



Scottish Rural Development Programme



TYNE ESK LAG MEETING MINUTES
20th August 2017, 09:15m – 2.30pm
St Martins of Tour, Tranent

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
Kerry Clark, (KCI), NFU Scotland, LAG member
Sandra Duncan, (AD), SWRI, LAG member
Cllr Russell Imrie, (RI), Midlothian Council, LAG member
Cllr John McMillan, (JM), East Lothian Council, LAG member
Hilary Smith, (HS), North Berwick Community Council, LAG member
Yvonne Stoddart, (YS), STRIVE, LAG member (from 12:20pm)

In attendance

John Anzani, (JA), Midlothian Council Economic Development, Accountable Body
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
Neil Ramsay, (NR), LEADER Co-ordinator, Leader Team
Susan Smith, (SS), East Lothian Council Economic Development, LAG Observer

Apologies

Cheryl Brown, (CB), Midlothian Sure Start, LAG member
Karen Calvert, (KCa), Papermill Restaurant, LAG member
Alasdair Mathers, (AM), Midlothian Community Planning Partnership, LAG Observer
Dawne Milligan, (DM), LEADER Finance Support Officer, Leader Team
Simon Poole, (SP), Jerba Campervans, LAG member
Pam Ralston, (PR), Skills Development Scotland, LAG member

Welcome and apologies	Actions
<p>AM welcomed everyone to the meeting and declared the meeting quorate.</p> <p>Apologies were noted as above.</p> <p>Declaration of Interest JM and SS declared an interest in Seabuckthorn Coffee House and An All Weather Rocketeer due to the Provost being a member of the Planning Committee. Both SS and JM also declared an interest in the Understanding East Lothian Battles and in The Big Shed through having supported the project due to being a match funder to the projects.</p>	



<p>1. Matters arising</p> <p>There was an action from the previous LAG meeting to source a quote for a folder system to be added to the Tyne Esk LEADER website intranet so that LAG members would find it easier to access more files and documents. NR reported that he had arranged for the website developer to visit the office to give JG and LG training on editing the website and would request a quote for the additional work then.</p> <p>It was noted that Douglas Reynolds had resigned from the LAG. The LAG wished to note their gratitude for his contribution and send him their best wishes. Ann Southwood, who had been appointed as a LAG member at the previous meeting also resigned.</p> <p>2. Feedback on Scottish Government developments</p> <p>NR reported that Patrick Vickers had met with lots of LAGs to find out what common issues with LARCS the LAGs want to be fixed. There is not much time/budget to fix LARCS so improved guidance will be issued. There may be new training sessions for staff and LAG members.</p> <p>NR reported that the Scottish LEADER Staff Group's next meeting will be on 4th/5th October in Renfrewshire.</p> <p>This will involve a 'Co-operation Cafe' on 5th October which NR is helping to organise and so will attend. There are still two spaces for LAG members.</p>	<p>NR to source quote for additional work to website</p> <p>NR to send out invitation to LAG members</p>
<p>3. Update on:</p> <p>3.1 Governance</p> <p>3.1.1 Group Protocol</p> <p>NR reported two changes – article 7.3 notes the need for the LAG meeting to remain quorate if members leave due to conflict of interest; and Principle 9 in the Code of Conduct gives new IT user guidelines for LARCS.</p> <p>LAG members requested that new data protection legislation due to take effect in 2018 be borne in mind. It was noted that the Scottish Government are the data controllers for LARCS and Tyne Esk LEADER is the data processor and so data protection management of data in LARCs and the Expression of Interest system was the responsibility of the Scottish Government.</p> <p>3.1.2 Risk Register</p> <p>NR met with the LAG chairs recently and it was agreed to review the risk register every 6 months. NR also met with JA and it was</p>	



agreed that that risks associated with staffing levels are reduced slightly. The reasons for this are: a recent period with staff sickness was manageable and Tyne Esk did not breach timescales in which to pay claims. Also, having additional new staff will lessen the impact of any staff absence.

