



TYNE ESK LAG MEMBERS MEETING

17th March 2021

Meeting held via ZOOM

LAG Members/Observers Present

Andrew McDonald, (AMcD), Edinburgh Butterfly & Insect World, Midlothian Tourism Forum, LAG Chair

Anne Hastie, (AH), Private Individual, LAG Vice Chair

Andrew Bayne-Jardine, (ABJ) Private Individual, LAG member

Cheryl Brown, (CB), Midlothian Sure Start, LAG Member

Derek Oliver, (DO), Midlothian Council Chief Officer, Place, Accountable Body Representative/LAG Observer

Hilary Smith, (HS), North Berwick Coastal Area Partnership, LAG Member

Cllr John McMillan, (JMCM), East Lothian Council, LAG Member

Karen Calvert (KC), The Papermill, LAG Member

Lawrence Wyper (LW), Scottish Enterprise, LAG Member

Patrick Playfair, (PP), Edwin-Thomson, LAG Member

Cllr Russell Imrie, (RI), Midlothian Council, LAG Member

Simon Poole, (SP), Jerba Campervans, LAG Member

LAG Staff Present

Angela Lamont, (AL), Acting Programme Co-ordinator, Tyne Esk LEADER

Barry Leslie, (BL), Finance Support Officer, Tyne Esk LEADER

Apologies

John Cunningham, (JC), East Lothian Council Economic Development Department, LAG Observer

Paolo Vestri, (PV), East Lothian Partnership, LAG Observer

Welcome and Apologies	Actions
<p>AMcD welcomed everyone to the meeting and ran through the meeting requirements for the virtual platform.</p> <p>Quorum The meeting was quorate with 11 LAG Members present for decisions, 8 from the private sector, 3 from the public.</p>	
<p>Action Points of 2nd December 2020 Meeting</p> <p>JMCM</p> <ul style="list-style-type: none"> • JMCM to circulate COSLA paper to LAG. This has still not been received. To be taken off action points as is now out of date. <p>AL</p> <ul style="list-style-type: none"> • AL to speak to Ekos about potential LDS for future Prog. Completed. Future LDS work not eligible for this Programme spend, future of rural funding/rural recovery report work commissioned instead. 	



- **AL to speak to Midlothian and East Lothian Councils' communication teams to run articles on infographic in local and national press.**

Completed.

Articles secured in variety of Midlothian publications, The Herald and The National thanks to SP's PR company.

AH

- **AH to share infographic with East Lothian Council Covid19 Response, Recovery and Renewal Rural Group.**

Completed.

SP

- **SP to speak to his PR agency to progress publishing of infographic in Scotsman.**

Completed.

LAG

- **Tyne Esk Infographic distributed by LAG.**

AMcD – press coverage has covered this action point.

The LAG have the infographic for distribution as they see fit.

Minutes of 2nd December 2020 meeting were agreed with no amendments.

Declaration of Interests

AMcD asked that declarations of interest be made for any projects.

CB and Patrick PP declared an interest in Midlothian Sure Start and Drift respectively (both to be discussed in section four).

1. Staffing

AL reported that her and BL's contracts had been extended until 31st December 2021, in line with the Scottish Government Leader Development Team (SG LDT) email dated 23rd December 2020. This was based on the Minister for Rural Economy, Fergus Ewing's, decision to extend the Programme to this date.

AL stated that an email had been received on 16th March 2021 from SG LDT stating monies had been secured to extend staff contracts further, to extend to March 2022. We are awaiting further information regarding this.

AMcD noted information would be gathered between the Chairs meetings, AB meetings and Scottish LEADER Staff Group (SLSG) meetings but believes we will not receive definitive information until after the Scottish parliamentary elections have concluded on 6th May 2021.

