



**TYNE ESK LAG MEETING MINUTES**  
**2<sup>nd</sup> November 2017, 09:30am – 1.00pm**  
**Cousland Village Hall, Cousland**

**Members present**

Andrew McDonald, (AM), Edinburgh Butterfly World, LAG Chair  
 Anne Hastie, (AH), Private Individual, LAG Vice Chair  
 Frank Beattie, (FB), Scottish Enterprise, LAG member  
 Karen Calvert, (KC), Papermill Restaurant, LAG member  
 Sandra Duncan, (SD), SWRI, LAG member  
 Provost John McMillan, (JM), East Lothian Council, LAG member  
 Simon Poole, (SP), Jerba Campervans, LAG member  
 Hilary Smith, (HS), North Berwick Community Council, LAG member  
 Yvonne Stoddart, (YS), STRIVE, LAG member  
 Cllr Russell Imrie, (RI), Midlothian Council, LAG member

**In attendance**

Jane Crawford, (JC), Midlothian Council Economic Development, LAG Observer  
 Joy Godfrey, (JG), LEADER Support Assistant, Leader Team (notes)  
 Lesley Gordon, (LG), LEADER Project Officer, Leader Team  
 Angela Lamont, (AL), LEADER Project Officer, Leader Team  
 Dawne Milligan, (DM), LEADER Finance Support Officer, Leader Team  
 Neil Ramsay, (NR), LEADER Co-ordinator, Leader Team

**Apologies**

John Anzani, (JA), Midlothian Council Economic Development, Accountable Body  
 Cheryl Brown, (CB), Midlothian Sure Start, LAG member  
 Kerry Clark, (KCI), NFUS Scotland  
 Susan Smith, (SS), East Lothian Council Economic Development, LAG Observer  
 Paolo Vestri, (PV), East Lothian Partnership, LAG Observer

<b>Welcome and apologies</b>	<b>Actions</b>
<p>AM welcomed everyone to the meeting and declared the meeting quorate.</p> <p>Apologies were noted as above.</p> <p><b>Declaration of Interest &amp; Quorum</b>            No LAG members declared an interest in the project application to be discussed. The LAG was quorate with 10 members in attendance of which 3 were from the public sector.</p>	



## 1. Matters arising

Actions from the last minutes:

- NR has sought a quote for additional work to the website, but this has not yet been provided
- AH has created a new, colour-coded risk register log, which NR has circulated
- NR has not yet created a staffing levels risk management procedure – it is not due yet
- NR was to contact the Paying Agency regarding LARCs' inability to reconcile final eligible costs minus match, however this issue was discussed at the Accountable Bodies meeting with Gillian McDonald, who is looking to address it and so it was felt that this had already been raised at the highest level through a different means
- KC reported having withdrawn The Papermill's planning application for an events venue near the restaurant as they were unwilling to continue without full community support. The project has now been withdrawn.

It was noted that Pam Ralston had resigned from the LAG but is still keen to be involved and provide advice when needed. The LAG wished to note their gratitude for her contribution and send her their best wishes.

## 2. Feedback on Scottish Government developments

NR reported that the Scottish Government did clarify some timescales that will be affected by Brexit. LEADER has until the end of March 2019 to allocate money. Projects must be completed by the end of December 2020 and claims to the Scottish Government will have to be complete by the end of March 2021. Staff contracts end at the end of 2020 though so any claims outstanding after 2020 may need to be completed by the Accountable Body. It was agreed that the Leader team should encourage applicants to have their projects complete by October 2020 in order to give the staff team the time to draw the money down from the Scottish Government before the end of the year.

NR reported that LEADER can permit staff contracts to be extended into 2021 but questioned whether there would be time to drawdown these costs from the Scottish Government before the deadline of March 2021. There may be further clarity this year.

The LAG expressed concern if a capital project experienced major delays and how that could be managed strategically. It was decided to add this to the risk register. The LAG discussed having a contingency



whereby one member of staff was kept on for six months in the event of this.

