

Tyne / Esk LEADER **'Supporting opportunities for rural communities'**

Local Development Strategy and Business Plan



31st October 2007

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EXECUTIVE SUMMARY

INTRODUCTION

The Tyne Esk Local Action Group is delighted to present its LEADER Local Development Strategy and Business Plan. The document is structured as follows:

- A: Partnership Details (Update of August submission)
- B: Local Development Strategy
- C: Business Plan
- D: Financial Information.

We have sought to follow closely the structure of the guidance issued by the Scottish Government.

THE PROCESS OF DEVELOPING THE LOCAL DEVELOPMENT STRATEGY AND BUSINESS PLAN

The principles we have adopted in developing this document have been based around extensive stakeholder¹ engagement, robust evidence gathering and building on the lessons of the previous Leader+ programme.

The process of engagement has been ongoing , which predated the issue of the Scottish Government's Guidance Pack in June 2007. At a major stakeholder and partner workshop in February 2007, we agreed the key elements of our vision and have since been developing the plans necessary to ensure its implementation.

This document has been supported by comprehensive data gathering and stakeholder consultation including:

- A review of previous experience and lessons learned from the Tyne Esk LEADER+ programme;
- An economic overview of the area;
- A comprehensive review of strategic and policy fit; and
- Stakeholder and Project Consultations, covering a range of statutory and voluntary organisations as well as sponsors of individual projects previously supported by LEADER+.

The latter involved 22 people attending a Stakeholder Workshop on 24th September 2007 (which involved a variety of "stakeholders" with an interest in rural development in the Tyne Esk area, including representatives from local and national public agencies as well as local community and voluntary organisations). In addition, 19 stakeholders and 20 representatives of

¹ We have defined "stakeholders" as anyone who shares the goal of encouraging rural development in the Tyne Esk area. In practice, this means a combination of statutory agencies (both local and national), private sector organisations and local voluntary and community groups. On occasion, these are also projects that have been supported by the current LEADER+ programme.

projects funded under the previous LEADER+ programme took part in individual interviews to contribute to the development of this document.

By reflecting on the content of the relevant Community Plans and other local strategies (themselves based on robust community consultation), we have considerable confidence that the strategy reflects the priorities of local communities.

LOCAL DEVELOPMENT STRATEGY

Based on the previous LEADER+ experience and achievements, and to acknowledge the important role of LEADER as a catalyst and bridge-builder between the existing local strategies as well as the community planning structures, we have formulated the following simple vision for Tyne Esk LEADER:

'Supporting opportunities for rural communities'

The Local Development Strategy is based around two themes that have been selected from the LEADER 2007 themes:

- Revitalising communities
- Progressive rural economy.

These themes can be seen to derive from a comprehensive picture of the area based around the different strands of evidence gathering alluded before, which we have brought together in a comprehensive SWOT Analysis.

This, in turn, has been used to identify key strategic objectives for the programme:

- To improve the environment for sustainable business and employment;
- To address community capacity and cohesion;
- To develop community facilities;
- To enhance connectivity within the area; and
- To target economic and social disadvantage.

An additional component of this direction is the selection of target groups, the rationale for which derives from our analysis of the current situation. These groups are: women, young people, the unemployed and under-employed, micro-businesses, older people, disabled people and migrant workers and their families.

This broad strategic direction will be widely communicated across the communities of the area with the aim being to encourage communities to respond to the strategic objectives by developing innovative, bottom-up projects that make a contribution to addressing these objectives and benefit the target groups. The programme will proactively engage with a range of

communities to encourage their participation in the delivery of the strategy, thus ensuring continued improvement in the quality of projects supported. This, in turn, will help to achieve the challenging targets that we have set out in relation to outputs, results and impacts of the strategy.

We are confident that the chosen approach will foster innovation and that the scope of this innovation will be further enhanced by the steps we have proposed to encourage co-operation and networking. Our approach shows an exemplary fit with all relevant local strategies and links well into the existing partnership landscape.

The themes of innovation and co-operation extend further to incorporate the measures that we will take to ensure that the delivery of our plans contributes to economic, social and environmental sustainability within our area.

KEY ELEMENTS OF THE BUSINESS PLAN

The plan builds on the expertise in delivery that has been developed through the existing LEADER+ programme. A diverse and committed group of stakeholders will contribute to the delivery of the plan, aided by professional support from a Project Officer and the key public agencies.

The theme of "support" extends to the assistance that will be provided to project sponsors to ensure that they bring forward a high quality project.

Robust management and financial arrangements are already in place, supported by strong administrative processes and an augmented approach to monitoring and evaluation.

The Local Action Group has established a clear timetable of activities, including a comprehensive programme of marketing and publicity. This will be underpinned by a demonstrable commitment to equality of opportunity.

FINANCIAL DETAILS

We are proposing a total investment of £4,663,500 over the six-year duration of the assignment, with the majority of this (82.2% or £4,002,000) being focused on local projects under Action 1. Action 2 co-operation projects with a budget of £340,000 or 9.8% of the total are also envisaged.

At £321,500 (8% of the total) we believe that the running costs under Action 3 represent excellent Value for Money and these costs are fully supported by public sector funding.

We propose a total investment from LEADER of £2,434,500 over the programme period, with the balance being levered from a mixture of private and public sector sources.

SECTION A

Partnership Details

SECTION A: PARTNERSHIP DETAILS

It should be noted that the content of this section has been updated since its original submission to the Scottish Government.

A1 LOCAL ACTION GROUP NAME

Tyne Esk LEADER+ Local Action Group

A2 CONTACT DETAILS

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A3 PARTNERSHIP DETAILS

The Tyne/Esk LEADER+ Local Action Group (LAG) was established in 2002 in order to develop and implement the programme and assess projects. The LAG Chair, representing the Midlothian Federation of Community Councils, was appointed at the first meeting in June 2002 and the Vice-Chair continues to be the nominee from the East Lothian Association of Community Councils ensuring continuity and a high level of expertise and knowledge. Very few revisions to membership have been made since 2002 and the LAG operates in a cohesive manner, delivering a successful programme.

For the new Leader programme the LAG recognises that an expanded area as proposed overleaf would require amendments to membership but also that consistency in membership will facilitate the transition to the new programme. Therefore in addition to the current LAG, an Advisory Group will be established to guide the LAG where their own level of knowledge of the particular subject matter is quite limited. Advisory Group members can be consulted on particular issues, either with regard to individual projects or with regard to programme delivery.

Organisations and agencies represented on the LAG are:

- Association of East Lothian Community Councils;
- East Lothian Council;
- East Lothian Voluntary Organisations Network;
- Lothian Association of Youth Clubs;
- Midlothian Council;
- Midlothian Federation of Community Councils;
- Midlothian Tourism Forum;
- Midlothian Voluntary Action;
- National Farmers' Union Scotland;
- Pentland Hills Regional Park;
- Scottish Agricultural College Advisory Office;
- Scottish Enterprise Edinburgh and Lothian; and
- Scottish Women's Rural Institute
- East Lothian Tourism Forum;
- East Lothian and Midlothian Chamber of Commerce; and
- Forestry Commission Scotland.

CVs for LAG members are set out in Appendix 1.

Advisory Group Members include:

- Communities Scotland;
- Dialogue Youth (operated by the Councils);
- Lothian & Borders Police;
- NHS Lothian;
- Scottish Natural Heritage;
- East Lothian and Midlothian Council (Transportation, Sustainability, Housing, Childcare and Education).

With regard to the "On the Ground" Family, it should be noted that the Forestry Commission Scotland is on the LAG and Scottish Natural Heritage has agreed their support to the Advisory Group.

A full listing of Advisory Group members is included in Appendix 2.

A4 LAG AREA

The Tyne Esk LAG area, despite being spread over two Local Authority areas, is coherent and this is evidenced by the successful delivery of the 2002-06 Leader+ programme, including three joint East Lothian/Midlothian projects, in line with the Joint Rural Economic Strategy for the combined area. Both areas have high numbers of commuters, mainly into the City of Edinburgh, and the Rural Strategy has focused on rural business development, rural tourism, rural agricultural optimization and rural community development.