2. Scottish Government/Wider Developments

AL reported that details had been released about the Shared Prosperity Fund (SPF) pilot for 2021/22 and other related funds. She said key to all was the



net zero target by 2045; submissions should demonstrate their contribution to this. She gave the following summary:

- UK Community Renewal Fund 2021/22, £220m UK-wide, £20m for Scotland.
This is the SPF pilot fund.
 - 100 Priority Areas have been set for which funding will be prioritised but Midlothian and East Lothian are not part of this. They can still bid but bids should be of a high quality for any chance of success.
 - Investment priorities are skills, strengthening local businesses, and communities and place.
 - Local (lead) Authorities (LAs) should put a call out for bids from the community/partners/in-house and collate these in the submission.
 - Match funding is encouraged.
 - Deadline for submission is 18th June. Successful projects to be announced late July, with completion by 31st March 2022.
- Levelling Up Fund, £4.8bn, £800m for Scotland (9%)
 - Three themes: transport investment; regeneration/town centre investment; and cultural investment.
 - Bids of up to £20m (£20 - £50m for transport in exceptional circumstances) considered.
 - Areas ranked into categories one, two and three with priority given to category one areas. Midlothian and East Lothian are both category two. Bids can still come in from categories two and three but again should be of high quality.
 - Bids to come in from individual organisations, not collated by LA.
 - LAs can have one successful project funding during the period 21/22 – 24/45. It is best this is a large, multi-themed project. LAs should consider pipeline projects not yet funded. Cross-border projects are favoured.
 - All Scottish LAs receive capacity funding to develop projects of £125,000.
 - Deadline 18th June.
- Community Ownership Fund, £150m.
 - Fund for community groups to take ownership of local assets and turn into community run businesses.
 - No details yet, not open.

Questions were raised/discussion centred around the following:

- AH recommended focussing on the Levelling Up Fund as neither Midlothian nor East Lothian are in the Priority Areas for the UK Community Renewal Fund. She also questioned the worth of the Community Ownership Fund due to the small amount offered.



- LW noted a maximum £250k figure per project had been suggested for the Community Ownership Fund which would mean 600 projects for the UK, so we should not write it off just yet.

AL noted that it might still be worth applying for the Community Renewal Fund but putting less effort into this and more into the Levelling Up Fund as there is greater chance of success. AH countered with her experience of funding to suggest that we would be best to drop the UK Community Renewal Fund altogether.

- AMcD stated that he will bring up at the next Chairs' meeting on the 24th March 2021 the new funds above that have been announced and the LAG remaining in place for the extended Programme duration. He noted that we are still in limbo until funding can be sorted out for a new programme but by noting our successes and experience in delivering programmes may help include us in any next steps. We will await further information from SG.

3. Programme/Governance Matters

Ekos Tyne Esk Rural Recovery Report

This work was commissioned with Ekos following the main monitoring and evaluation work and drew together information on rural funding going forward, highlighting recovery from Covid and Brexit.

AH reported on the key points.

There were discussions with Ekos regarding drafting a new LDS for a future LEADER programme, but existing funds could not be used due to these being ring fenced for the existing programme. Instead, an addendum on the recovery of Tyne Esk from Covid and Brexit with recommendations on future rural funding was produced.

DO was admitted to the meeting.

- Detailed statistics were useful, such as employment figures. Data given on 3.2. of the report showed the breakdown of employment sectors. East Lothian is more reliant on hospitality and health sectors while Midlothian is more reliant on manufacturing and retail.
- The Charity and Voluntary Sector is significant in East and Midlothian and these need to be thought of as businesses as they generate a significant amount of money and employ both employees and volunteers.
- Potential impacts on vulnerable sectors, where 75% of respondents to a survey in 2020 by the charities regulator (OSCR) had seen an impact on their finances, with 42% losing income from trading, particularly in respect of charities with income above £100K.
- Not all businesses are under threat as some are more resilient than others due to their type of business.

John McMillan was admitted to the meeting.



- May be able to include the excluded areas of Musselburgh and Dalkeith in future funds.
- Future LDS work should focus on Survivability section of addendum
- 6.1 Developing Rural Policy of the addendum is very helpful due to consequences of Brexit and we should focus on the impacts on region's ability to be successful with respect to this.
- Focus should also be paid to the availability of transport links to rural areas.
- Broadband speed is not good in rural areas and this should also be focused on.
- New funding to include information in Ekos addendum and evaluation report.

AH to circulate highlighted Ekos addendum report

Questions were raised/discussion centred on the following points:

- AMcD welcomed JM and DO to the meeting and thanked AH, AL and HS for the work that went into the steering of both Ekos reports.
- AL commented on the growth of the population of Midlothian, with particular reference to young people and people of working age (which does not align with wider Scotland). This would pose both an opportunity in providing a pool of people for employment but, also a threat, in that this group would be more likely disadvantaged if there was no employment on offer (worsened by Covid).
As this was the case, she raised the importance of having young people's representation on any future LAG.
- JMCM asked what steps are needed for moving forward and how do we use this report for strategising etc.
AH stated that JMCM questions may be answered by looking at the new funds on offer.
AL said she would circulate a summary of the funds.

