



TYNE ESK LAG MEETING MINUTES
Thursday 8th February 2018, 9:30am – 2.30pm
Vogrie House, Vogrie Country park, EH23 4NU

Members present

Andrew McDonald, (AM), Edinburgh Butterfly World, LAG (Chair)
 Anne Hastie, (AH), Private Individual, LAG (Vice Chair)
 Andrew Bayne-Jardine, (AB) Private Individual, LAG member
 Cheryl Brown, (CB), Midlothian Sure Start, LAG member
 Frank Beattie, (FB), Scottish Enterprise, LAG member
 Jane Burrige, (JB) Private Individual, LAG member
 Karen Calvert, (KC), Papermill Restaurant, LAG member
 Sandra Duncan, (AD), SWRI, LAG member
 Claire Gilles, (CG) Penicuik YMCA -YWCA, LAG member
 Cllr Russell Imrie, (RI), Midlothian Council, LAG member
 Cllr John McMillan, (JM), East Lothian Council, LAG member
 Patrick Playfair, (PP) Private Individual, LAG member
 Simon Poole, (SP), Jerba Campervans, LAG member
 Hilary Smith, (HS), North Berwick Coastal Area Partnership, LAG member
 Yvonne Stoddart, (YS), STRIVE, LAG member

In attendance

John Anzani, (JA), Midlothian Council Economic Development, Accountable Body (from 1.30pm)
 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
 Rebecca Spolander, (RS), LEADER Support

Apologies

Alasdair Mathers, (AMs), Midlothian Community Planning Partnership, LAG Observer
 Susan Smith, (SS), East Lothian Council Economic Development, LAG Observer
 Paolo Vestri, (PV), East Lothian Partnership, LAG Observer

Welcome and apologies	Actions
<p>AM welcomed everyone to the meeting. It was noted that 15 LAG members were present with 3 from the public sector and so AM declared the meeting quorate</p> <p>Apologies were noted as above.</p> <p>Declaration of Interest</p>	



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<p>No LAG members declared an interest in the project applications to be discussed.</p>	
<p>1 Matters Arising From Minutes</p> <p>1.1. LAG of 02/11/17, Cousland Village Hall</p> <ul style="list-style-type: none"> • The Co-ordinators and Accountable Bodies group had each met. • AH had updated the risk register. • NR had contacted St Gabriel’s Hall to hear progress and reported that the project is progressing well. • NR had contacted the applicant of the Bike Fleet Project and reported that progress was ongoing. • NR had contacted Midlothian Science Zone to hear progress and reported that the applicant was making good progress and keen to meet the LAG’s requirements. • NR had contacted the East Lothian Battlefields applicant to let them know the LAG would welcome a slimmed down application But had not heard anything since. • AL had convened a Cooperation Projects LAG Sub-group. • The LAG had arranged and held the Interim LAG meeting. <p>1.2 LAG of 29/11/17, St Martins of Tour</p> <ul style="list-style-type: none"> • NR reported that the letter of grant for Track 2 Train from the Blueprint fund was now in place. • NR had emailed Alistair Prior twice about holding conference in the Tyne Esk area but had not heard back. <p>The minutes of both meetings were accepted as accurate.</p>	
<p>2 Feedback on Scottish Government Developments</p> <p>NR reported that some Accountable Bodies are looking to relax the ring-fencing of LAG budgets. JA was at the AB meeting at this point and so unable to give an update. NR reported that Tyne Esk LEADER are on target to deliver the ring-fenced funds.</p> <p>NR reported that there is a debate on the LEADER programme on 21/02/18 in the Scottish Parliament. NR said he would contact MSPs to notify them of this debate and its significance for rural community development.</p>	<p>NR to contact MSPs to notify them of the debate</p>



3 Update on:

3.1 Group Protocol and Register of Interest

The Group Protocol is now signed by all LAG members, and Register of Interest forms were completed by new LAG members and by those present who had not completed one within the past year.

3.2 Budget

NR reported that there is nearly £600k left in the budget to allocate to third sector and Rural Enterprise projects and so there is budget for all applications going to the LAG at this meeting.

NR asked the LAG what approach to applications the LAG would recommend as the process will increasingly become more competitive.

The LAG agreed that the LEADER team should only accept applications where match is in place and planning has been secured. The staff team should not restrict applicants but advise that continuing is at risk of money not being in place.

NR reported that the Tyne Esk LEADER team is no longer promoting LEADER funding and that the focus is shifting to managing the projects in the pipeline and processing claims.