The LAG requested that going forward, when changing the risk register score, a log be kept of what the previous value was, when it is changed and why.

LAG members discussed concerns re. how applicants may be affected by staff absence, especially in regard to issues with cash flow – that they will need a safety net if there is a time delay in getting claims paid. However, it was noted that actual events did not lead to the accountable body being in breach of the Service Level Agreement and that Tyne Esk Leader is very aware and makes applicants are of dangers regarding cash flow. A staffing levels risk management procedure for staff was suggested by a LAG member.

The LAG requested the opportunity to agree on the scoring of the risks and to be clear that the right risks and the right scores have been identified. This will be on the agenda of the next meeting. It was suggested that the risk register be circulated to the LAG prior to LAG meetings so that the LAG can review it beforehand. AH volunteered to work on the Risk Register to transfer it to Excel and colour code it.

Under-Spend Issue

The LAG identified what is currently a high-likelihood, high-impact risk due to software issues with LARCS; on the issue of applicant under-spend.

It was noted that LARCS does not allow the intervention rate to be changed in a project once a claim has been submitted. In the event of an underspend, the procedure, prior to LARCs, was to subtract the match from the eligible costs and pay the remainder but LARCS currently will not allow the LAG to change the intervention rate to accommodate this. Therefore if a project underspends LARCS still requires them to be paid the intervention rate against all costs.

The LAG considered it undesirable to be using the suggested system in LARCs without something in writing from the Scottish Government to support this process.

The LAG agreed that if match funding is a fixed amount and there is

JG to create a risk register log, NR to maintain it

NR to write a staffing levels risk management procedure

AH to send a copy of her example to NR and NR to circulate the risk register prior to the LAG meeting



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an underspend then Tyne Esk will not pay the final claim until the Scottish Government has resolved the issue.

The LAG agreed the to:

- Seek Internal Audit's guidance on this issue
- Speak to the paying agency and get something in writing on this issue. The Rural Communities Team is now both the paying agency and the policy agency.

Project Applications Passing their Deadline

It was noted that The Papermill project has not yet received planning permission, which has led the project to stall. The LAG agreed that they would like an update as to when The Papermill will apply for planning permission by the next meeting so that the money can be reallocated if planning permission is not possible.

3.1.3 Budget

Tyne Esk is nearly 46% allocated and with 25% set aside for admin that leaves 29% left, of which a minimum of 10% is ring-fenced for co-operation projects.

It was noted that there have been no cooperation projects funded by the LAG and that there is only one Expression of Interest for a cooperation project to date. NR suggested that spending this allocation may depend largely on the staff team catalysing applicants or leading on projects themselves and that this was heavier on staff time than developing the applications of applicants. The LAG agreed the staff team could focus more on co-operation projects as long as existing applicants were still attended to.

NR to contact the
Paying Agency
regarding LARCs'
inability to
reconcile final
eligible costs
minus match

NR to contact The
Papermill to get
an update as to
progress

4 Assess Applications

Quorum

No LAG members declared an interest in this project and so the LAG remained quorate with 8 members in attendance and only 2 from the public sector.

4.1 Cousland Smiddy Heritage Hub

This project is a small grant to restore Cousland Smiddy, purchase digital equipment and cycle racks. Cousland Smiddy Trust is run by very well connected and active volunteers, has a surprising number of visitors tracing their ancestry and is believed to be the only place in Scotland which has had a working blacksmith for over 300 years. The project will help safeguard the blacksmith's job and the site itself, which is a hub for community activity and it will increase the number of visitors going to the Smiddy as well as



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improve their experience once there. Match funding is secured and ring-fenced for the Leader project.

The Technical Check was very positive with the only minor issue being why the Smiddy was not accredited by Museums Galleries Scotland. It was explained that this had been tried and the Trust found that that this was too expensive and did not open funding doors. The LAG liked the fact that Cousland Smiddy is a community owned initiative with the 'community heart' integral to its identity and recognised the need to avoid 'over-restoration'. The LAG liked that the project is likely to improve Cousland Smiddy Trust's revenue generation as they will gain more donations with having more visitors and safeguard one fairly unique blacksmith's job.