AL to circulate summary of new post-EU funding streams to LAG

LAG Member Changes

AL reported that Frank Beattie had left the LAG because of his retirement from Scottish Enterprise and that he had been replaced by Lawrence Wyper, also from Scottish Enterprise. This resulted in 11 LAG Members remaining: 8 from the private sector; 3 from the public, though there was still no representation from the third sector interface organisations on the National Farmers' Union of Scotland. AL suggested that they could consult these organisations, if required, rather than recruit.

AL asked if the LAG were happy to continue until the new Programme end, December 2021 and would assume this was the case unless she heard any objections. No objections were raised.

AL also reported that the skills matrix was out of date and asked if there would be appetite to refresh, perhaps in preparation of a future programme. AH and AMcD said this was a good idea. AL to send out to the LAG.

AL to send skills matrix out to LAG



AL reported that Registers of Interests had been received back from all, apart from JMCM. JMCM reported to his knowledge this had been sent back but would ask his Personal Assistant to send again.

JMCM to resend completed Register of Interest

Team Work for 2021

AL said the following would form part of the team’s workload for 2021:

- Covid recovery work with new monies announced by SG LDT, covered in the Projects section.
- The future of Community Led Local Development (CLLD) or ‘Rural’ development (CLRD) – testing of different models with SG LDT.
- Central LARCs work.
- Work assisting other areas.

AMcD passed comment that Covid recovery work is welcomed.

4. Projects

Covid Recovery Spend

AL reported the £91,121.03 total on the COVID 19 Recovery Spend Spreadsheet (“Risk Register” to SG) had been confirmed by SG LDT. AL said confusion had arisen however, as she understood this figure was being added to the £3.408m allocation figure held by SG from August 2019, not the actual allocation figure following underspends (£3.172m). AL said this might mean they have more to apply to the Covid recovery spend but could not confirm this. AL would await advice from SG LDT. AMcD said he would also raise this at the forthcoming Chairs meeting.

AL/AMcD to seek clarification over baseline allocation figure from SG LDT

AL also highlighted the following points about the exercise:

- Tyne Esk were one of only seven of the 21 LAG areas to be in receipt of these monies.
- It included LARCs Final Claim Made projects when pushed for by AL. Completed projects could not be included because SG LDT could not roll back these projects on LARCs for this.
- It included costs incurred from March 20 (until Aug 21) because the projects are not new, the spend would be seen as an extension. Costs given are a mix of incurred and to be incurred.
- The aims of the new spend should be related to the original aims of the project though where there is divergence, SG LDT would make a case with the EC to include.
- Double funding should be considered, though SG LDT acknowledged most Covid grants had been block grants rather than itemising specifics as LEADER would.

JMCM and RI both raised concern over double funding in relation to business projects. They felt that Covid grants were being given out by their respective



economic development departments in relative abundance and that we should apply extra vigilance with the issue.

AL stated that SG LDT had appeared relatively relaxed on this, given that most Covid grants are given out as block grants as opposed to stipulating items as LEADER did. AL noted their concern though and gave assurance she and BL would apply a thorough process to weeding this out, though qualified this should be in the realms of what is reasonable.

AL stated the Accountable Body (AB), Midlothian Council, would be penalised if this was found lacking.

JMcM commented further on state aid rules, questioning how were they being adhered to and said he would feel happier obtaining something in writing from SG, on the whole double funding issue. AL said she would raise a query and also said she felt applicants were being responsible on the matter, declaring honestly what they had received and what it covered. PP agreed, citing Drift as an example.

AH suggested that a declaration by the applicant, stating all Covid recovery monies received and signing to the items being claimed from LEADER not being covered by other funds, would cover this.

AMcD agreed, stating he would not like this to curtail what could be very important monies for applicants. AMcD to raise at forthcoming Chairs' meeting. SP agreed, citing a grant he had applied for with nothing near the rigours of LEADER. DO also agreed, stating this was a real opportunity and not one to be missed/reduced. He agreed with an earlier point made by JMcM though, that the economic development departments may be too busy to provide liaison information on grants.