NR reported that applicants have been told that their project should be completed by March 2020. The LAG suggested that a statement of understanding be created for applicants to sign and understand. The LAG agreed that this issue of contingencies relating to timings related the programme ending should be raised at the LAG chairs meeting.

NR had attended the most recent Scottish LEADER Staff Group meeting where the following were discussed:

an update was given on two of the three LEADER working groups – the communications and LARCs working groups and it was also noted that

- It was noted that the Communications Working Group were planning a ‘Farm Diversification Week’ in mid-February.
- The communications working group will develop a Comms strategy to promote LEADER more; this will tie in with the SRDP Strategic Plan.
- The LARCs working group had largely stopped operating through frustration as there was a perceived inability to make any changes to LARCs. The meeting agreed to attempt to revive the LARCs working group as there was value in it.
- The Rural Development Operational Committee had met on the 26<sup>th</sup> October and discussed LARCS among other items. LARCs came in for some criticism from one attendee but it was pointed out that Tyne Esk LEADER uses LARCS successfully.
- The Scottish Government produced a report taken from LARCS showing that Tyne Esk LEADER is 39% allocated for the 2014-2020 programme; this compares with a range of 20% - 57% for other LAGS. However, it was noted that some of Tyne Esk’s commitments did not appear on this update as it did not seem to take into account projects at Decision in Principle stage.

**3. Update on:**

**3.1 Governance**

**3.1.1 Group Protocol**

This document should be signed by all LAG members.

**3.1.2 Register of Interests**

It was noted that the internal auditor recommended that the ‘Register of Interest’s be taken annually for LAG members, observers and the secretariat. It was requested that attendees complete a new Register of Interests form.



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### 3.1.3 Risk Register

The LAG decided to review the risk register annually, with the next review being in November 2018.

AH had updated the risk register, colour coded it and made the scoring range '0-25' rather than '0-10' to be in line with the system Midlothian Council uses.

AH will add the scores to the log from this meeting.

AH will update the risk register on the topics of:

- Staff contracts
- Major delays to capital projects
- The risk of project completion going beyond 2020 (which is thought to be 'low')

### 3.1.4 Budget

NR circulated the two updated budget spreadsheets. In total, 21 projects have been assessed and approved by the LAG and are in various states of delivery.

- £157k has been physically spent
- £1.384m has been allocated
- >£1m is left to allocate
- **Enterprise projects:** Tyne Esk LEADER has hit its target for the minimum to be allocated. Enterprise applications are still being encouraged though focus is now especially on meeting minimum allocation targets for farm diversification and co-operation.
- **Co-operation projects:** It was noted that the guidance for co-operation projects was published 6 months ago and there has been a lack of applicants, however Tyne Esk LEADER has been pro-active in seeking eligible projects that meet the LDS outcomes.
- **Farm diversification projects:** Issues to arise so far is that some farms have already diversified and so are not eligible and the maximum grant is generally £60k as most are treated as State Aid, which has a maximum intervention of €70,000.
- **Admin budget:** £45k is left for admin (which assumes that staff remain in post until the end of their contracts)

### 3.1.6 Complaints Procedure

AH to update risk register



NR highlighted that Tyne Esk LEADER had received a complaint and the procedure in place to handle the complaint. NR stated that the substance of the complaint would not be discussed but wanted to let the LAG know the procedures set out for assessing it. There would be a meeting scheduled with at least 2 LAG members who had not scored the project or attended the LAG meeting to assess the complaint. AH stated she had experience of handling complaints for the Law Society of Scotland and would be happy to Chair the meeting.

The LAG decided that:

- AH would Chair the LAG Complaint Handling Sub-group meeting but not have a vote as she had a voted in the original decision.
- CB, KC & SP would be invited to attend the sub-group as they were not involved in the original decision.
- NR would attend to answer any questions about EU regulations, Scottish Government guidance or the Tyne Esk complaints handling procedure.
- JG would attend to take the minute.

The LAG discussed the applicant's choice of process – to complain rather than to appeal. It was recognised that in either case, if an appeal / complaint was upheld, the applicant would be asked to re-apply.