For 2007-13 it is proposed to expand the programme area to cover the previously excluded rural areas of the two local authorities. The urban areas of Penicuik have been excluded although projects that are based in Penicuik and which can demonstrate that they are targeted at the rural hinterland will continue to be considered. All settlements within this revised area have less than 10,000 population.

The Tyne Esk area lies within the Forth On the Ground Scottish Executive Rural Payments and Inspections Directorate (SERPID) boundary and Community Planning Partnership area. The area complies with the Scottish Government 6-Fold Urban Rural Classification and comprises an area defined as Accessible and Remote Rural.

The wards that for the purposes of this exercise we are referring to as '**Rural Midlothian**' are:

Ward 1: Penicuik South-West

Ward 2: Penicuik North

Ward 3: Penicuik/Roslin

Ward 4: Penicuik South East

Ward 5: Bilston/Roslin

Ward 6: Loanhead

Ward 7: Poltonhall/Rosewell

Ward 11: Arniston/Cockpen

Ward 12: Gorebridge South

Ward 13: Dalkeith/Newton

Ward 16: Newbattle/Pathhead

Ward 18: Mayfield South

Note: for the Penicuik wards, only those parts of the ward classified as Accessible and Remote Rural according to the Scottish Government 6-Fold Urban rural Classification have been included.

The wards that for the purposes of this exercise we are referring to as 'Rural East Lothian' are:

Ward 6 Wallyford/Whitecraig

Ward 7 Prestonpans West

Ward 8 Prestonpans East

Ward 9 Cockenzie and Port Seton

Ward 10 Longniddry

Ward 11 Tranent West

Ward 12 Tranent/Macmerry

Ward 13 Tranent/Elphinstone

Ward 14 Ormiston/Pencaitland

Ward 15 Aberlady/Gullane/Dirleton

Ward 16 Haddington West/Saltoun

Ward 17 Haddington Central

Ward 18 Haddington East/Athelstaneford

Ward 19 East Linton/Gifford

Ward 20 North Berwick West

Ward 21 North Berwick East

Ward 22 Dunbar/West Barns

Ward 23 Dunbar East

Appendix 3 sets out a map of the proposed Tyne Esk Leader Area, which in total covers 1,009 square miles.

The Community Planning Partnerships of both local authority areas are represented on the Advisory Group and in addition programme delivery will be integrated into these Community Planning structures.

Administration/management costs would not increase to any great extent as the new programme would benefit from expertise in delivering the 2002-06 programme and from the agreement between the public agencies to support its development and delivery. Details of the Heads of Agreement between East Lothian Council, Midlothian Council and Scottish Enterprise Edinburgh and Lothian are set out in Appendix 4. We are mindful of the recent changes announced by the Scottish Government regarding the structure of Scottish Enterprise and will work with any successor organization to SEEL in taking forward the work of the LAG.

A5 POPULATION

Total Rural Population of Proposed Tyne Esk Leader Area: 123,714

Sum of Rural Wards Compared with Total East Lothian and Midlothian Population (<i>Census 2001</i>)								
Age	Rural Midlothian		Midlothian		Rural East Lothian		East Lothian	
	Male	Female	Male	Female	Male	Female	Male	Female
0-15	5,704	5,508	8,645	8,351	7,483	7,164	9,566	9,185
Working age	16,897	17,992	24,929	26,822	21,124	22,249	27,037	28,740
65+	3,208	4,264	5,096	7,038	5,038	7,083	6,360	9,200
Total	25,809	27,764	38,670	42,271	33,645	36,496	42,963	47,125

Total Rural Midlothian Population: 53,573²

Total Rural East Lothian Population: 70,141

² This figure overstates the population very slightly as it includes all of the Penicuik wards, only part of which may properly be classified as "rural".

A6 CONCLUSION

For the purposes of this submission, Midlothian Council is the main contact (John Beveridge, Economic Development Manager) although both Susan Smith of East Lothian Council and Donna Scoular of Scottish Enterprise Edinburgh and Lothian are pleased to respond to any queries from The Scottish Government regarding their continued and future support to the partnership and the LAG.

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SECTION B

Local Development Strategy

INTRODUCTION

Section B sets out the Local Development Strategy for Tyne Esk LEADER for the period of 2008 - 2013.

The strategy has been developed according to the Scottish Government LEADER guidance and is based on a review of previous LEADER+ experience, research into the current policy environment and an assessment of the socio-economic situation of the area. Consultations with a wide range of stakeholders and the conduct of two stakeholder workshops have been crucial elements of the strategy development process.

We are mindful of the need for LEADER to work in a complementary way to the Regional Project Assessment Committee (RPAC) to ensure an integrated and coherent approach to rural development in our area. Our strategy is sufficiently flexible to be able to take account of the regional priorities that are expected to be developed by the RPAC in the Forth region.

The structure and layout of this strategy seeks to correspond with the requirements of the LEADER guidance and to guide the reader through the main principles of our Development Strategy and Business Plan. We have sought to keep the main body of our report concise and have provided comprehensive back up information in the appendices.

B1. THEMES

What is/are the theme(s) around which your strategy is based? An evidence base is suggested at Annex 2, Section 1.3. Leader+ groups should also provide an evaluation of their LEADER+ activities indicating how successful these have been, what lessons have been learned and what needs to be addressed. You may find it useful to include analysis of data from community workshops.

VISION STATEMENT

Based on the previous LEADER+ experience and achievements, and to acknowledge the important role of LEADER as a catalyst and bridge-builder between the existing local strategies as well as the community planning structures, we have formulated the following vision for Tyne Esk LEADER:

'Supporting opportunities for rural communities'

LEADER THEMES AND THEIR STRATEGIC CONTEXT

On the basis of the consultation workshops, stakeholders³ selected two key LEADER themes which reflect the economic, social and environmental challenges affecting our area and which we believe to be strongly inter-related and mutually supportive.

The themes have been derived from the Scottish Rural Development Programme (SRDP) and thus reflect its key aims and objectives for local rural communities in Scotland.

The chosen themes for Tyne Esk LEADER are:

- Revitalising Communities; and
- Progressive Rural Economy.

Both themes relate closely to Axis 3 of the SRDP: Quality of Life and Diversification of the Rural Economy. LEADER activity in our area will, therefore, help implement a range of measures at the Scottish level, including:

- Diversification into non-agricultural activities (Code 311);
- Business Creation and development (Code 312);
- Encouragement of tourism activities (Code 313);
- Basic services for the economy and rural population (Code 321); and
- Skills, acquisition, animation and implementation of local development strategies (Code 341).

The two themes and SRDP-measures reflect well the key issues of the Tyne Esk LEADER area as identified by the Economic Overview that is set out in Appendix 5 and the stakeholder and project consultations that are set out in Appendix 6.

As demonstrated below, LEADER also complements well the existing policy and strategy environment of the Tyne Esk LEADER. This is discussed in more detail in the policy review, which we have attached in Appendix 7.

EVIDENCE OF NEED

We have based the thematic focus of the Tyne Esk LEADER strategy on the socio-economic situation of our area and the experience we had with the previous LEADER + programme implementation (both reviews are appended to this document).

Economic Baseline

East Lothian local authority area has experienced an increase in population over the last six years representing an increase of 3% whilst Midlothian has experienced an overall decrease of 2%. However this population change has not been demographically proportionate with a decline in the number of young people in both areas. Population forecast data estimates that this decline in young people will continue across both areas.

Both rural areas' employment base is reliant upon certain key industries: public administration, education & health, distribution, hotels and restaurants and banking, finance and insurance, that make up the greatest proportion of employment in the area.

Although a key industry, the baseline highlights an apparent decline in the distribution, hotels and restaurants sector over the period from 2003 to 2005. This sector includes industries aligned with tourism, a key sector in a regional and national context. Further to this, the sector makes up a large proportion of the part-time female employment in the area. Any further decline to this industry could have wider reaching implications for employment in the area.