AL opened the projects discussion/approvals by sharing the Covid Recovery Spend spreadsheet. Her first comment was that there was glaring inequality with the varying intervention rates which ranged from circa. 21% (larger capital projects with relatively small grant to costs value) to 100% and suggested a flat rate of 60% (Tyne Esk's maximum) be applied instead.

AMcD queried if this was 60% of the additional Covid Spend. AL confirmed that this was the case.

This was approved.

AL then presented the projects, running through them one by one, giving explanations on costs.

Midlothian Sure Start 20/P00033

**CB declared a conflict of interest and left the meeting.
The meeting was still quorate.**

Additional Funding £33,920.00, Tyne Esk LEADER contribution (60%), £20,352.00

AL to raise query with SG on the issue of double funding with Covid recovery grants

AMcD to raise issue of Covid grant double funding at March Chairs' meeting



Three main elements to this project:

1. New toilet block at Mayfield Centre to allow for distancing of children;
2. PPE/additional cleaning required due to Covid;
3. Part time member of staff until end August 2020 to deliver suicide prevention counselling (directly Covid related) to families.

AMcD stated that the costs seemed valid.

JMcM said he was happy to approve, on the condition of receiving the written advice from SG on double funding (this related in general to all projects discussed).

AMcD stated he was happy the declaration from applicants discussed earlier would cover this.

Vote: 10 for 0 against - approved

CB re-entered the meeting.

Melville Golf 20/P00044

Additional Funding £9,673.95, Tyne Esk LEADER contribution (60%), £5,804.37

Three costs to this project:

1. Automated golf ball elevator to allow balls to be electronically collected from green, cleaned and dispersed, preventing client/staff contact;
2. Green maintenance programme to make up for essential maintenance restrictions to greens in 2020;
3. PPE/cleaning equipment.

11 for 0 against - approved

Rosewell Nursery and Additional Needs Service 20/P0063

Additional Funding £15,000, Tyne Esk LEADER contribution (60%), £9,000.00

Costs split into:

1. Outdoor equipment and clothing for staff and children, to facilitate distancing/new requirements in outdoor play;



2. Fogger for purification of air, internal use;
3. PPE resources;
4. Screens for distancing;
5. Arts and crafts materials to replace those disposed of on Covid guidance;
6. Part payment of new ventilation system following fault, also Covid requirement.

RI queried whether Midlothian Council education department would have covered the outdoor equipment costs already pre-Covid, he was aware some funding had gone to this. AL to find out and feedback.

AMcD commented any other Covid grant could count towards the 40% match funding requirement for this and all projects discussed.

CB stated that childcare providers are being asked to utilise more outdoor space due to Covid and that these costs were likely to be additional and very much needed. DO backed this by stating that space and capacity are being looked at in schools and outdoor education settings. He stated he sees outdoor shelters and hand sinks as being a legitimate Covid recovery spend.

The project was voted on and approved with caveats:

- To be checked with Midlothian Education to see what funding has already been offered;
- A signed declaration on double funding from the applicant (as with all approvals in the meeting).

11 for 0 against – approved

RI left the meeting – meeting was still quorate

Whisky Frames 20/P00064

Additional Funding £3,686.14, Tyne Esk LEADER combination (60%), £2,211.68

Costs covered:

1. Digital marketing for increased e-commerce due to Covid;
2. PPE;
3. Accountancy fees for furlough claims.

10 for 0 against – approved

Bike Fleet 20/P00017

AL to check with Midlothian Council Education Department that outdoor costs presented by Rosewell Nursery applicant had not been covered by previous grant



Additional Funding £12,250.00, Tyne Esk LEADER contribution (60%), £7,350.00

Costs covered:

1. New marketing to regain momentum lost due to Covid, through website refresh (include additional booking capacity), memberships to tourism/travel associations and virtual stands at national/international exhibitions;
2. Legal fees for updated terms and conditions/disclaimers/forms due to Covid, plus design changes;
3. New desktop to replace laptop – worn out/causing back problems due to home working.

Discussion centred around the desktop computer, it being in need of replacement anyway was not caused by Covid, plus the cost seemed unreasonably high. The LAG unanimously agreed to remove this item.

The design changes to the legal documents were also brought up and questioned as a necessary cost.

It was agreed that the costings for this would be looked into before payment.

10 for 0 against – approved with caveats:

- Removal of desktop cost
- Check on costings of design changes for legal documents before payment of claim.