### 3.3 Projects

#### 3.3.1 Kirkbridge Restoration Project

NR reported that this project is to save a 300 year old bridge from falling down and develop other paths in the area. The applicant is about to submit his final claim. NR & DM met the applicant on 01/11/18.

#### 3.3.2 Jerba Campervans

This project saw the conversion of space taken up by an old poly tunnel into a new workshop for the build and distribution of innovative campervan roofs. SP reported that the fabric of the building was complete and everything is working. The Jerba team had 'moved in' and that the workshop would be semi-operational before mid-November 2018.

SP reported that 3 jobs had been created in the last three months – a digital marketing position, an applied carpenter and a part-time roof-fitter whose contact would later be made full-time. One more job would be created in 2018.



**Change request:**

SP set out the detail and the reason for the change request: that the total costs for the project accurately matched those originally predicted, however costs had varied between the different sections/milestones of the project compared to what had been predicted. SP asked whether the LAG would accept the variation in costs within the project sections, recognising that the overall costs were the same.

SP left the room whilst this change request was discussed. The quorum was maintained with 9 LAG members (3 from the public sector) remaining in the room.

NR noted that he has authority to approve viring of money from milestones up to 10% of total project costs but had already reached that limit. This change request was to move £2,892.60 (3.4% of total project costs) from one milestone to the other. It was felt that the change was necessary for the project to complete on LARCs and that there was no risk to the project or the fund in approving this request. It was further noted that the project was expecting to underspend by c. £5,000.

The LAG unanimously agreed the change request.

SP returned to the room.

**3.3.3 St Gabriel’s Hall Refurbishment**

NR reported that this project has asked to extend the project milestones by eight months due to the contractors taking longer than expected to undertake the work.

NR will ask AM, AH, & JA’s permission for this once he has got a schedule of works.

**NR to contact**

**3.3.4 The Chalet – Holidays for All**

This project is complete. They have created 2 part time jobs and gained a 5 star review on ‘Ewan’s Guide’ and they are reported to be ‘fully booked out’.

**3.3.5 The Volunteer Development Coordinator**

NR reported that this project is going well and has submitted one claim.

**3.3.6 Midlothian Science Zone**



<p>NR will get in touch with the applicant to gain a further update.</p> <p><b>3.3.7 Church Street Winton Place</b> Claims totalling £37k have been paid out and DM visited the project site on Friday 27/10/18.</p> <p><b>3.3.8 The Bike Fleet Project</b> NR will get in touch with the applicant to gain a further update.</p> <p><b>3.3.9 The Papermill (KC = applicant)</b> The applicant has withdrawn their planning application as it seemed unlikely it would be approved and they have had to withdraw their application to LEADER as well.</p> <p><b>3.3.10 East Linton Sales Ground</b> The project has submitted one claim.</p> <p><b>3.3.11 Gorebridge Railway Community Café and Gallery</b> NR reported that the project is delayed as there has been a delay with the Blueprint funding from the Scottish Government that they were awarded as match. This is now with the Scottish Government to resolve.</p> <p><b>3.3.12 Helping Redhouse Blossom</b> Redhouse Nursery have got planning permission and a new lease agreement and met all the conditions of the grant requested.</p> <p><b>3.3.13 The Bus Stop</b> Two claims have been paid.</p> <p><b>3.3.14 The Fraser Centre</b> The applicant has secured all the match funding, up to £2m, bought the building which is the focus of the project and now owns it.</p> <p><b>3.3.15 Track To Train</b> Track 2 train have all match funding in place. They have 'permission to occupy' their building, rather than a lease. It is a tri-partite agreement between Network Rail, ScotRail and the applicant.</p> <p><b>3.3.16 NB Gin</b> Two claims have been paid for this project, totalling c. £9,500k</p>	<p><b>NR to get update</b></p> <p><b>NR to get update</b></p>
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### 3.3.17 Seabuckthorn Coffeehouse

NR reported that the applicant has recently gained planning permission.

### 3.4 Co-operation Projects Subgroup

The LAG decided to convene a sub-group quarterly to review co-operation projects. The sub-group will initially be AM, HS & SD and AL from the staff team will lead on it.