The business base of the areas has increased over the past few years and the key sectors in terms of number of businesses is the same as the employment base. The location quotients show that Rural East Lothian has a similar business base to Scotland as a whole whilst rural Midlothian has some notable differences.

With regard to business creation, the one-year business survival rates, although approximately the same level as Scotland, has decreased in Midlothian for the period 1995 to 2004. This has impacted upon the density

of businesses in the area, which currently is lower than the Scottish average.

The average female earnings in East Lothian are higher than the Scottish average; however this figure is unlikely to remain higher than the Scottish average if the current decline in distribution, hotels and restaurants continues, as this sector has a large number of both full and part-time female employment.

The claimant count has been reducing in both areas for the period 2004-2007 although the data does not enable us to distinguish between people securing employment and those no longer claiming Job Seeker's Allowance.

The education data reveals a mixed picture in terms of educational attainment. Some schools outperform the Scottish average in terms of exam attainment at the S5 level but this is not the case across all schools. In a number of cases, the proportion of school leavers going into full-time education is lower than the Scottish average.

Lessons Learned From The Previous Leader+ Programme

LEADER+ has supported nearly 90 projects with an overall project value of over £5m supporting a wide range of objectives, such as capacity building, transport, tourism, conservation, food and training. We have committed our resources fully and expect to have spent all of our budgets by the end of the Programme period.

In summary, a number of key achievements have been made; these include the following:

- Our approach has achieved the aim of being a "bottom up" programme and we need to maintain this;
- We have significantly exceeded most of our declared targets and outcomes and need to be more stretching in setting these and to ensure clear definition and understanding of this aspect of the process;
- Our Local Action Group has worked well, with a strong community base and a good balance of representatives from the public, private and voluntary sectors;
- On the whole, our communication and administrative procedures have worked well, with projects commenting positively on the clarity of application and monitoring procedures;
- Stakeholders in the consultations recognised the benefits of the LAG having a strong chair and a stable "core" group of members but felt that young people were under-represented (an issue that has now been addressed).

These achievements need to be seen in the context of Tyne Esk being a new area for support in the last round of LEADER funding.

A more detailed review of lessons learned is set out in Appendix 8.

REMAINING ISSUES TO BE ADDRESSED

Key Issues from Economic Overview and Review of Previous Experience

There remain considerable challenges to be addressed by the new LEADER programme. Some of those challenges identified by the economic overview and review of previous experience are summarised below.

In terms of socio-economic development:

- There is a need to enhance the environment for small and micro businesses to enable them to achieve sustainable competitiveness;
- In turn, this means enhancing business start-ups and business density;
- Improving entries into further and higher education is also a challenge;
- Continued diversification of the economic base of the area is needed, so that local job opportunities are created for the resident population;
- There is an identified need to improve the available skills, so that the growth industries located in the area are able to recruit from within the LEADER area;
- The rural area would benefit from Improved linkages and development opportunities between key players, such as university campuses and growth companies; and
- Connecting rural development with the community planning agenda is recognised as being of significant benefit.

In terms of LEADER management issues:

- In order to be more inclusive, a more comprehensive partnership needed to be represented on the Local Action Group and this issue has been addressed in the revised composition of the LAG;
- LEADER projects require increased promotion and exchange between each other, so that good practice and expertise can be shared within the region and with other areas;
- Cross-sector co-operation requires to be encouraged further, in order to maximise the integrative character of LEADER;

- Increased community involvement in decision making processes and project implementation is recognised as being of importance;
- The need to improve the range of community facilities and continue to build local capacity; and
- There is a need to further exchange experience with other areas on a trans-regional and trans-national basis.

Key Issues from Consultations

The stakeholder consultation process allowed certain issues and nuances to emerge that are not always fully evident from the review of publicly available information and a number of these issues are highlighted herein (further details are set out in Appendix 6).

Stakeholders noted the importance of agriculture to the area and the diverse mix of communities, ranging from small towns and villages to more remote areas. Whilst there are affluent parts of the area, there are also pockets of deprivation and challenges in terms of the seasonal nature of employment and the loss of young people to the area (driven in part by increasing house prices).

This said, the physical assets of the area (coastal areas, open space, parkland, golf facilities, nature reserves) also need to be recognised and nurtured.

Stakeholders perceive that key outcomes of a LEADER programme should include the retention and increase of employment and development of new and enhanced community facilities and activities.

Core remaining issues focus on the need to improve competitiveness and innovative performance of businesses, and workforce development, in order to prevent the area to become a sleeper community in the shadow of the big metropolitan urban area.

The skills for and of the local business base require to be increased, so that better linkages can be established to development opportunities arising out of the vicinity of key research establishments.

The spread of economic diversity has to be supported in order to provide employment and training opportunities for all.

SWOT ANALYSIS

In further developing our approach, we have found it useful to summarise our findings in the SWOT Analysis (Strengths, Weaknesses, Opportunities, Threats) that follows:

Strengths	Weaknesses
<p>Certain pockets of business strength (e.g. biotechnology, forestry, tourism)</p> <p>Contribution of agricultural economy</p> <p>“Golf” economy</p> <p>Connectivity to other areas</p> <p>Quality of life</p> <p>Affluent areas exist that bring wealth to the area</p> <p>Improving community capacity (aided by LEADER+)</p> <p>Community spirit</p> <p>Balance between urban and rural areas</p> <p>Environmental assets, including: open space, coastal areas, parkland, nature reserves</p> <p>Air quality</p>	<p>Low innovation and productivity in some parts of the business base</p> <p>High dependence on seasonal employment in some areas - leading to under-employment and can be very fragile</p> <p>Links between schools and industry</p> <p>A mixed picture of educational attainment across the rural area.</p> <p>Economic and vocational training</p> <p>Linkages between housing programmes and retail and work opportunities</p> <p>Projected decline in the proportion of young people in the area</p> <p>Young people feeling “there is nothing to do in the area”</p> <p>A significant number of vulnerable families not always identified by available statistics</p> <p>Some scope for transport improvement on a local basis</p>
Opportunities	Threats
<p>Ensuring that rural exclusion is addressed by the Community Planning partners and process</p> <p>Further development of outdoor leisure opportunities</p> <p>Improving linkages between the business and education sectors</p> <p>Economic and social contribution of migrant workers</p> <p>Further enhancement of community capacity (including both “physical” and “people” capacity)</p>	<p>Becoming a sleeper community for Edinburgh</p> <p>Potential decline in agricultural economy</p> <p>Decline in community cohesion if migrant workers are not effectively integrated</p> <p>A widening of the opportunity gap, if local people in the rural area are not able to share in the benefits of growth.</p> <p>Negative environmental impacts of growth.</p>

In the following section, we summarise the main issues that emerge from this analysis and highlight the key objectives for our strategy and the issues that will be addressed.

B2. MAIN ISSUES AND TARGET GROUPS

What are the main issues identified/specific needs you intend to tackle and what are the objectives of the strategy? Are there any target groups?

Our assessment of the issues discussed in Section B1 has been ongoing during the delivery of the current LEADER+ programme. However, in February 2007, we took the opportunity to consider further the issues that needed to be addressed and the potential objectives of our strategy, through a major consultation event that had extensive participation from community groups, the voluntary sector, the private sector and the public agencies with an interest in rural development. This section draws largely on the outcomes of this consultation, which has been validated further by our subsequent consultations and review of the evidence base and which is reflected in the SWOT Analysis on page 16.

ISSUES IDENTIFIED AND SPECIFIC NEEDS

The key "headline" issues to emerge can be summarised as follows:

- The environment for businesses, particularly small businesses;
- The fragility of employment (including issues of under-employment);
- Population change (more older people and depopulation in terms of young people);
- Community capacity and cohesion;
- Community facilities;
- Connectivity (both in terms of transport within the area, linkages between groups and ICT);
- Recognition of disadvantaged individuals and groups within the rural context.

The objectives stated later in this section derive directly from these issues.

