

**Argyll and the Islands LEADER Local Action Group Meeting**  
**Marriage Room, 1a Manse Brae, Lochgilphead1 and Lync/Teleconference**  
**Thursday 6<sup>th</sup> December 2018**

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**MINUTE OF MEETING**

<b>LAG Attendance</b>	<b>Name</b>	<b>Organisation</b>	<b>Sector</b>
	Iain MacInness (Chair) (IMaCl)	Cowal Area Network	non-public
	David Adams McGilp (Vice Chair) (DAM)	Visit Scotland	public
	Colin McLean (CMcL)	HIE	public
	Alastair Fleming (AF)	Scottish Islands Federation	non-public
	Stuart Shaw (SS)	Scottish Natural Heritage	public
	Marina Curran Colthart (MCC)	Argyll & Bute Local Biodiversity Partnership	public
	Arlene Cullum (AC)	Argyll & Bute Council	public
	Hannah Robinson (HR)	LLTNP	public
(phone conference)	Reeni Kennedy Boyle (RKB)	Fyne Futures	non-public
<b>LAG Apologies</b>			
	Lucy Sumsion (LS)	NFU Scotland	non-public
	Iain Johnston (IJ)	Kintyre Cultural Forum	non-public
	Alistair McLaren (AMcL)	Third Sector Interface	non-public
<b>In Attendance</b>			
	Ishabel Bremner (IB)	Argyll & Bute Council (Accountable Body)	
	Lynn Rew (LR)	Strategic Co-ordinator	
	Mary Louise Howat (MLH)	Argyll & Bute Council (Accountable Body)	
	Mary Simpson (MS)	Argyll & Bute Council (Accountable Body)	
	Dorothy Middleton	Compliance Officer (minutes)	



## 1) Sederunt and Apologies

The Chair, Iain MacInnes, opened the meeting at 10:35am. He welcomed everyone and thanked the Argyll and Bute Council LEADER team for their hard work and time, in bringing the meeting together. The main concern is getting good projects up and running within the short time left to deliver LEADER, as the 7<sup>th</sup> March 2019 is the last scheduled meeting for allocating LEADER funds to projects. If possible, the Chair would like to see all remaining funds being allocated to projects in our area rather than handing back unallocated money to a national pot.

### 1.1 Sederunt

Attendance noted as above.

### 1.2 Apologies

Apologies noted as above.

## 2) LAG Requirements

### 2.1 Quorum

There were eight members in attendance and one participating by phone conference. It was agreed that HR, DAM, CM and MCC would not vote making the meeting quorate.

There was a minimum of five voting members with one participating by phone conference, three non-public members and two public members. The Chair declared the quorate.

### 2.2 Declarations of Interest

AC declared an interest in Project 04/P00096 - The Rockfield Centre. It was agreed at this point that MCC would step back into the meeting to keep the meeting quorate.

IM checked his position regarding Project 04/P00090 - Loch Goil Cruisers. He declared no financial interest and no other connection to the project and after referencing the Risk Matrix (see Annex A) it was decided that no declaration of interest was required.

The meeting was quorate for decisions to be made for all submitted projects.

### 2.3 Annual Review of Governance Documents

LAG members discussed changing the Governance Document to allow all non-voting members to take part in the discussions as this would give a more balanced view and allow everyone to contribute to the meeting.

LAG members discussed encouraging all LAG members to score projects even if they are not attending the LAG meeting as their contribution is still important and welcome.

**DECISION – ALL VOTING MEMBERS AGREED**



### 3) Minutes

#### 3.1 **Minute of 21<sup>st</sup> June 2018, Committee Room 1, Council Offices, Kilmory, Lochgilphead**

Minute was approved with no changes.  
Minutes were proposed by Stuart Shaw.  
Minutes were seconded by Alistair Fleming.

#### 3.2 **Matters arising from previous meeting.**

Items are being covered in today's minute.