The LAG discussed displacement and found that there was no displacement of note.

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 £21,117.01 subject to standard conditions.

Quorum

JM and SS declared an interest in the 'Seabuckthorn Coffeehouse' project and left the meeting. The meeting remained quorate for this period with 7 LAG members still present and only 2 of whom from the public sector.

4.2 Seabuckthorn Coffeehouse

Seabuckthorn Coffeehouse is a farm diversification project to provide a café at a scenic cliff top location opposite the Bass rock. There are no café or toilet facilities on the east side of North Berwick, with the nearest facilities being a vending machine at Tantallon Castle. It was noted that there was strong potential for trade in that area due to the many people passing through – cycling, walking and driving; the new housing planned for that side of North Berwick; and the development at Halflandbarns with new businesses locating there and the John Muir Way passing close by.

The coffee house had a very detailed business plan including detailing the use of many local suppliers with high quality produce. It will create 2.5-3.5 jobs in the first year. The Seabuckthorn Coffeehouse will give views out to Quarral Bay.

The planning decision will be on 26th July.

The Technical Check had no serious issues although it noted that the match has not yet been secured and planning permission has not yet been



granted.

The LAG noted that the farm had already diversified with 'Castleton Events' and that this was not a first-time diversification. However, it was recognised that the applicant had not done anything in the sector before and that this was a new diversification for the applicant, which was the farm and not Castleton Events.

The LAG regarded the project as innovative because it will use old shipping containers for the building. The LAG liked the minimal environmental impact relating to the building having no foundations and the parking being on gravel – meaning it would be relatively easy to restore the area back to grassland should the need arise. Establishing a beach walk from North Berwick would help get people out into green space and maintain the need/demand for the business.

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

The LAG voted unanimously in favour of awarding a grant to the project of £49,406.92 subject to specific conditions of planning permission being secured. It was noted that this would be a Decision in Principle until match funding was secured.

Quorum

JM and SS remained absent from the room for An All Weather Rocketeer. The meeting remained quorate for this period with 7 LAG members still present and only 2 of whom from the public sector.

4.3 An All Weather Rocketeer

The Rocketeer is a coastal building selling high quality seafood, with an outdoor seating area. The project is to provide a climatically controlled glass enclosure to allow evening and winter opening, which is not currently possible as there is no indoor seating. The project will expand the business by substantially increasing the number of days the business can open. The Rocketeer currently sources its food locally and this project will create a larger need for locally sourced food as well as creating five jobs.

The LAG liked the fact that the project will positively impact on local suppliers and noted the large number and diversity of letters of support. They also liked the fact that the Rocketeer being able to open all year round will help other businesses by improving footfall and increasing demand for local suppliers in the town as tourism can be seasonal. This will transform seasonal employment for staff into year round employment. The LAG also liked the innovative glass structure proposed.

Other things the LAG liked were environmentally sustainable aspects of the



applicant's project and business practices including: use of compostable food and drink containers - 'vegeware', the use of solar panels on one of the applicant's nearby premises, the support for the practice of 'not taking everything' when lobsters are caught, the support for the local lobster hatchery and the sustainable sourcing of lobsters from local fishermen which means there are fewer air miles in the fisherman's business practices.

The LAG noted that there are unlikely to be any management problems as the applicant has over 30 years experience of catering and project management. It was also mentioned in the discussion that the applicant has a litter strategy whereby his staff ensure there is no litter from the business or other sources in the immediate area of the Rocketeer.

The Technical Check had no issues raised though it was noted that the suggestion that the project would bring people to green spaces was unlikely as the restaurant under glass did not constitute green space.