TARGET GROUPS

This analysis is also instructive in informing our choice of target groups, the rationale for which is tabulated below:

Target Group	Summary of Rationale
Women	Women are particularly affected by the fragility of part-time work and, for example, difficulties in accessing childcare and other services in the rural area.
Young people (aged 14-24)	There is a mixed picture of educational attainment and a projected decline in the proportion of young people in the area.
The unemployed and, specifically, the underemployed (which we define as individuals who work on a part-time and/or seasonal basis and who would wish to increase their hours and/or duration of employment)	Underemployment is a particular feature of the make up of the business base and the seasonal economy
Micro businesses (those with less than ten full-time equivalent employees)	Micro-businesses can make a significant contribution to rural economies but are particularly fragile, particularly in the early stages of their development.
Older people (aged 60+)	A growing part of the population who are sometimes seen as a problem for society but should actually be seen as an asset in relation to issues such as voluntary work and community capacity.
Disabled people (this will not be confined to people who are registered disabled but will include people whose lifestyles and economic chances are constrained by a limiting condition).	This group faces particular challenges in relation to employability and service access in the rural context.
Migrant workers and their families	Migrant workers represent both opportunities and threats in relation to social cohesion.

The target groups, and issues, will be reviewed regularly, including in the annual review of the Business Plan and the mid-term evaluation that is scheduled for 2010.

OBJECTIVES

In the light of this analysis, we have set out the following strategic objectives for LEADER in our area, which are related closely to our overall vision for the area.

Strategic Objectives

To improve the environment for sustainable business and employment;

To address community capacity and cohesion;

To develop community facilities;

To enhance connectivity within the area;

To target economic and social disadvantage.

B3. HOW WE WILL TACKLE THESE ISSUES AND GROUPS?

How do you intend to tackle these issues and target the groups identified?

There are a number of elements to the Tyne/Esk LEADER programme that ensure we effectively target the key groups outlined and that they are focused on the relevant issues. This approach needs to balance the strategic direction contained herein with the bottom-up approach that characterises LEADER.

We comment further in the section on information and publicity but essentially, our intention is to focus proactively on our target groups and the community as a whole to encourage and invite projects that fit with the key themes and priorities. This could mean, for example:

- Working through churches and village hall representative organisations, which are often a focus for community activities in rural areas, some of which will already be in touch with our target groups, whilst continuing to recognise the need for an inclusive approach;
- Continuing an ongoing programme of engagement with Community Councils;
- Using tenants and residents associations to reach out to the wider community;
- Engaging with groups with a particular focus on the needs of women, including the SWRI, Childcare Partnerships and other interest groups;
- Engaging with active youth work organisations (including Young Farmers' organisations and Dialogue Youth, the latter of whom are now represented on the Advisory Group);
- Targeting young people directly through schools, Community Learning and Development and other means;
- Liaison with businesses through Chambers of Commerce and Business Gateway events;
- Reaching out to older people through, for example, Community Learning and Development, the Ageing Well initiative and other older people's interest groups;
- Working with disabled people, through Community Learning and Development and interest groups;

We anticipate that engagement with migrant workers and their families will be a particular challenge due to the lack of existing organisations as a conduit to these individuals and this will mean that a more direct and proactive approach may be required.

We will also encourage more effective networking between projects and initiatives, an issue we return to under the theme of co-operation. This networking is also one of the ways by which we can foster bottom-up innovation from those organisations that will bring projects forward.

We recognise that the stronger “outreach” philosophy inherent within this will require a proactive approach and the adoption of unorthodox and interactive approaches, with a strong emphasis on personal interaction. The Leader Co-ordinator will have a role to play in this but we also recognise the need for additional input through, for example, LAG representatives, Localised Community Planning and the Community Learning and Development functions of the two Local Authorities.

B4. OUTCOMES

What outcomes do you hope to achieve as a result of the actions undertaken?

In developing our statement of outcomes, we have been mindful of a number of elements:

- The current guidance that has been provided by the Scottish Government and the content of the Scotland Rural Development Programme;
- The need for clearly defined measurables;
- The need for targets to be stretching but achievable.

We have also built on the experience of our achievements over the course of the previous LEADER+ programme, which are detailed in Appendix 8.

It is noted that the process of agreeing and defining indicators will be an ongoing one that will continue after bids have been received. At this stage, however, we feel able to set out an indication of the outputs, results and impacts that we expect to achieve:⁴ The indicators are derived from a combination of those set out in the SRDP Guidance and additional indicators we have developed, including some derived from the previous LEADER+ programme.

OUTPUTS		
Indicator	Definition	Target
Number of awareness raising events held by LAG and projects	Events that may be hosted by the LAG or another body, including specific projects, whose primary purpose is to raise awareness of the programme	80
Number of projects supported by LAG	Individual projects who receive funding from the LAG	90
Number of project beneficiaries	For each individual project, this will be the number of direct and separate beneficiaries or service users of a project over an annual period. No individual should be double-counted by an individual project but may be a beneficiary or service user of more than one LEADER project.	12,000

⁴ The definition of these terms set out in the Scottish Executive Guidance has been accepted, that is: outputs are "activities directly realised within programmes"; results are "the direct and immediate effect of the intervention" and impacts are "the benefits to the programme beyond the immediate effect on its direct beneficiaries".

Number of young people aged 14-24 as project beneficiaries	As above, but within this specific category	4,500
Number of older people (aged 60+) as project beneficiaries	As above, but within this specific category	3,000
Number of women as project beneficiaries	As above, but within this specific category	4,000
Number of migrant workers as project beneficiaries	As above, but within this specific category	50
Number of underemployed people as project beneficiaries	As above, but within this specific category. We define the underemployed as individuals who work on a part-time and/or seasonal basis and who would wish to increase their hours and/or duration of employment	100
Number of micro-businesses assisted/ advised	As above, but within this specific category. We define micro-businesses as those with less than ten full-time equivalent employees	250
Number of others assisted (not falling into specified target groups)	As above, but within this specific category	500
Number of project networking sessions	Formal events where at least five projects or potential projects come together to address issues relating specifically to the work supported under LEADER	12
Number of participants in project networking sessions	Number of individuals taking part in such sessions.	70
RESULTS		
Indicator	Definition	Target
Gross number of full time jobs created	The gross number of Full Time Equivalent jobs (30 hours per week) available and filled, which are attributable to the LEADER programme, are permanent (foreseeable for at least one year) and were not previously available.	300

Gross number of full time jobs safeguarded	The gross number of Full Time Equivalent jobs (30 hours per week) that would have been lost without direct LEADER support within one year and are no longer deemed at risk.	250
Number of participants that successfully ended a training activity	The number of individuals attending and completing a specified training course or supported to attend other formal training, directly relevant to LEADER, whether or not a formal qualification is secured.	500
Number of new products, services or processes introduced	The number of new products/services/processes introduced which are new to the area and which were brought into being as a direct result of LEADER support'	80
Number of new geographical markets accessed	The number of occasions where support from a LEADER+ project has led to a clearly identifiable new market (geographic or customer-based) being accessed for an existing product or service.	30
IMPACTS		
Indicator	Definition	Target
Economic growth	To be advised following further discussion with Scottish government	To be advised following further discussion with Scottish government
Employment creation	To be advised following further discussion with Scottish government	To be advised following further discussion with Scottish Government
Improvement in rural community capacity	To be advised following further discussion with Scottish government	Measurable to be devised.

We look forward to further discussion of these indicators with the Scottish Government.

B5. INNOVATION

How is innovation worked into your strategy? What makes the strategy innovative and how will this be transferred to projects?

This commentary on innovation is influenced strongly by the focused decision on the issue at our 24th September workshop.

We have adopted the following definition of innovation:

“Innovation is the process that translates knowledge into economic growth and social well-being”.

Australian Research Council (part of the Australian Government)

Inherent in this definition is the idea that “innovation” is the process that involves ideas being turned into reality. This can include “innovation” in terms of product/service, operational processes and management approaches. Thus, there is a need to not only generate ideas, but to screen these effectively and to provide support in their implementation.