#### 3.3 **Summary of Written Procedure Thursday 20<sup>th</sup> September 2018.**

Summary of Written Procedure was approved with no changes.  
Summary of Written Procedure were proposed by Iain MacInness.  
Summary of Written Procedure were seconded by David Adams McGilp.  
Iain MacInness as Chair signed both the minute of 21<sup>st</sup> June and the summary of written procedure of 20<sup>th</sup> September 2018.

### 4) Accountable Body Report

Ishabel Bremner spoke to the accountable body report which was a summary of key issues noted at the national Accountable Body meeting, chair by the Scottish Government, LEADER Programme Delivery team on 4<sup>th</sup> October 2018.

#### Brexit

The UK Government has advised that through the UK Treasury Guarantee LEADER funding will be honoured for the remainder of the programme period regardless of the outcome of the UK Parliamentary vote on the EU withdrawal Agreement on Tuesday 11<sup>th</sup> December 2018.

#### LEADER Funding

Further to the Accountable Bodies meeting on Thursday, 4<sup>th</sup> October 2018 it has been advised that the cut off points for the commitment of LEADER funding is as follows:

- **Co-operation** budget allocation (a minimum of 5% of the Argyll and the Islands LEADER total budget allocation) is to be committed by **29<sup>th</sup> March 2019**. Thereafter, any uncommitted co-operation funds will be returned to the national pot to be redistributed.
- For **all** other projects under all the remaining LEADER funding themes, the budget allocation should be committed by the **end of June 2019**. At this point, the Scottish Government will liaise with LAGS and funds not allocated to a pipeline project will be returned to the national pot to be redistributed to those LAGS where funds are allocated but there pipeline projects remain.

Initially, all LEADER monies had to be committed by the end of March 2019, so the Argyll and the Islands LEADER programme was closed to new expressions of interest (EOIs) on 28<sup>th</sup> September 2018. By this deadline, a number of EOIs were received. Some of these have been worked up into applications for consideration at today's LEADER LAG and there are still a number on the list for consideration for the March LEADER LAG.



## Staff Capacity

Staff capacity issues remain a key concern. At present there is only one member of staff working solely on project development, where there should be a complement of three. Through a competitive interview process in August 2018 the Accountable Body upgraded Lynn Rew from Development Officer to Strategic Co-ordinator. At the same time, a recruitment process was undertaken to recruit development staff, but no suitable candidates were identified.

## 5) Financial Report

After a financial update from Mary Simpson LAG members agreed to move £119K from Administration to themes 1 & 2 as per table below.

The LAG members also agreed that £224 306 and £72 293 from Co-operation and Administration should be reallocated to themes 1 & 2 as per table below.

Agenda Item 5 - Reallocation to allow projects to be considered for approval							
	Current Budget Allocation	Current Commitment	Dec LAG	Budget - Current Position	Available to reallocate	Reallocation	New Budget Allocation
<b>Theme 1 &amp; 2</b>	£ 1,928,332	£ 864,203	£ 1,183,291	-£ 119,162	£ -	£ 119,162	£ 2,047,494
<b>Theme 3 - Enterprise &amp; Farm Diversification</b>	£ 1,377,226	£ 840,100	£ 37,200	£ 499,926	£ 400,000	0	£ 1,377,226
<b>Co-operation</b>	£ 488,613	£ 4,456		£ 484,157	£ 244,306		£ 488,613
<b>Administration</b>	£ 1,091,955	£ 900,000		£ 900,000	£ 191,955	-£ 119,162	£ 972,793
	£ 4,886,126						£ 4,886,126
Agenda Item 8 Reallocation of remaining budget							
	Current Budget Allocation	Current Commitment	Budget - Current	Available to reallocate	Reallocation	New Budget Allocation	Budget - Current Position
<b>Theme 1 &amp; 2</b>	£ 2,047,494	£ 2,047,494	£ -	£ -	£ 317,099	£ 2,364,593	£ 317,099
<b>Theme 3 - Enterprise &amp; Farm Diversification</b>	£ 1,377,226	£ 877,300	£ 499,926	£ 400,000	£ -	£ 1,377,226	£ 499,926
<b>Co-operation</b>	£ 488,613	£ 4,456	£ 484,157	£ 244,306	-£ 244,306	£ 244,307	£ 239,851
<b>Administration</b>	£ 972,793	£ 900,000	£ 972,793	£ 72,793	-£ 72,793	£ 900,000	£ 419,315
	£ 4,886,126					£ 4,886,126	

