**HIGHLAND LEADER 2014-2020 PROGRAMME**

**MINUTES OF MEETING HELD ON 29th April 2015**

**Highland Archive Centre, Inverness**

PRESENT:

|  |  |  |
| --- | --- | --- |
| Voting |  |  |
| Frances Gunn | Third Sector Interface | Private |
| Robert Muir | HIE | Public |
| Stewart Sandison | SNH | Public |
| Yvonne White | Crofters Federation | Private |
|  |  |  |
| Advisory |  |  |
| Andy McCann |  | Public |
| Scott Armstrong | From Tourism sector | Private |
| Nicole Wallace | Cultural & Heritage | Public |
| Sarah Lamb | THC | Public |
| Fiona Cameron | LEADER  | Public |
| Martin Culbertson | LEADER | Public |
| Liz Whiteford | LEADER | Public |
| Wendy Anderson | LEADER | Public |
| Judith Wainwright | LEADER | Public |

**1 WELCOME AND APOLOGIES**

Frances welcomed everone to the meeting. As the meeting was not quorate, it was agreed Frances would continue to act as Chair and any recommendations would be forwarded to absent members for approval. Apologies were received from Shaun Finlayson, Alistair Swanson, Graeme Ambrose, Jon Hollingdale and David Richardson.

It was noted that John MacMillan has resigned from the Strategic LAG due to health reasons and the time required to attend meetings. The existing FLAG are meeting at the end of May and will nominate a representative following the meeting.

**2 MINUTES FROM PREVIOUS MEETING**

Minutes agreed.

Justification had been sent to Alistair Prior regarding the population of Highland LAG area exceeding 150,000. The Scottish Government confirmed this was fine.

Shaun Finlayson, Youth Converor, had been contacted and asked whether he was willing to sit on the LAG as a voting member or advisory. Shaun replied, as due to workload, it would be more appropriate to sit in an advisory role.

The justification given under the Fisheries update to be changed to state “no significant fishery interest”.

**3 ELECTION OF LAG CHAIR**

Due to the meeting not being quorate, it was decided not to continue with this item.

**4 ELECTION OF VICE CHAIR**

Due to the meeting not being quorate, it was decided not to continue with this item.

**5 LAG SET UP – NEXT STEPS**

 Nomination letters have been issued to the agreed organisation but, despite chasing, only 4 completed nominee forms have been received to date. These need to be completed and kept for audit purposes. Those who had not yet completed a form were asked to do so as soon as possible.

People were also asked to remember completed Skill Matrix are due by Friday 1st May. Once all completed forms have been received, they will be matched against the sectors required. Any gaps will be identified and taken back to the next meeting for a decision as to whether open recruit or target specific organisations.

**6 OPERATING GUIDELINES**

As we are now operating as a LAG, we need to start working to operating guidelines. As audit concentrated on operating guidelines in previous programme, the guidelines need to be as accurate as possible. As the meeting was not quorate, any changes would be recommendations and forward to absent members for agreement.

Fiona ran through the Operating Guidelines issued and the following recommendations were made:

* The date of the local Plan needs to be stated to avoid any audit issues in the future
* List of LAPs or map of LAP areas to be included
* Where timescales have been stated, they will either need to be clearly defined or removed to avoid audit issues in the future
* Any maximum grant levels would be detailed in the financial strategy
* Any projects brought forward to by the Strategic LAG will be forwarded to LAPs for recommendation only and the Strategic LAG has final decision. This process needs to be clear
* Appeals submitted to LAPs on project decisions made, the final decision will need to take on board the view of the Strategic LAG. Operational guidelines may need to be amended to include National guidelines
* Private sector organisations should be encouraged to take on the role of Chair and Vice Chair prior to any public bodies
* Include both Fisheries and LAPs can also lead on projects
* First sentence under Delegated Authority should include the accountable body and Chair as well as the Secretariat
* Under delegated authority, any changes over 10% should be referred to the decision making LAP
* Approved only minutes to go onto the LEADER website
* Chair and Vice chair to be reviewed every 2 years
* Third paragraph under Section 8.3 Quorum to be removed
* To include Chair/Vice Chair have a casting vote where they are from a private body to ensure the decisions are quorate
* Should declarations of interest be made where a person has policy influence – views from LAG members are to be sought
* If no members or substitute members attend 3 consecutive meetings, their membership will be terminated at the discretion of the Chair

It was noted with a few new members joining the group, having no experience of LEADER, a briefing needs to be developed prior to the next meeting.

**7 LAP SET UP**

Judith gave a brief overview of the proposal paper and LAP toolkit issued with the minutes. As the meeting was not quorate, approval of the proposal will need to be electronic.

Each area will be given a customised toolkit specifically designed for their own area.