The Leader team will make current applicants, many of whom have applied for £200k, fully aware that they must keep the amount they have applied for within the funds left and that 'whoever applied first' will be one determining factor in considering applications.

The LAG discussed that the quality of EoIs is variable and that it would assist the EoI assessment process to ask applicants to answer 3 set questions to make it easier for the LAG to assess EoIs.

3.3 Projects

3.3.1 Kirkbridge Restoration Project (AB is the applicant)

AB reported that Kirkbridge Project is now complete and safeguarded for the next 100-200 years. New pathways and walkways in Humbie woods has also been completed and the bridge has proved very successful in encouraging the community to access the woodland. Humbie Hub anticipates a related increase in visitors.

AB plans to have a photograph taken for the Courier or the Scotsman newspapers of sheep being driven across the bridge. NR to liaise with AB to set a date for the official opening of the bridge.

3.3.2 Midlothian Science Zone

NR to liaise with AB in arranging the launch



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NR reported that this project has 3 conditions of grant and little progress has been made on them so far. The LAG were keen to support the project overall but expressed concern at the apparent lack of engagement from the applicant.

The LAG decided to give the applicant until the end of February to:

- Lodge planning application for the signs
- Submit a brief for the purchase/installation of the signs or secure three quotes for the costs
- Provide a plan for how the LEADER contribution will be acknowledged

3.3.3 Gorebridge Railway Community Café and Gallery

NR reported that the match-funding letter took nine months to be received after being awarded. NR noted that the applicant has been good in communicating and that the project was still within time, though would likely need an extension.

3.3.4 The Fraser Centre

The Fraser Centre is a big project - costing £2.3m in total. The applicant received tenders back in the region of £1m over the budget. The applicant is seeking to reduce costs significantly and fundraise further so the project will be delayed.

Declaration of Interest

PP declared an interest in being the agent for the applicant and left the meeting. JM said he had had involvement with this project through the planning committee. The LAG agreed JM had no conflict of interest as he wouldn't benefit from any decision and his knowledge of the project and the planning process would be invaluable. PP left and JM remained leaving 14 LAG members with 3 from the public sector. The LAG remained quorate.

3.3.5 Seabuckthorn Coffee House

NR reported that the planning application had initially been rejected by planning officers, but had been successfully appealed by the planning committee. However, the Planning Committee had placed a time limitation for the work of 5 years so that the Seabuckthorn Coffeehouse structure would need to be removed by November 2022 unless an extension to planning approval was granted. This could mean that the structure may not be there for the minimum five years from project completion LEADER requires. The LAG considered several options for the project but JM felt there was a possibility that the Planning Committee would be able to extend the approval period for the coffee house to meet LEADER's requirements. NR will monitor this and update the LAG at the next meeting.

PP returned to the meeting.

NR to inform applicant, monitor and update the LAG

NR to monitor and update LAG



3.3.6 Central Scotland Green Network Trust

NR reported that this project is going ahead. The other LAGs involved in the application also approved it

3.3.7 Haddington CAB

In her capacity as a director of Haddington CAB, AH recently interviewed six people for the positions. AH said the candidates appointed were excellent and the project is expected to go well.

3.4 Complaints Procedure

NR went through the changes and improvements to the complaints handling process decided upon in the LAG Complaints sub group meeting of 23/11/17 below:

Recommendations Resulting from Complaints Handling Meeting: Changes and Improvements to processes

Under Tyne Esk LEADER's objective of continuous improvement, learning has been taken on board, which will be shared with the LAG and the secretariat to help them improve their processes and to benefit other applicants in the future.

Tyne Esk LEADER will:

- Make letters of rejection more substantial
- Provide all applicants with the scoring criteria the LAG use to assess applications
- Require all applicants to supply three quotes for all costs over £500 at application stage
- Require all applicants to complete a value for money form and sign it off
- Make all applicants aware that if they choose to place documentation in the hidden section of LARCS, the funding decision will be made without the LAG having full access to the information they have provided
- Notify all applicants in writing, rather than by phone, to let them know the outcome of the LAG meetings
- Notify all applicants of LAG decisions in writing first (which can be by email) before they are spoken to on the phone.

The LAG agreed to these recommendations.