There are aspects of our overall approach to the programme, which we would consider to be innovative. For example:

- The role of the LAG Advisory Group and Localised Community Planning structures in supporting programme implementation and project development is new to our programme;
- The inclusion of a LAG members section of our website, incorporating opportunities for discussion threads and question and answer sessions, is particularly innovative.

However, the main source of innovation is from the projects themselves and their development. The role of the Project Co-ordinator and the partners in the LAG is to facilitate this process. This can be achieved in a number of ways:

- By providing support in idea generation and screening as part of our “outreach” activities (including the use of structured and unstructured tools to generate such ideas);
- By encouraging the exchange of knowledge between partners and projects and between projects (including web-based discussion threads between projects);
- By ensuring that appropriate support is given to the project development process, including the encouragement of “managed risk”.

Our view is that innovation is about turning ideas into action and inherent in this is the notion that effective innovators identify and manage risk at all stages of the process.

We have already supported a number of projects with a strong innovative component including:

- The rural communities food co-operative, run by a combination of paid workers and volunteers, which challenged the conventional wisdom of the food supply chain to provide fruit and vegetables at low cost to individuals, families and community groups;
- The “New Uses for Old Plants” project, which created a garden out of scrub land using indigenous and traditional plants;
- The LEADER+ Art Competition, which assisted artists to develop their earning capacity by targeting commercial premises;
- The Rural Suicide Prevention project that sought to raise awareness of sources of help and support for farmers and their families.

These and other “case studies” will be used in our outreach work to illustrate the range of imaginative solutions that are possible to address our strategic objectives.

B6. CO-OPERATION

“Co-operation is one of the key tenets of Leader. Define in your strategy how you propose to use cooperation to the benefit of the rural community”

INTRODUCTION

Partnership working between different rural areas is a core element of LEADER. Co-operation with other rural areas in Scotland and the UK, and abroad facilitates the exchange of best practice and experience. Learning through co-operation and exchange is an ideal medium to generate new project ideas and to assess one's own project experiences with a view to improve performance and effectiveness. It is in this context, that we believe co-operation is relevant to Tyne Esk. There are also aspects of joint project delivery through which catchment areas can be widened and impact improved. This, we think, is particularly important for co-operation with other LEADER areas in Scotland.

The theme of co-operation was explored at the stakeholder workshop in September 2007, the details of attendance at which is included in Appendix 8.

CO-OPERATION

We consider co-operation as being the process by which different partners (including communities) come together to firstly establish their shared objectives and then to pool skills and resources in pursuit of these objectives. This process is fundamental to the LEADER approach. Some of the ways in which this co-operation will manifest itself are as follows:

- Project sponsors will be actively encouraged to consider potential Action 2 projects. Action 2 projects in the LEADER+ programme will have increased the Tyne/ Esk programmes ability to cooperate with other LAG areas e.g. Borders and South Lanarkshire in the successful 'South of Scotland Equestrian Tourism' project;
- At the programme level, we would expect to co-operate with other LEADER areas and, in particular, with those who are in "neighbouring" areas and including new LAGs such as West Lothian;
- As part of the Forth Region link we will communicate with other LAGs within the region and work on Action 2 projects;

- There are examples of transnational links that already exist (e.g. through the exchange of experience with the Scottish Agricultural Organisations Society) and we expect to work to develop links that are already established;
- We will utilise twinning links within the Councils to encourage co-operation between projects e.g. in France, Germany etc. We anticipate that the LEADER Project Officer will be in regular contact with the RPAC Officer and will attend RPAC events as required. There will of course be cross-membership between RPAC and the LAG providing an additional link.

COMMUNITY PLANNING

The LAG (and the Advisory Group) are already excellent examples of partnership working across partners, with communities and across Local Authority boundaries. In continuing this approach, allied to engagement with communities on the ground, we believe that our LEADER programme can make a significant contribution to ensuring that rural communities have a say in the Community Planning process. Representatives from the Community Planning Partnership have already agreed to take part in the Advisory Group and the localised Community Planning Groups will be invited to comment on project proposals.

ON THE GROUND

There are a number of ways by which organisational co-operation “on the ground” will be fostered. As well as the engagement with community organisations that we have already described, some other examples of this could include:

- Stronger links with Higher Educational establishment to encourage, for example, graduate placements in some projects;
- Working with existing groups to encourage volunteering (e.g. the Volunteer Development Groups in each of the Local Authority areas);
- Encouraging involvement of the Community Learning and Development teams in providing support to services.

B7 and B8. STRATEGIC FIT

How does the strategy complement the Scotland Rural Development Programme, Structural Fund programmes, Scottish Government, Local Government and LEC policies and the Community Plan?

How does the strategy reflect EU, national, regional and local priorities and partnerships?

In this section, we summarise briefly our assessment of the Strategic Fit of this Development Strategy with each of the European, National and Local contexts. This is drawn from the extensive desk-based review that is set out as Appendix 5.

EUROPEAN CONTEXT

LEADER constitutes a mainstreamed element of European Council Regulations relating to rural development. The relevant EU policies and regulations (such as Council Decision (2006/144/EC)) outline several key priorities regarding rural development, specifically they include:

- Improving the competitiveness of the agricultural and forestry sector;
- Improving the environment and the countryside;
- Improving the quality of life in rural areas and encouraging diversification of the rural economy; and
- Building local capacity for employment and diversification.

These priorities reflect those activities identified under the themes of 'Revitalising Communities' and 'Progressive Rural Economy'. The LEADER programme will therefore be able to contribute to European priorities for rural development.

NATIONAL CONTEXT

In terms of national policy, the two LEADER themes constitute mainstreamed elements of the Scottish Rural Development Programme and are, therefore, fully integrated into national policy and rural development action.

With its emphasis on innovative approaches to local rural services, rural transport initiatives, off-farm and forestry diversification, and tourism initiatives, the East Lothian and Midlothian LEADER strategy fits well within the Framework for Economic Development for Scotland, and the range of objectives outlined in Smart Successful Scotland. At the same time, the two adopted LEADER themes will add value to Scottish Enterprise activities with their additional aims to develop community facilities, to improve access to areas of high environmental amenities, and to enhance the range of services locally.

The new Lowland and Uplands Scotland ERDF and ESF Programmes provide considerable overlap with the LEADER themes, particularly as the new ERDF Programme incorporates a dedicated Rural Development priority. In both cases, LEADER has to add value and complement the Programmes through its local, small-scale focus.

LOCAL CONTEXT

The economic development strategies also provide a good strategic umbrella for LEADER, although LEADER is, naturally, less focused on larger industrial development, company-based, and work-force initiatives. However, LEADER will be able to contribute well towards targets regarding start-up business development, skills development and improving sustainable transport.

In terms of Structure Plans, housing, sustainable forms of transport, environmental and historic sites, countryside development, and renewable energy are the most relevant areas for Tyne Esk LEADER action.

The tourism strategies and related Action Plans of both local authorities provide a good strategic back up for LEADER, mainly with regard to the promotion of sustainable tourism, joint marketing action and networking between tourism operators.

The relationship between the two LEADER themes and the Community Planning Partnerships of East Lothian and Midlothian, in terms of shared objectives and strategic aims is very close and LEADER will be able to contribute well towards the performance targets of the plans.

LEADER and its core principles of partnership, networking, collaborative work, and sustainable development matches the requirements of NATURA 2000 well ensuring that designated NATURA 2000 sites in East Lothian will be respected and their potential development carefully integrated into socio-economic activity.

B9. SUSTAINABILITY

Demonstrate how the strategy contributes to sustainability.

The theme of sustainability was identified as a specific issue for input to be gathered at our Stakeholder Workshop on 24th September.

Sustainability will incorporate each of the three pillars of sustainable development: economic, social and environmental.

Each of these elements will be communicated to potential project sponsors as part of our outreach work and, as discussed in the Business Plan section of the document, will form part of both our appraisal and monitoring processes.

Inherently, the majority of projects brought forward will contribute to issues of economic and social sustainability, since they will be addressing the key issues that arise out of our SWOT Analysis and the identified objectives.