**8 PROGRAMME ALLOCATION**

An email had been received from Alistair Prior, giving indicative allocations and stating 10% was being held back centrally across Scotland. Highland had been given an indicative allocation of £8.8m. This is an increase in LEADER from the previous programme but in terms of percentage allocation, Highland have gone from 19% of total allocation in previous programme to just under 12% of total allocation in the new programme. Comparing with other areas, Highland have taken the biggest percentarge drop. It was agreed with the Acting Chair to send an email to Alistair Prior asking for clarification.

A reply had been received from Alistair, please see Appendix 1 for response.

The formula used to allocate funds had been worked out by the James Hutton Institute and was based on the population which lived in a datazone with a rating of 5 based on the new rural indicators used.

Alistair Prior suggested that the Highland LAG could reduce the required allocation for co-operation projects (suggested 5% rather than 10%).

Robert was asked if he could involve HIE with working out the methodology and other methods used.

Alistair Prior will be attending a meeting on Friday 9th May. Andy and Robert to meet and discuss the rationale prior to the meeting.

Fiona to request a breakdown, from the Scottish Government, for each LAP, based on the same formula used, for information only.

**9 AOCB**

 Fiona gave an upate following on from the recent LEADER co-ordinators meeting in Lockerbie. It was felt all other LAGs in Scotland are at the same stage as Highland but Highland was ahead of most areas with closing down previous programme.

Unlike the previous programme, the Scottish Rural Network will be managed in house byt eh Scottish Government with a small element being outsourced.

To date the new programme has had no approval or letter of comfort, which was due on 17th April 2015, from Europe therefore the Scottish Government are not in a position to formally approve the LDS. Full approval is expected by the end of May.

The new IT system (LARCs) is being developed in 3 phases with new programme guidance being produced to run side by side with the IT phases. Highland LEADER have volunteered to assist with giving feedback on the guidance produced.

It is anticipated Phase 1 (LDS) will be live by the end of May with Phase 2 (application, approvals, project claims) open for applicants by January 2016. Phase 3 (reporting, monitoring and SG claims) being ready early 2016.

**10 DATE OF NEXT MEETING**

 Wednesday 27th May 2015, Venue and time TBC.

**APPENDIX 1**

**From:** Alistair.Prior@scotland.gsi.gov.uk [mailto:Alistair.Prior@scotland.gsi.gov.uk]
**Sent:** 28 April 2015 12:00
**To:** Fiona Cameron
**Cc:** Andy McCann; Elaine.McGregor@scotland.gsi.gov.uk
**Subject:** RE: Indicative Allocation

HI Fiona

The review process has yet to be designed – part of it will look at spend, part of it on other aspects of performance, consider how to allocate any additional funds (assuming there are other funds available of course)…

The % spend that must be spent on co-operation is not a requirement of EU (MS/Regions decide this) but co-operation is – EC are clear that we need to do much more (across Europe) – hence the 10% requirement from us. The review in a few years may suggest that we need to do things differently meantime we need to be able to help you on this journey.  Co-operation between LAPs does not count as co-operation in terms of spend under the relevant sub measure – what the LAG does locally is its call (as long as is is compliant of course!).

A

**From:** Fiona Cameron [mailto:fiona.cameron4@highland.gcsx.gov.uk]
**Sent:** 28 April 2015 11:28
**To:** Prior A (Alistair)
**Cc:** Andy McCann; McGregor E (Elaine)
**Subject:** RE: Indicative Allocation

Hi Alistair, thank you for coming back to us before tomorrow with this information which I will pass on to the LAG. I think it’s best to be open at this stage and say that I expect the LAG to still have concerns over the size of the allocation Highland has. The obvious question I expect to be asked is what the review process will be, so could you please give a formal response on this that I can use tomorrow?

Also, it would be helpful to understand whether the percentage spend on co-operation is a requirement of the EU or if this is an aspiration of SG? As you know we have always been keen to count projects that involve LAP areas working together towards our percentage spend on co-operation. I appreciate that in terms of the regulation these projects will not count nationally as co-operative projects as they only involve one LAG; however, in terms of the spirit of the regulation in bringing different areas together to share practice etc these projects are very much a fit. Could you please confirm if there are any EU requirements around the amount that must be spent on co-operative action within LAGs?

Kind regards

Fiona

Fiona Cameron

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 Highland LEADER Programme

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**From:** Alistair.Prior@scotland.gsi.gov.uk [mailto:Alistair.Prior@scotland.gsi.gov.uk]
**Sent:** 27 April 2015 11:58
**To:** Fiona Cameron
**Cc:** Andy McCann; Elaine.McGregor@scotland.gsi.gov.uk
**Subject:** RE: Indicative Allocation

Both – apologies for the delay – hope all is well

A

Hi Frances

Thanks for the email about the indicative allocation for Highland.  As you noted the allocation to Highland this time is a real terms increase on the amount allocated at the beginning of the last programming period.