3.5 Co-operation Projects Subgroup

AL had recently convened the Co-operation Projects Subgroup, including; SS, HS, SD & YS. AL reported that if most of the co-operation projects currently at application stage go ahead then the



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co-operation budget will be fully allocated. The co-operation projects at application stage are:

- MBTAG – aiming to apply for May meeting
- Strategic Paths – aiming to apply for August meeting
- Crowdfunding – aiming to apply for May LAG meeting

3.6 Events

3.6.1 Farm Diversification Event

LG reported that a Farm Diversification event had been arranged for 20th February, 11-2pm, at the National Mining Museum, with registration via Eventbrite. LG reported that 23 people had registered so far.

3.6.2 A Celebration of Tyne Esk LEADER, Rural Scotland & the Scottish Government

It was suggested to create a celebration event of what Tyne Esk LEADER has achieved through the programme. LEADER Team and LAG to think about this further.

3.6.3 Scottish Rural Awards

SP reported that his business, Jerba Campervans, has been nominated in the Scottish Rural Awards in the category "Rural Employer". The LAG agreed that AM, AH, SP and NR will attend.

3 Assess Applications

Declaration of Interest and Quorum

No LAG members declared an interest in this project and so the LAG remained quorate with 15 members in attendance including 3 from the public sector.

4.1 Belhaven Surf Centre

This project is to create the first Surf Performance Centre in Scotland in a new community building that can be used more widely. Belhaven Surf School is currently run from a carpark. The new building will be a surf facility with changing rooms, heat and light, nine showers, toilets, an education room, an office and kitchen facilities. It will be fully accessible and the building will be carbon neutral.

The LAG commented on the need to make sure that the nominal-rent tenants' use of space does not compromise the project's own revenue generation possibilities and felt that the applicants appear to have got this balance right.

The LAG appreciated the six strong letters of support for the project.



The LAG liked that a variety of groups would use the Surf Centre, including groups for young people and people with physical disabilities. The LAG noted that there was a programme for disadvantaged young people and that 2018 is designated 'the Year of the Young People'. The LAG noted that Belhaven is already renowned for surfing, having a wide strand with a low shelf, and they appreciated that the Surf Centre promoted a wide attraction to the sport and would cater for surfer tourists and hopefully increase the number of them.

It was regarded that there was little or no displacement as there are no other surf performance centres in the Tyne Esk area.

The LAG overall score for the project was 7.

The LAG voted by majority in favour of awarding a grant to the project of £87,226.80 subject to specific conditions of planning permission being secured and match funding being in place.

Declaration of Interest and Quorum

JM reported having been involved on the Planning Committee that approved the project's planning application however the LAG agreed that this was not a conflict of interest and JM remained in the meeting. The LAG remained quorate with 15 members present including 3 from the public sector.

4.2 Blackdykes Steading Conversion

This farm diversification project is to convert a dilapidated listed building, Blackdykes Steading, into five workshop spaces of varying sizes to accommodate businesses employing 10-20 people. Blackdykes Steading is close to North Berwick, and its conversion will facilitate increased access to local employment and reduced levels of commuting, in addition to providing space for rural businesses to start up/develop/grow.

The LAG noted that similar nearby workshop spaces seem to always be full and have bigger and more expensive units than would be created in this project.

One issue the LAG had queried was the short time-scales expected for the workshop spaces to be filled by leaseholders within. It was noted that the leases for businesses who occupy Blackdykes Steading will be annual leases with three-month notice periods for each party and that this would likely benefit the occupant more than the owner.

The LAG discussed displacement and agreed that displacement was unlikely. It was noted that rentable workspaces in East Lothian are at



capacity already and that the five letters of support that showed the need for further workspace options was there.

The LAG discussed timescales and whether the timescales were slightly ambitious. AL reported that the tender is about to go out, that planning permission is in place and that Listed Buildings Consent has been granted so there shouldn't be a need for an extension.

Score:

The LAG overall score for the project was 7.

Vote:

The LAG voted unanimously in favour of awarding a grant to the project of £60,000.00, subject to standard grant conditions.

Declaration of Interest and Quorum

CB declared an interest as she also runs a nursery service. It was agreed there was an interest and CB left the room. The meeting remained quorate with 14 members in attendance including 3 from the public sector.

4.3 Renovation of St Paul's Church

This project is to renovate and convert St Paul's Church building in Gorebridge, to extend Newbyres Nursery.

This project will help protect an historic building and will also promote equalities between old and new communities by providing a platform to encourage mix of communities of those attending the centre and those employed to work there as well as the volunteers of grandparents and proposed intergenerational project. The expanded facilities will enable extended provision both in day time and in after school hours.