The Fraser Centre 20/P00002

Additional Funding £10,250.00, Tyne Esk LEADER contribution (60%), £6,150.00

Costs covered:

1. Running costs for the centre from March to August 2021.

Clarification was sought on what is meant by the IT Systems cost of £2,300.00. AL will seek clarification from the applicant.

10 for 0 against – approved with caveat;

- Clarification on IT Systems cost of £2,300.00

Seabuckthorn Coffee House (Drift) 20/P00026

PP declared a conflict of interest and left the meeting. The meeting was still quorate.

Staff team to determine suitability of design costs to legal documents of Bike Fleet project before claim

AL to seek clarification on what is covered in IT Systems cost from Fraser Centre applicant



Additional Funding £40,767.67 Tyne Esk LEADER contribution (60%),
£24,460.60

Costs covered:

1. An additional modular unit to be placed at the applicant's farm and allow for distancing of staff an increased demand for bakery through increased van use due to Covid. Possible fit out of this unit too.

AH queried whether this would require planning permission and AL stated she would check with the applicant.

JMcM abstained from the vote as he may have a conflict of interest, being on the East Lothian Council Planning Committee and felt that the project may require it.

DO stated that councils are being flexible in their approach to businesses during Covid but believes with the nature of the spend that it would, in theory, require planning.

8 for 2 abstained – approved with caveat;

- The need for planning consent is investigated and if required sought and evidenced.

PP returned to the meeting.

The Big Shed 20/P00029

Additional Funding £6,700.00 Tyne Esk LEADER contribution (60%), £4,020.00

Costs covered:

1. PPE/cleaning to allow for filming;
2. New digital systems to allow for diversification into digitised products.

10 for 0 against – approved

Church Street/Winton Place, 20/P00010

AL explained about an issue with this project being applied a penalty by the SG for a canopy which had been part paid out on but never received by the applicant.

AL relayed that the applicant was happier to forego their final claim rather than accept payment of the penalty, despite attempts to persuade otherwise.

The discussion went on to cover an end date for de-committing funds and returning them to SG, on this, the Track 2 Train and NB Gin Visitors' Centre project.

AL to check on need for planning for Seabuckthorn Coffee House (Drift) costs



It was agreed that an email would go to these applicants and those delayed with final claims (below) with an end date of 10th May to have projects completed in LARCs by.

AL to draft/send email.

Projects Budget/Updates

AL gave a brief update on projects completing/still to complete at the time of meeting.

Midlothian Sure Start and Midlothian and Borders Tourism Action Group Marketing Projects had completed but Wheatrig Business Hub and John Muir Way had been delayed due to an issue with glass and a new website launch respectively. AL reported they should complete in April, John Muir Way early April. They will be included in the de-commitment email anyway.

DO left the meeting

KC left the meeting

LW left the meeting

Website Updates/Project Successes

AL informed the LAG the case studies had been updated on the website and invited them to look on the map and list of projects on the Our Projects tab.

Case studies for all projects had now been completed apart from two or three, pending project completion/applicant Ok.

AL also reported on the success of four projects:

- Melville Golf;
- Midlothian Sure Start;
- Rosewell Nursery and Additional Needs Service;
- John Muir Way Business Engagement and Marketing project.

AL to draft/send de-commitment email for stalled projects

1. AOCB

Date for next LAG meeting: 23rd June 2021



Actions

AL

- AL to circulate summary of new post-EU funding streams to LAG
- AL to send skills matrix out to LAG
- AL/AMcD to seek clarification over baseline allocation figure from SG LDT
- AL to raise query with SG on the issue of double funding with Covid recovery grants.
- AL to check with Midlothian Council Education Department that outdoor costs presented by Rosewell Nursery applicant had not been covered by previous grant
- Staff team to determine suitability of design costs to legal documents of Bike Fleet project before claim
- AL to seek clarification on what is covered in IT Systems cost from Fraser Centre applicant
- AL to check on need for planning for Seabuckthorn Coffee House (Drift) costs
- AL to draft/send de-commitment email for stalled projects

AH

- AH to circulate highlighted Ekos addendum report

JMcM

- JMcM to resend completed Register of Interest

AMcD

- AL/AMcD to seek clarification over baseline allocation figure from SG LDT
- AMcD to raise issue of Covid grant double funding at March Chairs' meeting

BL

- Staff team to determine suitability of design costs to legal documents of Bike Fleet project before claim

24th June 2021