**In terms of % share** – it is very difficult to compare this programme to previous programmes – noting that:

* Unlike the last programme every LAG is guaranteed a minimum allocation of £2 million (giving them the capacity to animate/administer their programme)  This has resulted in an uplift for most LDSs from their initial allocations last time round.
* Under this programme there are 21  LAGs (as suppose to 20 LAGs last time) – with many LDS areas differing from last time.
* We have allocated 90% of the LEADER budget under this programme –with scope to revisit allocations in the next few years with any remaining budgets.
* We are not making 100% EU monies available to the H&I area in this programming period (which I think made a significant difference to the allocation of Highland last time round).

**On the review of allocation point** – I am reluctant to do this, not least because increasing Highland’s allocation within the same envelope will result in decreases for all other LAGs.  I suspect that explaining an increase for 1 LAG that is already receiving more than double than the average LAG will cause real issues for your peers.  As said above – there is scope to revisit allocations further down the line – so this £8.8 million allocated is not necessarily the final amount.

**On action 2 projects** (I assume you mean co-operation?) – given the level of funding for the Highland area (which is far greater than elsewhere) – I think we can agree a min level of support for co-operation and write that into the allocation letter – we accept that the target may be challenging and it will be resourcing staff at our end to support LAGs to ensure co-operation projects get off the ground – so happy for you to  come back with a figure (I suspect 5% min)

**On allocations/methodology:**

Under the 2007-13 programme LAGs were funded on basis of population and area (weighted 66%/33% respectively) resulting in significant differences between LAGs in their allocations, for example -  Highland  was awarded £7.5 million whilst East Renfrewshire was awarded £230k.  and as mentioned above a consequence of this was that  poorly financed LAGs had very real difficulties in administering the programme effectively.

The EC does not provide guidance to MS on the amounts to be allocated to each LAG, however it does consider that LAGs need to have a budget not less than EUR 3 million euros over a 7 year period to ensure that they have the critical mass to support development in their area and to administer the programme effectively.  In a Scottish context a minimum allocation for each LAG will reduce irregularities, enhance compliance and most importantly enhance the value of LEADER as a rural development tool. To this end we proposed that each **LAG has a minimum budget of £2 million for the implementation of their Local Development Strategy.**

For 2014-20 we asked the JHI to develop a rural socio-economic profile that could usefully inform budget allocations (basing part of the allocation on population alone was rather blunt). An aggregation of the socio-economic scores to the 21 LEADER Programme Local Action Group (LAG) areas was carried out by calculating population weighted averages across a range of measures.   We have allocated funding on the based on populations living in datazones scoring 5 or less (60%) combined with LAG area (km2)  as a % of the overall Scottish total (40%).

**On allocations for LAPs** – we can ask the JHI to break down Highland into the constituent parts if you provide us with the datazones for each LAP area?

I hope this is useful – please get in touch before Wednesday if you need anything else.

Best wishes

Alistair

**From:** Fiona Cameron [mailto:fiona.cameron4@highland.gcsx.gov.uk]
**Sent:** 23 April 2015 15:26
**To:** Prior A (Alistair)
**Subject:** Indicative Allocation

Dear Alistair,

Please see email below from Frances the Chair of our Shadow LAG.

Hello Alistair,

Thank you for sending through the indicative allocation for Highland.  As you will expect I am concerned as to the amount of funding that has been awarded to Highland and I anticipate that the LAG will be extremely concerned when this is discussed at our first LAG meeting on Weds 29th April.  I appreciate that in real terms this represents an increase in the amount of actual LEADER funding that was awarded for the 2007-13 Programme; however, in looking at it as a percentage of the total amount being allocated to LAGs, I note that Highland has only received around an 11% share of the budget across Scotland when in the last Programme our circumstances justified an allocation of 18%.  Additionally, in comparing percentages awarded to other areas in the previous Programme it is clear that overall Highland has suffered by far the largest drop in percentage of the overall budget.

I would appreciate if you could advise us a means of how we seek a review of this figure and secure an appropriate increase, particularly given that I note the full LEADER budget across Scotland has not been allocated to LAGs.

Also, I would note that whilst it is our intention to use as much as possible of our funding on action 2 projects, you will be aware of how challenging it will be for us to meet the 10% requirement set out for the new Programme and also our stated desire to use some of the action 2 funds for projects between different areas within Highland.  For the avoidance of doubt can I ask that you please confirm that there will be no impact on the overall Highland budget should we be unable to achieve the 10% aim for action 2.

Finally, as previously discussed with Andy & Fiona, it would be appropriate for us to ask the LAG if they wish to use the same methodology to allocate delegated budgets to LAP areas in Highland as has been used nationally to allocate the overall LEADER funds.  In order to do this, and to aid our LAG discussions about the Highland allocation, it is important that we fully understand the methodology used for disbursement of funds for 2014-2020 and how this differs from the 07-13 Programme.  Your assistance in explaining this would be greatly appreciated.

Can I ask that you respond to Fiona Cameron urgently on these points as we are due to have our first full LAG meeting on Weds 29th April and will wish to discuss the programme allocation at this meeting.

Frances Gunn

Chair of Highland Shadow LAG