The LAG noted that this project delivers on 9 LDS outcomes. The nursery is now one of the largest employers in Gorebridge and it was felt this project will enable the creation of additional quality jobs.

LAG members who attended the site visit reported being very impressed and the quality of the application was also noted. It was observed that this is a very young company, with increased staff numbers, an organisational capacity to serve more children but with restricted venue capacity to do so.

This project was considered have a strong strategic fit in linking old/new housing areas, space for parents to meet with grandparents welcome, participation in the local gala day.



The LAG discussed Newbyres Nursery's plans to run an after school club. They noted that there are already some after school club providers in the area but it was felt that, with Midlothian being the fastest growing Local Authority in Scotland in terms of population that demand for after school clubs would only increase.

Score:

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

Vote:

The LAG voted by a majority in favour of awarding a grant to the project of £82,617.13 subject to standard grant conditions.

Declaration of Interest and Quorum

CB returned to the room and the LAG remained quorate with 15 LAG members with 3 from the public sector.

4.4 Dalkeith Agricultural Show

This project is a grant to pay for the purchase of crowd barriers, light weight sheep gates, a set of horse jumps and a general purpose trailer for use at Dalkeith Agricultural Show and for hiring out. Dalkeith Agricultural Show hire sheep gates every year and owning a set would enable them to save money and to make a small income from hiring them out themselves.

The LAG noted that the Dalkeith Show has had a steady increase in visitors over the last three years. LG reported that in 2017 they had in excess of 3,000.

The application states that the project delivers on LDS outcomes 1, 2 8, and 10 and will raise awareness of local agriculture and food production.

It was noted that, though the purchases are not particularly innovative, the plan to purchase the equipment was innovative to the applicant and the plan to hire out to generate income could produce some innovate results.

One LAG member noted that Dalkeith Agricultural Show used to own sheep gates but sold them a few years ago, and that in the accounts there is an entry for the sale of the sheep gates. The LAG discussed possible reasons including there having been a change in committee and different new voluntary people coming in and making different decisions. The LAG decided to ask for an explanation of what the money from the sold-sheep-gates was used for but did not feel the answer should affect their assessment of this application.



The LAG discussed whether the purchase of equipment would interfere with an already effective system where some equipment is loaned between Haddington, East Lothian and Dalkeith. It was felt that if the project would not adversely affect the existing system.

Score:

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

Recommendations

The LAG voted by majority in favour of awarding a grant to the project of £10,172.13 subject to standard conditions.

The LAG additionally requested the applicant be recommended to maintain the availability of the sheep gates to Haddington Agricultural Show for a minimum of 5 years from project completion.

Declaration of Interest and Quorum

At this point RI declared a non-pecuniary interest due to knowing the owner of the building, who is related to the applicant. The LAG agreed that there was no conflict and RI remained in the room to contribute.

KC stated that her business offers weddings but not exclusive venue hire as the applicant's business. The LAG agreed that there was no conflict and KC remained in the room to contribute. The LAG remained quorate with 15 LAG members and 3 from the public sector.

4.5 Newhall Exclusive Use Wedding Venue

This project is to convert an old coach house into a wedding dining venue, which is part of a larger project to convert the estate into a rentable wedding venue with accommodation for 49 people. The applicant currently offers marquee weddings on site but is looking to develop the estate buildings so there is no need for the marquee and weddings can be held year round. The doors to the old coach house will be converted to French doors with an awning to enable outdoor eating and evening entertainment.

They have listed building consent and are in the process of getting planning permission for the awning on the listed building.

Tyne Esk LEADER is being asked to contribute towards the conversion of the Coachhouse rather than the additional planned work on the house.

It was felt that there were a number of wedding venues in close proximity but that there were none known to the LAG where the entire venue could



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be hired by the wedding party including the estate. The closest venue offering this would perhaps be in the Scottish Borders or Fife.

The LAG appreciated that the project had received multiple letters of support with a far reaching range, which reinforced the applicant's application stating that investment in this project would have a much wider impact than just the benefit to the business.

There were some concerns raised with the technical check in that 3 years of accounts had not been supplied. The applicant had stated that they were a new business but the applicant's website suggested that some business activity was ongoing. Moreover, the applicant business was not new although Companies House showed that it had been dormant until recently. It was felt that it was difficult to assess value for money or additionality without the previous accounts being available as it was not possible to see how well or otherwise the existing business was doing.