**DECISION – ALL VOTING MEMBERS AGREED**

## 6) Consideration of Applications

### 1 – 04/P00086 - South West Mull and Iona Development - Tiroran Forest Growing Forward

No declarations of interest.

<b>LDS Theme</b>
Theme 1: Strengthening the rural economy by maximising the sustainable use of our natural, cultural and heritage resources as an economic driver.
<b>Objective</b>
To support capacity building, research and development to identify and implement development opportunities

<b>Scoring submitted prior to meeting</b>			
<b>Average Score</b>	<b>Number Scoring</b>	<b>High</b>	<b>Low</b>
29	8	37	26

Applicants are looking for a Full Approval:

#### Comments

- Good LEADER project, modest requirement as project not seeking maximum grant.
- Once the Forester has been appointed a Business Plan will be produced and will demonstrate on going sustainability.
- Local Development Trust has a zero waste approach, has intentions of using waste products.

**DECISION: FULL APPROVAL**

### 2 – 04/P00077 - Iona Village Hall Community Trust - An Talla Bail - Shaping the Heart of Iona

No declarations of interest.

<b>LDS Theme</b>
Theme 2: Enhancing the services and facilities in the Argyll and the Islands area to attract individuals, families, visitors and investors to grow and maintain economically viable communities
<b>Objective</b>
To support community action planning and implementation of community priority projects

<b>Scoring submitted prior to meeting</b>			
<b>Average Score</b>	<b>Number Scoring</b>	<b>High</b>	<b>Low</b>
32	7	38	24

Applicants are looking for a Decision in Principle for the following reasons:

- The applicants have outstanding issues: Building Warrant, Non-availability of tendered costs, outstanding decision on funding application by the applicant to the Hugh Fraser Foundation and Evidence of ownership of the National Trust Land required for the development.



### Comments

- Iona desperately needs this hall as it is the hub of the community and would be a good project to fund.
- Totally support the idea of the project as it would add a different dimension for visitors to the Island.
- Iona is an important focal point for visitors from all over the world and has a lack of assets at the moment.

### **All members agreed to issue a Decision in Principle subject to:**

1. Confirmation that a Building Warrant has been granted.
2. Confirmation of tender costs.
3. Confirmation of funding from the Hugh Fraser Foundation.
4. Confirmation of ownership of the National Trust Land required for the development.

**DECISION: APPROVED IN PRINCIPLE SUBJECT TO CONDITIONS**

### **3 – 04/P00090 – Loch Goil Cruisers – Loch Goil Pontoon**

No declarations of interest.

<b>LDS Theme</b>
Theme 3: Farm Diversification and Small Business Support
<b>Objective</b>
Provision of a start-up/growth grant

<b>Scoring submitted prior to meeting</b>			
<b>Average Score</b>	<b>Number Scoring</b>	<b>High</b>	<b>Low</b>
33	7	38	24

Applicants are looking for a Decision in Principle for the following reasons:

- A decision in principle is being sought due to the following outstanding items: planning permission is pending and is expected by end of January 2019 (this will impact the start date which will be updated accordingly). Match funding is being sought as private loans and to this end will not be transferred until a decision in principle is secured.

### Comments

- Long overdue maritime project on Loch Goil, much needed in Argyll
- Top priority in the LLTNP action Plan for the Loch Goil Area.
- Planning has been applied for, adding to the infrastructure of the area.

