	£329,437
Wester Ross, Strathpeffer and Lochalsh	£825,702
Skye	£477,752
Nairn	£388,941
Rural Inverness	£785,309
Lochaber	£1,036,725
Badenoch and Strathspey outside Cairngorms National Park	£72,573
Total LEADER award to disburse	£7,000,000