AL to convene sub-group

### 3.5 Annual Report & Internal Audit Report

NR reported that Midlothian Council's internal auditor had been auditing Tyne Esk LEADER over a few months and has provided a report. The report contained only 2 high priority recommendations:

- Ensuring applicants secure 3 quotes at application stage rather than at claim stage as had previously been the practice.
- Ensuring applicants source quotes from suppliers that are unrelated to them or each other.

At this point DM left (11.20am). The LAG remained quorate.

### 3.6 Events

#### 3.6.1 Crowd Funding Event – 29<sup>th</sup> September

Over 30 people attended the workshop by Shelley Hague, Business Manager of Angus Council. It was noted that the average amount raised through crowdfunding projects was £2-3k. Shelley was an inspiring speaker articulating the potential for crowdfunding as a tool to generate funds for businesses and community groups.

#### 3.6.2 Farm Diversification event

This event was postponed from September due to a late harvest and hence low uptake from within the local farming community. LG reported that she would attend the event venue on the date planned for anyway, and hold a drop-in in case anyone did attend and that we would look to reorganise the event for February 2018.

#### 3.6.3 SRN Event - February 2018

The Scottish Rural Network plan to organise a Farm Diversification Week in the week beginning 19/2/18.





### 3.6.4 Scottish Rural Awards – 22<sup>nd</sup> March 2018

Tyne Esk Leader has made 7 nominations for applicants to receive awards for their work. These are:

- Artisan Drinks – NB Gin
- Rural Hospitality – NB Gin
- Rural Enterprise and Innovation – Jerba Campervans
- Rural Employer – Jerba Campervans
- Rural Tourism – The Bus Stop; The Chalet Holidays for All; Cousland Smiddy Heritage Hub

### 3.6.5 Midlothian Community Projects Funding Event

It was noted that further work needs to be done to encourage community organisations in Midlothian to apply to Tyne Esk LEADER. LG had emailed all the Development Trusts and Community Councils within eligible areas to ask them to consider if they could use Tyne Esk Leader grant funding. An event for community groups is being considered.

## 3.7 Expressions of Interest

### 3.7.1 Exploring East Lothian Battlefields

The LAG discussed whether eligible individual components of the 'Exploring East Lothian Battlefields' project could be funded. The LAG was open to this. NR to contact applicant.

NR to contact applicant

## 4 Assess Applications

### 4.1.1 Central Scotland Green Network Trust (CSGNT) – 'John Muir Way - Marketing and Business Engagement'

The project is to create a 2 year post for a highly skilled person with experience in business engagement and marketing. The employee will develop and run a high profile marketing campaign for the John Muir Way to walkers and to the businesses located. The John Muir Way is a 134 mile route from Helensburgh in the west of Scotland to Dunbar in the East of Scotland. This is the first co-operative application Tyne Esk LEADER has handled and the project will be led by Tyne Esk LEADER.

#### Discussion:

The LAG liked the project's strong strategic fit with the LDS outcomes. In particular: the John Muir Way is not a wilderness trail – it is accessible by all and is all-year-round.

The LAG discussed how walking trails encourage 1 night stays, which the hospitality industry tend not to like because of the proportionally greater costs associated with them.



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One LAG member recommended the applicant looks at the app for the Wild Atlantic Way in Ireland for the way it uses marketing.

The LAG especially appreciated the quality of the application and project plan with a detailed Gantt chart provided that showed what one LAG member described as "a stunning attention to detail". The LAG noted that further information had been available at the site visit meeting and that "the preparation of everything had been superb".

The LAG discussed how easy it would be to facilitate co-operation between the different partners involved, and concluded that this would be possible. The LAG considered the co-operation aspect of the project to be itself highly innovative.

The LAG discussed how it could be measured that the employee would spend time on marketing work per LAG area roughly in proportion to the amount of funding contributed by each LAG to the overall project. However, it was felt that "the creativity of the project should not get lost in bureaucracy to do with working out the percentages of time to divide between different places".