### **All members agreed to issue a Decision in Principle subject to:**

1. Confirmation that Planning Permission is granted.
2. Confirmation that Match Funding is in place.

**DECISION: APPROVED IN PRINCIPLE SUBJECT TO CONDITIONS**



**4 – 04/P00093 – Islay Community Access Group – Port Charlotte to Bruicladdich Path**

No declarations of interest.

<b>LDS Theme</b>
Theme 1: Strengthening the rural economy by maximising the sustainable use of our natural, cultural and heritage resources as an economic driver.
<b>Objective</b>
Objective 2: To improve collaborative working to increase opportunities for sustainable economic growth

<b>Scoring submitted prior to meeting</b>			
<b>Average Score</b>	<b>Number Scoring</b>	<b>High</b>	<b>Low</b>
32	8	38	27

Applicants are looking for a Decision in Principle for the following reasons:

- The project is seeking a decision in principle due to the following outstanding issues: full match funding confirmation of Sustrans and RTIF funding; project has still to go to tender at which stage final costs (and ROC) will be established

**Comments**

- Previous experience in developing an award winning path on Islay.
- DAM had visited the three distillery path recently with Lynn Hamilton, a very successful path network making it easier and safer for visitors to Islay.
- The path will link two villages and boost economic growth in the area.
- Construction due to take place at a time of year that minimises wildlife disturbance.
- Asking for 20% funding from LEADER, the project has contracted a good funding package. In comparison, the Fionnphort to Pottie Path project which came to the last LAG would have delivered fewer economic and social benefits. That application was for 50% of costs for what the LAG felt was an expensive, high specification path.

**All members agreed to issue a Decision in Principle subject to:**

1. Confirmation of full match funding from SUSTRANS and RTIF funding.
2. Confirmation of final costs (ROC) once tenders have been issued and approved.

**DECISION: APPROVED IN PRINCIPLE SUBJECT TO CONDITIONS**



## 5 – 04/P00096 – Oban Community Benefit Trust – The Rockfield Centre

Declaration of interest from AC.

<b>LDS Theme</b>
Theme 2: Enhancing the services and facilities in the Argyll and the Islands area to attract individuals, families, visitors and investors to grow and maintain economically viable communities
<b>Objective</b>
To support community-based initiatives to improve and/or retain access to services for those living within rural areas and to encourage people to come and live in these communities

Scoring submitted prior to meeting			
Average Score	Number Scoring	High	Low
33	7	38	28

In-principle decision sought due to following outstanding items:

- Procurement - applicant to present revised bill of quantities to all tenderers to obtain revised tender costs, not just to preferred bidder. Applicant to evidence match funding is in place for ineligible costs from HES, RCGF, Hugh Fraser Foundation, Co-op Foundation and RBS Social and Community Capital Fund.

### Comments

- Excellent fundraising from local community, much more than anticipated.
- Learning from other groups by using the Community Share Issue for funding.
- Considerable benefit to growing visitor attractions.
- Adds a new and innovative attraction to Oban benefiting the economy.
- Additional parking solution for Oban.
- Only other indoor attraction is the War and Peace museum.

### **All members agreed to issue a Decision in Principle subject to:**

1. Confirmation of Procurement - applicant to present revised Bill of Quantities to all tenderers to obtain revised tender costs, not just to preferred bidder.
2. Confirmation of match funding in place for ineligible costs from HES, RCGF, Hugh Fraser Foundation, Co-op Foundation and RBS Social and Community Capital Fund.

**DECISION: APPROVED IN PRINCIPLE SUBJECT TO CONDITIONS**





## 7) **LEADER PIPELINE PROJECTS**

### 7.1 Applications in Development

Theme 1 & 2 – 3 projects

Theme 3 – 4 projects

EOI's being developed

Theme 1 & 2 – 9 projects

Theme 3 – 10 projects

There are 26 projects in total, with four of these being farm diversification projects. Officers are actively working with all projects.