Some examples of projects supported under the previous LEADER+ programme that have addressed these issues are:

- Economic
 - The “Rural Childminding” initiative that encourages people to become childminders in rural East Lothian.
 - The Rural Tourism Twinning Project that sought to enhance the sustainability of tourism businesses through test marketing and promotion of themed packages.
- Social
 - The Learning Together 15+50+ Project that provided an enabling and educational support resource for both young people and older people.
 - The Church, Community and Change Project that involved youth work on an outreach basis in targeted areas.

As noted in Appendix 6, our previous experience is that many of the projects supported under the previous LEADER+ programme are enhancing their sustainability through the efforts of unpaid volunteers involved in the projects.

However, we anticipate that project sponsors will require additional support in relation to the environmental “pillar” of sustainability. Such support could include:

- Definition of sustainable development standards for projects that we will support;
- Ensuring that projects (and potential projects) are linked into existing initiatives such as Energy Efficiency Programmes;
- Providing organisational development support to projects in relation to aspects of environmental sustainability.

There are also linkages to be made with the business community in fostering sustainability through, for example, the Business Environment Partnership.

SECTION C

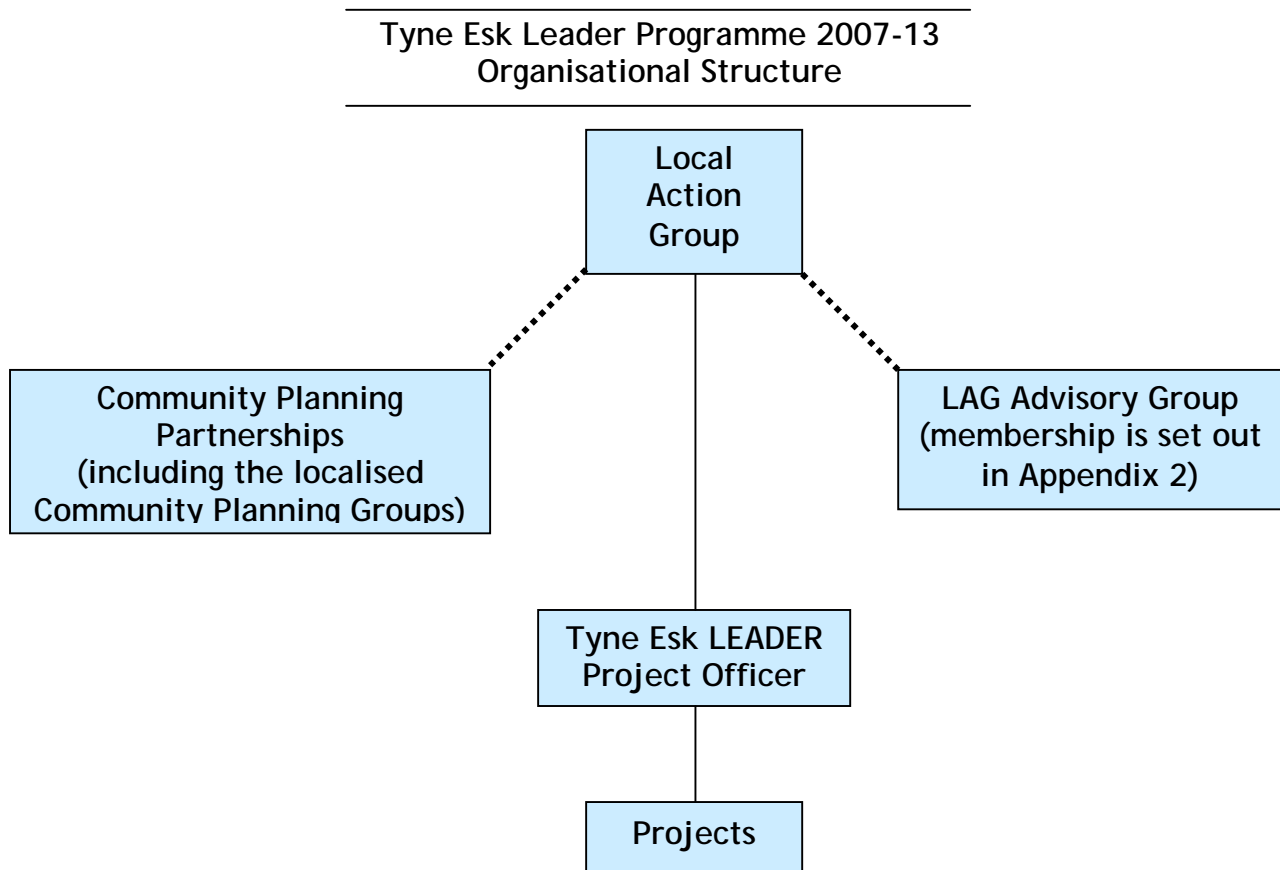
Business Plan

C1. DELIVERY PROCESS

A detailed explanation of the delivery process should be provided and how State Aid issues will be dealt with.

ORGANISATIONAL STRUCTURE

The overall organisational structure for the programme is illustrated below:



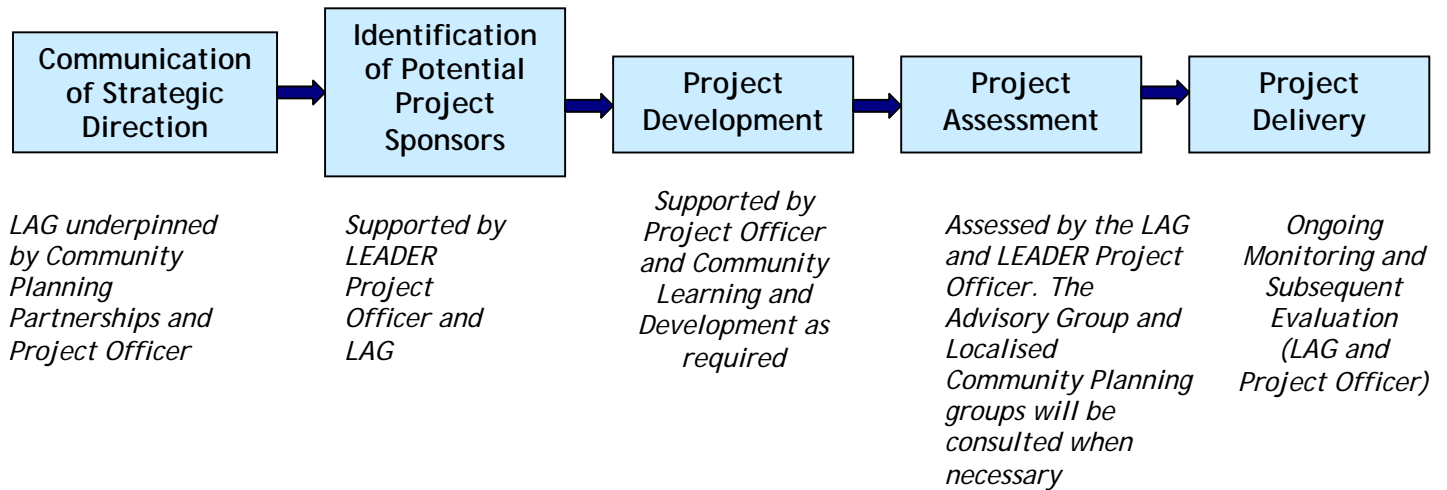
Details of composition of the Local Action Group are set out in Section A. Its purpose is as the fundamental decision-making body for the Tyne/Esk LEADER programme.

The LAG Advisory Group provides additional specialist insight to guide the LAG on particular issues, either with regard to individual projects or with regard to programme delivery.

As illustrated previously, the strategy set out herein shows a strong fit with both the East Lothian and Midlothian Community Plans. We will ensure effective two-way communications between the LAG and the appropriate community planning structures in each area, a process that will be assisted by the cross-membership of the various bodies.

OUR "MODEL" FOR LEADER

We have noted previously the strong focus on a bottom-up model, working to a clear strategic direction. This approach is illustrated graphically below:



STATE AIDS

Project application and monitoring systems will continue to track all public expenditure on any given project. It is not envisaged that de minimis limits will be breached in any circumstance but, were this to happen, the LAG would seek to draw upon the specialist support within the two Local Authorities and Scottish Enterprise Edinburgh and Lothian, at the development and appraisal stage of a project.