The LAG felt that there was likely to be some displacement but that this would be minimised due to the substantial increase to the local population. It was also felt that the All Weather Rocketeer would bring people to the area and therefore positively benefit all local businesses including other high end restaurants. The LAG noted that there are a number of high quality restaurants in North Berwick but that The Rocketeer is the only specialist seafood and fish restaurant, which is important in a coastal harbour town.

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 £100,920 subject to standard conditions.

Quorum

JM and SS stayed out of the meeting for 'The Big Shed'. The meeting remained quorate for this period with 7 LAG members now present and 2 of whom from the public sector.

4.4 The Big Shed

The Big Shed is a project that will provide a training, rehearsal, events and studio space and is unusual in having the height to accommodate aerial artists. The project will install a ceiling rail, curtains and fixtures. The business as a whole aims to meet the need for artists' space outside the central belt (currently 900 organisations are on the waiting list for a venue at 'Out of the Blue' in Leith). The business opportunities arising from this will ensure a sustainable funding stream for the applicant as well as provide affordable rehearsal space for arts groups throughout the Tyne Esk area. Vision Mechanics have 30 years experience in the sector.



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The first Technical Check advised that additional evidence should be provided showing the need for artists' space in the Tyne Esk area specifically and that groups in Tyne Esk would benefit and subsequent letters of support were secured from arts groups in the Tyne Esk area. The Technical Check found no other issues.

The LAG liked that the project will provide a space for artists to have social interaction as they work and its links with various local arts, community and heritage organisations.

Job creation was discussed. The applicant created 12 jobs for their forthcoming event 'Dragons of Drumhor' and the LAG felt that, if this was replicated in more events, even if all 12 were 'as and when', that this would be welcome jobs to the area.

The LAG discussed wanting better signage to The Big Shed but were satisfied that good signage on the days when events are on is sufficient.

The LAG was concerned about there being only one fire exit. The applicant knew there was a need for two fire exits at events and that one is needed at the far end of the building. However, it was noted that the LAG is not being asked to support aspects of the building which have fire regulations / planning control. The LAG, however, did want to ensure the curtains bought as part of the project will be fire retardant in line with national guidelines for curtains for events spaces. It was agreed that this would be a recommendation to the applicant on receiving the signed Offer of Grant rather than a condition of grant as grant conditions must be satisfied before a project can start.

It was noted that the site visit clearly showed a strong fit with the LDS. There will be new houses in the region, the residents of which the applicant says they will engage in workshops/event and the project provides affordable workspace and access to green space.

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

The LAG voted unanimously in favour of awarding a grant to the project of £19,211.89, subject to the specific condition of updating the Equal Opportunities policy including mention of the Equalities Act 2010.

The LAG additionally requested the applicant be recommended to:

- Set up signage to direct people to the venue on the day of events
- Comply with Health and Safety and Building Regulations with regards to fire escapes and fire-retardant curtains.



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Quorum

YS arrived to the meeting at 12.20 and SS and JM returned to the meeting with no other LAG members declaring an interest in Mayfield and Easthouses Masterplan making the total LAG members in attendance 9 with 3 from the public sector.

4.5 Mayfield Easthouses Masterplan

Mayfield Easthouses Masterplan is a community based project designed by a consortium of several local community organisations called 'In It Together'. The project is to conduct a broad and deep community-led community consultation at a critical point in the state of development of the area – when many local buildings have statutory improvement notices on them and there is likely to be significant development in the area in the not too distant future. 'In It Together' are looking to explore and represent the community's desires from a grassroots perspective and present this in the form of a 'Masterplan'. The project is "about the process as well as the output" with the intention and expectation that that the process itself will be community building and empowering and that the output will be a thorough, well researched Masterplan for the area that could be used to lever in additional money to the area in the order of millions of pounds.

'In It Together' anticipated that having a community-developed Masterplan would enable the community to communicate with developers; the group expressed that the community did not want community development to be done 'to them' but 'by them'. Concerns were raised about a lack of involvement by Midlothian Council. LAG members who had attended the site visit noted that Midlothian Council is represented on the 'In It Together' committee and it was also stated that Midlothian Council had led on securing the match from the Blueprint Fund.