DAM suggested looking at the EOIs and summary sheet before the next meeting but officers advised that cannot be done due to GDPR, and at this stage in the process applicants have not submitted a Fair Processing Notice. It was agreed to let the process take its course as due to past experience, officers do not anticipate that all 26 projects will come forward to the next LAG meeting for approval.

LR explained that there was one project which had been approved for LEADER funding which may not go ahead due to a bereavement in the family. There is a possibility that this award may be returned giving extra to be re-allocated.

It was agreed that LAG members would use a scoring method which prioritises projects which are either coming forward for a full decision or ranked in terms of those technically closer to being ready should there be more demands on the funding than money in the pot. If required, MLH will develop a weighting procedure that can be used for the final LAG meeting.

It was suggested that a LAG meeting be held in June for projects not ready for the next LAG, to give as much opportunity as possible for funds to be allocate to Argyll and the Islands LEADER projects.

### 7.2 **Co-Operation projects**

MLH had three projects which had asked to be presented to the LAG for feedback.

#### 1. LLTNP – Community Partnership

To employ a Business Development Manager to cover Social Enterprise Learning and monitoring. The lead partner in this project would be Forth Valley LAG.

There was no value given on this project as the financial profile is still being worked on by the applicant. It was agreed that MLH continue to work with the lead LAG and project to assist .

**DECISION – MORE INFORMATION REQUIRED**



## 2. Velo Scotland

The lead partner in this project would be the Highland LAG. The paperwork received still had Fife LAG as partner but they had refused this project, and Argyll and the Islands LEADER LAG is now being asked to partner.

The project covers marketing and branding through website development in a cycling project as part of a North West 500 project. It was agreed that cycling in Argyll was very important but the LAG members could not see a link with Highland Council.

**DECISION – the LAG agreed that project would not be supported**

## 3. Scottish Islands Passport

The lead partner would be Hi-Trans. Orkney, Shetland and the Western Isles LAGS are also potential partners.

The project would encourage visitors to explore different Islands throughout Scotland.

DAM explained that this was discussed at a recent Visit Scotland meeting where it was agreed that the Islands that need this don't have the ferry/flights or transport to carry the amount of visitors and that already popular Islands are almost at capacity for visitors.

Scottish Islands Federation would support this project but would not fund it.

MLH will continue to engage with the lead LAG and report back to the LAG at the next meeting.

**DECISION – MORE INFORMATION REQUIRED**

## 8) LAG Decisions

- 8.1 Blending of Farm Diversification and Enterprise Budgets as per Accountable Bodies decision.  
Agreed to blend Farm Diversification and Enterprise Budgets **DECISION: APPROVED**
- 8.2 Reallocation of 5% Cooperation Budget as per Accountable Bodies decision.  
Agreed to reduce budget and reallocate to theme 1 & 2 **DECISION: APPROVED**
- 8.3 Reallocation of Balance of Admin Budget.  
Agreed to reallocate 72K of admin budget to theme 1 & 2 **DECISION: APPROVED**
- 8.4 Proposed LEADER funding deadlines.  
Applicant deadline moved from 11/1/19 to 25/1/19 **DECISION: APPROVED**
- 8.5 Decisions in Principle – December LAG and LAG.  
Decision in Principle remains at 60 days to satisfy guidance. The LAG agreed to allow Officer Discretion on 60 + days if projects can justify needing extra time to meet In Principle conditions. **DECISION: APPROVED**



## 8.6 Change requests:

04/P00030 - Shellfield Farm

It was agreed to amend the roof material from fiberglass and turf to tin, and transfer the resulting cost savings from Milestone 2 (£650) into Milestone 3 – to cover the increased costs of freezers. There was also a date extension of the milestones from 30/9/18 to 31/3/19 resulting in a revised financial end date of 30/6/19.

**DECISION: APPROVED**

At the LAG meeting on the 7<sup>th</sup> March, there will be a financial update letting the LAG members know exactly what funding remains if any. DAM made a strong appeal to all members to attend this March meeting as decisions will have to be made on the day.

Reeni Kennedy Boyle left the meeting (Skype) at 12:05.