C2. ADMINISTRATIVE AND FINANCIAL ARRANGEMENTS

The Administrative and Financial arrangements should be set out. These should include job description(s) and salary proposals for staff, financial controls and any restrictions on levels of approval.

ADMINISTRATIVE

The day-to-day administration of the programme will rest with the LEADER Project Officer. This individual will be employed through East Lothian Council and will be provided with space in the Council's offices in Haddington (continuing the arrangement that exists for the current LEADER+ programme).

A detailed Job Description has been prepared for this role, which includes the following tasks:

- To raise and maintain the profile of the Tyne Esk LEADER programme - ongoing publicity, local media and a programme of meetings and presentations to key local groups;
- To develop and provide training and other support for LEADER projects and LAG members;
- To act as a secretariat to the Local Action Group (LAG) providing project information to LAG members when assessing grant applications;
- To work with individuals and community groups within the LEADER area to develop their ideas into well-planned and constructed projects, including assistance with the preparation of business plans and the identification of appropriate match funding;
- To ensure that the delivery of the programme within the LEADER area takes place in a co-ordinated way and that individual projects complement and do not compete with each other;
- To develop links and work with other Scottish LEADER areas, UK LEADER areas and other European LEADER areas when required to exchange information and develop joint projects;
- To monitor the delivery of the Tyne Esk LEADER programme, paying particular attention to the outputs and targets of the business plan, sustainable development and equal opportunities;
- To oversee the implementation and maintenance of a high quality transparent financial system and appropriate monitoring and evaluation procedures;

- To liaise with the Scottish Government and provide all relevant reports requested on the programme's progress according to deadlines;
- To carry out any other appropriate duties as defined by the Tyne Esk Local Action Group and agreed with the Economic Development Manager.

The Project Officer will report directly to the Economic Development Manager at East Lothian Council. The Council will provide support in the form of telephone, e-mail, stationery and other office supplies. Projects are approved by the LAG and award letters will be signed by the LAG Chair, albeit he/she can choose to delegate this role to the Economic Development Manager at East Lothian Council.

The post will be appropriately graded in line with East Lothian Council procedures, at the recruitment stage.

FINANCIAL

Overall responsibility for the maintenance of accounts and for financial procedures will rest with East Lothian Council, who will act as the "bankers" for the programme. As noted above, this role is supported by the Project Officer, who maintains details of project commitments, expenditure and claims.

Project Claims will be submitted on a quarterly basis and checked by the Project Officer before being submitted to East Lothian Council's Finance Department for payment.

Project sponsors that apply for LEADER funding do so on the basis of best possible information about the eligible expenditure of their project. During the course of project development and delivery expenditure may vary from that described on the application form. Whilst the amount of LEADER grant cannot be increased, a mechanism is in place to enable the Project Officer to approve small changes to expenditure profiles without recourse to LAG approval (total expenditure of 10 per cent or less).

More substantive changes to application and percentage of grant will go through the LAG for approval.

C3. COMMUNICATIONS AND PUBLICITY

A Communications and Publicity Strategy is seen as key to the success of Leader. Please identify your communication and publicity strategy and how you will use Leader funding in the implementation. Please note that there is an expectation that successful project beneficiaries will be publicised and that the EU and LEADER logos should be displayed prominently on all projects.

The LAG sees its Communications and Publicity Strategy as much more than an “add on” to the strategy. We have noted already the importance of fostering a “bottom up” approach to rural development (that is inherent within LEADER). In addition, we have a commitment to encouraging innovation to facilitating equal opportunities and to targeting particular groups, as detailed in Section B2. Our communications and publicity efforts can make a direct contribution to this. The comments set out below have been informed particularly by the September workshop discussions.

The objectives of our communications strategy will be as follows:

- To ensure a high level of awareness of the opportunities afforded by the LEADER Programme across the communities within the area;
- To ensure that potential project sponsors appreciate the nature of projects that can be supported and the strategic purposes of this;
- To ensure that the contributions of funding partners are recognised appropriately.

This will require an appropriate mix of marketing communications activities, including the following:

- Use of existing Community Radio stations and possible extension of the scope of coverage of community radio;
- Preparation of posters and leaflets for awareness raising purposes;
- Extensive use of press releases, both at launch and on an ongoing basis (highlighting case studies of projects that have been supported);
- Preparation of “how to” information on the project development process;

- An extensive programme of outreach workshops that will target a wide variety of community groups, with a particular focus on the target groups identified above;
- The Tyne/Esk website - this is regularly updated and informs people of projects approved and LEADER applications. It is proposed to widen the scope of this to allow for "discussion threads" for LAG members and projects (www.tyneesk.co.uk).

The Project Officer will lead this process, supported by LAG, AG and Community Planning colleagues.

All LEADER information will comply with the requirement to recognise funding from the European Commission and it will be a condition of funding that projects do likewise. The necessary guidance will be provided to all projects and monitored rigorously.

In subsequent years, the outline programme of activities will incorporate the following:

	Month											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
AGM												
Review of Strategy and Business Plan												
Deadline for Applications												
Assessment Meeting												
Deadline for Applications												
Assessment Meeting												
Deadline for Applications												
Assessment Meeting including visit to LEADER Project												
Deadline for Applications												
Assessment Meeting												

On a biennial basis a comprehensive and detailed review of the strategy and business plan will be undertaken, which will include a review of changes in the economic, social and policy environment and which will consider the achievements of the programme and areas for development.

On an ongoing basis, training opportunities will be identified by the LAG and the Project Officer and LAG members will attend relevant conferences and events (including those organised as part of the programme) as part of the capacity building process.

Midlothian Council will review the business plan annually with input from the LAG, AG and CPP.

C5. EQUALITIES POLICES

Please indicate your commitment to Discrimination, Diversity, disability and Equality policies and how you will ensure the LAG is also committed to ensuring equality of opportunity in the preparation and delivery of projects.

The Leader + program is based on the principle of bottom up development. As part of this we are committed to ensuring that equality of opportunity is at the heart of projects and initiatives. We will have a specific focus on the equality issues facing rural communities.

East Lothian Council and Midlothian Council have both developed corporate equalities policies. These were developed to incorporate a commitment to the delivery of equal opportunities across all services and are supported by three specific strategies for the equalities strands of Race, Disability and Gender. These will inform our work on the LEADER+ programme.

Two main tenets of this commitment will be

- Undertaking an equalities impact assessment of all projects so that we are aware of their impact (and can eliminate discrimination) on the grounds of race, disability, gender, sexuality, faith or age and other relevant factors such as geographical location.
- Proactively engage with groups and organisations we will seek to target, and will actively encourage a broad range of participation including those from all equality strands.

We will place a particular emphasis on issues relating to access, gender and disability. For example, small-scale capital projects will be required to address access and disability issues; all projects will have to show that they have taken reasonable steps to ensure that their services are open to all (for example, through the provision of childcare). We will engage with migrant workers and their families to ensure their needs are taken into account.

The monitoring of equal opportunities is a horizontal theme of the European structural Funds and as such is already collected as part of our monitoring procedures. These procedures will be further developed to ensure that as may as possible of the equalities strands are addressed and the implementation of this will be adhered to rigorously. We will use the monitoring data to inform the development of future projects and initiatives.

C6. PROPOSED ACTIONS

Actions proposed under the identified theme(s), priorities and measures should be noted. You may wish to separate the four actions and identify what will be funded under each, how the proposals fit with the local development strategy and what the priorities are.

OVERVIEW

As detailed in the Development Strategy, the chosen themes for Tyne Esk LEADER are: Revitalising Communities and Progressive Rural Economy. Both themes relate closely to Axis 3 of the SRDP: Quality of Life and Diversification of the Rural Economy.

LEADER activity in our area will, therefore, help implement a range of measures at the Scottish level, including:

- Diversification into non-agricultural activities;
- Business Creation and development;
- Encouragement of tourism activities;
- Basic services for the economy and rural population; and
- Skills, acquisition, animation and implementation of local development strategies.