It was noted Individual tourists are not interested in local marketing, however local marketing is important for local people. The LAG acknowledged that the employee would draw up a project plan for the marketing work as part of the role.

The LAG discussed displacement and thought that there might be a small amount of displacement from businesses on other long distance routes. However, it was felt that the John Muir Way is starting from a low base, relative to other established long distance routes, and so any positive impact to businesses on the route would not be strongly felt by businesses on other routes. Moreover, it was felt that the John Muir Way is better than most other long distance routes at creating small day walk loops and so It has the potential to attract walkers that would not be drawn to the longer more remote long distance routes.

The Technical Check found that the project was very robust. The only issue raised was the need for employer's liability insurance. The application had passed the Scottish Government pre-assessment check with no concerns.

The LAG overall score for the project was 7, which will be entered into LARCS.

The LAG voted unanimously in favour of awarding a grant to the project of £92,460.96 subject to standard conditions and, additionally, to the applicant gaining employers liability insurance.



**Other LAGs' Decisions:**

NR reported that the other LAGs involved (Kelvin Valley and Falkirk; Forth Valley and Lomond; West Lothian; and Argyll and the Islands) would be having their LAG meetings to assess the application between up until 13<sup>th</sup> December 2018.

The LAG agreed not to discuss with other LAGs the outcome of this meeting and Tyne Esk LEADER LAG's decision so as not to influence other LAGs.

**4.1.2 Haddington Citizens Advice Bureau (CAB) – Digital Access Project**

**Declaration of Interest**

AH declared an interest in this project but remained in the meeting as the project was not being discussed/decided upon.

NR reported that this project is to employ people and to purchase digital equipment. However difficulties with the costings had resulted due to the applicant's need for the employees' IT expertise to be used in identifying the equipment needed and Tyne Esk LEADER need to have identified equipment needed and 3 quotes as part of the application. Tyne Esk LEADER and the applicant have worked together to follow the guidance, however amended costings were not ready in time for this meeting.

The LAG agreed to hold an interim LAG meeting to assess this project.

**LG to arrange by Doodle poll**

**5 AOB**

**5.6 Update on Procurement Document**

NR reported that the internal auditor was happy with the procedure to accept a single quote for costs below £500, gain 3 quotes for £500 and above and for £50k and above to gain briefs, tenders and scoring sheet or a Bill of Quantities depending on the procurement methodology of the applicant.

It was noted that it is impractical for applicant to procure large capital costs at application stage as often quotes are time limited and so would be out of date by the time they came to be awarded and procuring large capital builds can be an expensive process involving design team consultants.

**5.7 Internship Student**

NR reported that a Swedish student, Rebecca Spolander, would be joining Tyne Esk LEADER on an unpaid internship for 15 weeks, starting on February 5<sup>th</sup>. Rebecca is a student of 'International Administration with a Foreign Language'. She may work on organising an event, gaining feedback from applicants using survey monkey, collating statistics, case studies, publicity and showcasing Tyne Esk Leader's activities. At the end of her placement she will



<p>do a presentation on what she has done, which will coincide with the following LAG meeting.</p> <p><b>5.8 Paths Project update</b>          NR is trying to produce development costs for this. One contractor said they would provide a quote but has not. The overall cost will be £12k-£25k which will be split with the Scottish Borders LEADER team.</p>	
<p><b>4 Finish – Date of next meetings</b>          LAG Complaints sub-group meeting – Thursday 23<sup>rd</sup> Nov, Tranent          LAG interim meeting – Thursday 30<sup>th</sup> November, Tranent          LAG meeting - Thursday 8<sup>th</sup> February 2018, venue TBC</p>	

**Actions**

- AH to update risk register.
- NR to get updates on project progress from Bike Fleet Project, Midlothian Science Zone and St Gabriel’s Hall.
- AL to convene Cooperation Projects LAG Sub-group
- NR to contact EaST Lothian Battlefields applicant to let them know the LAG would welcome a slimmed down application.
- LAG to arrange Doodle Poll for Interim LAG meeting