## 9) Other LEADER Updates

### 1. Beachcomber, Tiree. Self-catering Accommodation

All match funding is now in place and the project has started. A Post Approval Visit has been carried out.

### 2. Fionnphort to Pottie Path

The applicant appealed against the LAG decision to reject this project on 21/6/18. This appeal was managed by the Accountable Body as per the wish of the applicant.

IB read her response to the applicant confirming that all guidance and rules were adhered to and that the LAG had all documentation to hand to make an informed decision, therefore the appeal was not upheld.

Stuart Shaw had received a call from the applicant, he explained that he was one of the LAG members making the decision and felt that the path was of a very high specification and very expensive.

## 10) AOCB & Date of Next Meeting

LAG members discussed the possibility of adding members to the LAG. I Macl suggested using a representative or a proxy on a LAG member's behalf. It was felt that at this late stage in the programme that there would not enough time to train new members.

MS suggested that if LAG members could not attend meetings, to let the LEADER staff know as soon as possible to enable the date could be re-arranged.

I Macl had heard Alistair McLaren was thinking of standing down from the LAG but hadn't had anything official.

### Date of next meeting

The date of the next meeting will be Thursday 7<sup>th</sup> March 2019, Committee Room 1, Kilmory.

I Macl thanked everyone for their attendance and input to the meeting, invited everyone to stay for lunch and closed the meeting at 13:05pm.

Signed \_\_\_\_\_ date \_\_\_\_\_



## Annex A

### Argyll and the Islands LEADER - Conflict of Interest Risk Matrix

#### Introduction

In order to provide some clarification for LAG members with regard to the conflict of interest issue, a risk matrix has been devised. In particular, a conflict of interest is when a LAG member might not be able to do what is best for the LAG because he or she has a duty to another organisation or person.

The overarching considerations that need to be borne in mind by LAG members are as follows:

- members must do what is best for the LAG, not what is best for themselves or anyone in their organisation; and
- members must put the needs of the LAG before the needs of any other organisation or company that they are involved with i.e. members involved in a decision to award LEADER and/or Convergence monies to a project, must not gain financially as a result of that decision.

**N.B. where an individual and/or organisation earns over 35% of its income from providing consultancy work, then that individual and/or organisation should not be a LAG member.**

#### Risk Matrix

The risk matrix provides a rule-of-thumb check with regard to whether a LAG member has a conflict of interest with regard to projects seeking a grant award. The operational and reputational risks to the LAG are assessed collectively in the matrix below.

Risk Matrix – Conflict of Interest		
Description	Level of risk	Action to mitigate risk
	Low/Med/High	
Generic match funders which provide no direct support to the project (bar match funding)	Low	The LAG member does not have a conflict of interest and can take part in the project discussion and decision.
The organisation represented by the LAG member delivers a statutory and/or discretionary service to the applicant organisation in terms of a partnership approach, governance issue, etc and that the LAG member does not sit within the team/directorate that directly delivers the service to the Lead Applicant.	Med	The LAG member can participate in the general discussion but cannot vote on whether the project should be approved or not.
The LAG member provides ad hoc assistance to community groups with regard to a wide range of potential LEADER projects as part of their work remit.	Med	The LAG member can participate in the general discussion but cannot vote on whether the project should be approved or not.
The LAG member sits within the team/directorate that directly delivers the service to the Lead Applicant.	High	The LAG member must not participate in the discussion and should leave the meeting room.

The LAG member is employed by the applicant organisation but is representing another partnership/organisation.	High	The LAG member must not participate in the discussion and should leave the meeting room.
The LAG member provides intensive support on a day-to-day basis to the Lead Applicant, which could potentially result in the project being better placed to secure financial support from LEADER.	High	The LAG member must not participate in the discussion and should leave the meeting room.
The LAG member could gain financially either at a personal or organisational level from the project being awarded grant funding.	High	The LAG member must not participate in the discussion and should leave the meeting room.