At this point JA arrived to the meeting having been at an Accountable bodies meeting earlier.

The LAG appreciated the robust business plan with forecasts up until 2022, however members did not think there was a clear picture of how the business would be run, how it would be managed, how it would be staffed. It was also felt that the investment requested by the applicant seemed quite expensive for the number and depth of outcomes the project delivered against.

Score:

The LAG overall score for the project was 6, which will be entered into LARCS.

The LAG felt that there were still questions to be answered over this project and it was queried whether they could be answered for the next LAG decision meeting.

It was decided to vote on whether to defer a decision at this meeting.

Vote to Decide Today Or To Defer A Decision

The LAG voted by a majority vote in favour of making a decision today.

Vote:

The LAG voted by majority in favour of rejecting the application for £144,687.00. The reasons for rejection were noted as:

1. The application states that "Newhall Events is the company that manages and operates the events venue and activities on the estate" however the company has been, until recently, dormant and so,



without any accounts, the LAG did not feel they had the information and evidence to hand to be able to judge whether public investment was needed.

2. The application states that the project will deliver against outcome 6 by the "enhancement of the existing seasonal business by diversifying from a "temporary" marquee venue into a purpose built year round high quality events facility" and, again, the LAG felt the accounts of the existing seasonal business using a marquee were necessary to assess the need for public funds.
3. The LAG considered that the grant amount was high in comparison with the number of outcomes that the project was expected to deliver and the depth that they delivered against. The Regulations also require that Value for Money is a key consideration to be taken into account when assessing applications and on this project they felt the application did not evidence an effective use of LEADER funds as they believed it did not deliver strongly against enough of the LDS outcomes.

The LAG asked the LEADER team to provide constructive feedback to the applicant.

5 AOB

5.1 Dalkeith Agricultural Show

Tyne Esk LEADER will have a stall at this event on 14/07/18. LG to email LAG to find out how many tickets to purchase.

5.2 Paying for Internal Audit

Tyne Esk LEADER have been asked to pay for the recent internal audit by Midlothian Council. Midlothian Council is not obliged to audit Tyne Esk LEADER but Tyne Esk LEADER does have to supply the Scottish Government with an audit of its work. The cost for the recent audit is £3.5k but future audits will likely cost less as expertise is built up and the audits are quicker. It is likely to result in a total admin commitment of £12k over the course of the Programme. NR had secured benchmarking costs showing Midlothian Council's internal audit costs to be good value for money and it was agreed that the LAG will pay for Midlothian Council to undertake the internal audit in future.

5.3 Future LAG Meeting Venues

Humbie Hub, St Martins and a venue in Penicuik were suggested.

5.4 Accountable Bodies Meeting

JA reported on the Accountable Bodies meeting he had attended earlier in the day.

5.4.1 Resolution of Disputes

Decisions will be taken by the paying authority. There had been discussion of who will advise the paying authority, how independent this person / these people will be, how many of them there will be, and whether the people from the Scottish



<p>Government will be in the majority at the meeting. The Scottish Government will make the final decision.</p> <p>5.4.2 Finance Many LAGs reported challenges with meeting the 10% co-operation target. The Accountable Bodies were seeking to find out whether this money could be reallocated. It was noted that the 10% for co-operation was set in Europe and so a European issue. However, the 10% targets for rural enterprise and for farm diversification had been set by the Scottish Government so could be changed JA reported that the 25% spend on admin is a maximum and is judged against actual spend on projects. Therefore, the value of projects approved by the LAG should be above 75% of the budget in order to avoid project underspends breaching the minimum budget spend on admin. The LAG decided to be very careful to stay aware of the financial position in this regard.</p> <p>5.4.3 Evaluation of the Programme There is some research being done into LARCS to look at the patterns for unsuccessful projects – this research is not about the process but is about projects and outcomes. The research will also find out what a successful project looks like. There will also be a review of outcomes for previous projects but it has been noted that projects have to have been running for a long time before the outcomes become apparent. The LAG agreed it would be useful to go back and find out how projects went. This research is intended to be complete by April.</p> <p>5.4.4 Future of LEADER The Accountable Bodies discussed models for a hypothetical new rural community development programme if it was being created now. They discussed whether it would be like LEADER, or the Big Lottery. The LAG valued some of LEADER’s policies in particular being locally managed and delivered.</p>	
<p>4 Finish – Date of next meeting Thursday 10 May 2018 venue TBC</p>	