Following the site visit, it was noted that it was very impressive how 'joined-up' the project was and that the Masterplan was 'very much from the bottom up', which helped the process of conducting of voicing community views more thorough. The LAG also appreciated that the project was very innovative being the only community-led Masterplanning process in Scotland.

Concerns were raised about whether the project would duplicate what has already happened in the Midlothian in terms of consultations and plans. 'In It Together' had expressed the view that the project is not a duplication of what has been done before as it will be led by the community in ways not done before; will bring together disparate areas of the community not previously involved in community planning; and will result in a more thorough document than previously undertaken that can be used to catalyse development.

The project is not about actions but is envisaged by the applicant to be a



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basis from which actions can be taken in the future and a solid reference of what community has said it wants. Concerns were raised that the project is primarily about engagement while some felt that Tyne Esk LEADER should be funding the recommendations from such a Masterplan rather than the development of the Masterplan. It was noted that there was no guarantee that any actions would result from the Masterplan.

Some LAG members found the project difficult to score as it was noted that the outputs consisted of intergenerational workshops involving the local community and the Masterplan itself – only the former of which, it was felt, directly delivered the Local Development Strategy outcomes.

Some LAG members were concerned about Value for Money – suggesting that a £60,000 Leader contribution (60% of the total project costs) towards producing a document is expensive and some considered that this could be difficult for the LAG to justify. It was pointed out that other Masterplans cost more than £100,000 so the overall cost is Value or Money for a Masterplan, however there remained the question of whether the amount was Value for Money for LEADER money as the outputs LEADER were interested in, such as the intergenerational workshops, could be delivered cheaper through different means.

Some felt that £60,000 may not be bad value for money if it were to give hope and purpose back to people through concrete actions, as was articulated during the site visit.

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

The LAG voted by a majority vote in favour of rejecting the application. The reasons for rejection were noted as:

- The LAG had concerns over duplication in terms of there already being a number of plans and strategies in place for the local Mayfield and Easthouses area.
- The LAG felt that the outcomes they were interested in could be achieved through different means costing less money.

Quorum

At this point JM and SS left the meeting. The meeting remained quorate with 8 LAG members present, only 2 of whom drawn from the public sector.

4.6 Understanding East Lothian Battles

The Understanding East Lothian Battlefields project has various components. It intended to: do re-enactments in several locations; create an online archive which is better developed than Historic Environment



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Scotland's; create 2 apps for Dunbar and Pinkie Cleugh; create 2 battle boards; involve schools; create a replica wagon; and commission 2 archaeology digs.

The Technical Check found several issues:

- The applicant has not met basic compliance needs
- There is a lack of quotes / benchmarking to evidence Value for Money
- The expectation of different intervention rates for different items is ineligible
- The applicant has not put in LARCS how much is needed but wants more than 60% of project costs
- It is not clear what costs were for such as the £35,000 contract for regimental agreements
- There is a lack of mandatory documentation
- There is a lack of detail of how the project will be delivered
- There are queries over the eligibility of some costs
- It is too big a project with fragmented elements
- It is an expensive project that is unfocussed
- There is no evidence of Control of Asset – no landowner's permission for the sites they plan to run the re-enactments

The LAG found it unclear what would be the legacy of the project although they regarded some individual aspects of the project to have been viable and worth funding (such as the waggonway). There was a view that the project did not come together as a whole and that the project could have been better presented in a different structure with more involvement of Visit Scotland and the project split into smaller chunks.

There was a lot of positivity towards the aims of the project and towards some individual elements of it but it was felt to be too disparate as a whole.

The LAG overall score for the project was 5, which will be entered into LARCS.

The LAG voted unanimously to reject the application. The reasons for rejection were:

- The LAG felt that the application was too broad and unfocussed.
- There were technical requirements that had not been met.
- There was a lack of quotes or evidence of some costs being value for money.
- Some costs were ineligible.