ACTION 1: LOCAL DEVELOPMENT STRATEGIES

The “bottom up” nature of LEADER is such that it would be wrong to be overly prescriptive as to specific actions as these will be informed by LAG, Community Planning and other bottom-up development activities, albeit the selected themes and guidance represent a starting point for the development of such actions.

Based on the idea generation work carried out at our stakeholder workshops in February and September 2007, we can however provide an indication of the types of priorities and issues that we would support and develop under each theme. This is tabulated below:

Revitalising Communities	Progressive Rural Economy
Community transportation	Support to small businesses that is complementary and in addition to that provided elsewhere
Community facilities	
Leisure and recreation opportunities	Entrepreneurial skills training for young people
Encouragement of healthy lifestyles	Support for home working
Addressing anti-social behaviour	Diversification projects for local firms
Rural childminding	Farmers Markets
Access to technology	Clustered marketing activity
Paths and access	Themed trails
Addressing issues of isolation amongst individuals within target groups	Support to specific events
	Encouragement of local environmental schemes and green technologies
	Renovation of historic buildings for economic purposes.
	Small scale tourism infrastructure

The suggestions above highlight examples of the potential actions that we would wish to see brought forward to address the achievement of outcomes that we have set out in Section B4.

ACTION 2: CO-OPERATION

A number of specific initiatives will be developed under Action 2. Some of these will be at the programme level, involving for example, co-operation with other LEADER areas and trans-national exchanges, particularly building on the twinning links that have been alluded to previously.

As part of our engagement activities, we will also actively encourage local groups to bring forward proposals under Action 2, but would not wish to be prescriptive as to the details of this at this juncture.

ACTION 3: LAG RUNNING COSTS

These are detailed in Section D and represent only 8% of the budget. The main items are Project Officer salary, event costs and publicity.

ACTION 4: NETWORKING

Whilst we have no specific budgetary provision under this Action, it should be noted that the LAG and Project Officer will attend a range of networking events and expect to work with other LAG areas and agencies on both a formal and informal basis throughout the duration of the programme.

C7. SELECTION CRITERIA

The selection criteria you propose to use in the assessment of projects for LEADER funding should be noted.

Applications to the programme will be open to public sector bodies, the private sector and the voluntary sector. We will particularly encourage and support proposals from the latter. Support to applicants will be provided by the Project Officer and, where projects are not successful, constructive feedback will be provided to applicants.

A revised scoring template for projects is under development and will be submitted to the LAG for approval. Its key elements are as follows:

- Application Acceptance Criteria
 - Applicant eligibility
 - Element of innovation
 - Capable of contributing to business plan targets
 - All necessary consents in place
- EU Criteria Compliance
 - Equal opportunities
 - Sustainable development
 - Community involvement
 - Project promotion and publicity
- Compliance with LEADER strategy
 - Fit with one or other theme
 - Relates to at least one target group
- Assessment of project
 - Clear project explanation
 - Realistic and achievable outputs
 - Appropriate management structure
 - Monitoring arrangements
 - Risk identification and mitigation
 - Value for money
 - Robust financial management arrangements.
 - Effective exit strategy
- Degree of additionality

A scoring system based on these criteria will be developed based on experience and utilising LAG and LEADER Project Officer professional expertise. It is proposed to maintain the current process, which involves projects being independently scored, by the Project Officer and the LAG (according to the above criteria) with the scores from each source being accorded equal weight.

C8. MONITORING AND EVALUATION

Monitoring and evaluation proposals should be noted including the level of project inspections and how the target indicator information required by the Scottish Government and European Commission will be gathered, plus any additional indicators you intend to use to judge the extent to which outcomes are achieved. Details of how individual projects will be evaluated should also be included.

MONITORING

Comprehensive monitoring procedures are in place for the current LEADER+ programme and these will be further augmented as part of the new programme, whilst continuing to capture information on spend and achievement of outputs, results/outcomes and impacts. The LAG will be trained in these procedures and comprehensive information and support will be provided to projects.

Information on targets for each project will be maintained centrally and achievement against target will continue to be monitored regularly via the completion of claim forms by projects and the other monitoring procedures that are described below.

The key stages in the monitoring process will continue to include the following:

- A first claim for payment to be submitted within 4 months of the date of acceptance of a letter of offer;
- A second claim is required within 7 months;
- Subsequent claims are required at least every 3 months until project completion;
- Final claims are required within six months of a penultimate claim;
- When claims are not submitted, the Project is reported to the LAG for action;
- Monitoring information on outputs and results will be required throughout the lifetime of the Project and on at least an annual basis;

All Claims for Payment and Monitoring returns will continue to be checked and collated in the first instance by the Project Officer, who will visit Projects in circumstances where targets or spend profiles are not being met in order to encourage remedial action where appropriate. This process can also lead to a referral back to the LAG and ad hoc monitoring visits. At least 10% of projects will have a quarterly monitoring visit carried out by the Project Officer.

The Project Officer and a LAG member will conduct a formal monitoring visit to each Project on receipt of the final claim. Records of attendance at such meetings will be maintained and signed by those attending.

In relation to overall programme performance, the LAG, Advisory Group and Community Planning Partnerships will be updated on the programmes activities and achievements.

EVALUATION

The provision of outcome information as specified above will contribute to a full-scale Interim Evaluation of the programme, which will be conducted in early 2010. This will be undertaken by an independent party and will include a full assessment of inputs, activities, outputs, results/outcomes and impacts as well as the operational processes of the programme.

GENERAL

We recognise that subsequent guidance on monitoring and evaluation procedures will be provided by the Scottish Government and we will engage actively in a dialogue regarding this.

SECTION D

Financial Information

EXPLANATORY NOTE

We have profiled expenditure in the light of experience of the previous LEADER+ programme.

We have, however, also recognised that we are no longer “new” to this process and that there are a number of projects under development in our area in anticipation of the implementation of a new programme. Our spend profile reflects this fact but also take in to account the likely time lag in terms of our communications and engagement activities leading to new projects coming to fruition. Whilst actual expenditure tapers off over time, this clearly lags behind the commitment that we will make.

We believe that our plan delivers excellent value for money in two important respects:

- Our administration costs as a percentage of project expenditure is very low and is actually less than half the maximum allowed under LEADER, meaning that a greater proportion of resources is directed towards delivery of projects that support opportunities in the rural community;
- Our engagement activities will maximise the likelihood of projects coming forward that deliver the desired outputs and outcomes and this will be supported by rigorous appraisal and monitoring procedures.

TOTAL ELIGIBLE COSTS £000's

Cost Profile	2008	2009	2010	2011	2012	2013	total
Indicative Project Cost Action 1	600	932	831	670	484	485	4,002
Indicative Project Cost Action 2	60	78	64	55	42	41	340
Indicative Admin Cost Action 3	51	51	52,5	54	55,5	57,5	321,5
Total	711	1,061	947,5	779	581,5	583,5	4,663,5
Average grant rate %	52%	52%	52%	52%	52%	52%	52%

SOURCES OF FUNDING FOR ELIGIBLE COSTS £000's

Funding Profile	2008	2009	2010	2011	2012	2013	Total
Leader Funding	376	556,2	497,02	409,86	302,19	293,23	2,434,5
Public Sector Match Funding (Local Authorities, LECs etc)	194,35	287,74	257,28	212,4	162,68	168,2	1,282,65
Private Sector Match Funding (Private businesses, loans, trusts etc.)	140,65	217,06	193,2	156,74	116,63	122,07	946,35
Total	711	1,061	947,5	779	581,5	583,5	4,663,5

FUNDING PROFILE £000's

	Total Eligible Expenditure (a)	Proposed Average Rate of Grant (b)	LEADER Budget Bid (= a x b)
Local projects (Action 1)	4,002,	50%	2,001
Cooperation (Action 2) 1 within Scotland 2 Within UK 3 International	340	70%	238,
Admin Costs (Action 3)	315	62%	195,5