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5 AOB

5.1 Guidance on Potential Projects

5.1.1 The Lighthouse Community Project – Expression of Interest

Conflict of interest

AH and YS declared a potential conflict of interest but it was felt there was no need for them to leave when the discussion related to an Expression of Interest.

This potential applicant aims to expand their project premises to accommodate a gathering space, a counselling service, a dementia cafe and debt counselling. There had been concern from the LAG that the activities the applicant wanted to run in the centre were being covered elsewhere in Prestonpans and that the debt & financial counselling service should be appropriately registered with and adjudicated by the Financial Conduct Authority. Because of this AL sought advice on whether to progress the application or not.

As the applicant is a religious organisation, the LAG wanted to see a copy of the potential applicant's Equal Opportunities policy and the Equal Opportunities policies of the organisations involved – such as the debt counselling group 'Christians Against Poverty'. They also wanted assurance that the counselling services had the correct registration and would be delivered to all.

The LAG appreciated that the project, particularly the financial planning workshops, would be likely to deliver the community cohesion objective of the Local Development Strategy

5.1.2 Newbyres Nursery Relocation

This project involves a nursery wishing to expand to additional premises to an unused church. They will soon not have access to their current premises and the church is currently available. The LAG had expressed concern that church conversions could be costly and the applicant should come for a lesser amount than the maximum with a broader range of funders. The applicant was planning to submit on September 4th so there was a need to draw attention to this and seek guidance on the potential level of funding.

5.1.3 Track 2 Train

A Decision in Principle had previously gone out to the applicant, though they were still awaiting match funding. The Scottish Government has offered £360,000 of funding and funding is also expected from Blueprint and SCRF (Stations Communities Regeneration Fund). The LAG agreed to reapprove the Decision in Principle for the project.

NR to send



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<p>5.1.4 The Fraser Centre: Achieving Change A Decision in Principle had previously gone out to the applicant as they had not secured all of their match funding. It was noted that the applicant had a large funding target but had made strong progress in securing match recently and the LAG agreed to reapprove the Decision in Principle for the project.</p> <p>5.1.5 Gorebridge Railway Community Cafe & Gallery A Decision in Principle had previously been send to the applicant as they had not secured all of their match funding and it was noted that they had now gone beyond the 60 day limit for a Decision in Principle. The LAG asked if there was a problem with the applicant securing the match - it was noted that the match has been secured for some time but internal issues within the Scottish Government have made it take longer to get the letter of match from the Scottish Government's Blueprint fund.</p> <p>5.2 Upcoming Events</p> <p>5.2.1 Crowd Funding Event This event was rescheduled to 28th September as Shelley Hague of Angus Council was unable to attend the LAG meeting.</p> <p>5.2.2 Farm Diversification event JA, KCI, NR & Andrew Ralton of Midlothian Council Economic Development team will attend this event in September.</p> <p>5.2.3 Co-operation Event There is an invitation to a co-operation project in Lithuania for LAG members to attend. NR passed around the invitation.</p>	<p>renewed Decision in Principle letters to the three projects.</p>
<p>4 Finish – Date of next meeting Thursday 2nd November 2017 venue TBC</p>	

Actions

- NR to source quote for additional work to website
- NR to send out invitation to LAG members
- JG to create a risk register log, NR to maintain it
- NR to write a staffing levels risk management procedure
- AH to send a copy of her example to NR and NR to circulate the risk register prior to the LAG meeting



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- NR to contact the Paying Agency regarding LARCs' inability to reconcile final eligible costs minus match
- NR to contact The Papermill to get an update as to progress

Ongoing Actions

- NR to maintain a risk register score change log
- NR to circulate the risk register to the LAG prior to LAG meetings
- Project officers to make applicants aware that if they have not spent all of their grant Tyne Esk will want the balance back
- Leader team to bring LAG scores to the next meeting