



OUTER HEBRIDES 2014-2020 LEADER PROGRAMME



Note of the Meeting of the Outer Hebrides LEADER Local Action Groups In Committee Room 3, CNES Offices, Stornoway with video-conference to Comhairle offices in Balivanich, and Castlebay on Wednesday 1st June 2016 at 1300-1445

Present **Chair:** Colin Gilmour, Outer Hebrides Community Planning Partnership

Vice: Iain Fordham, Outer Hebrides Tourism

Cllr Alasdair MacLeod, Comhairle nan Eilean Siar
Alistair MacLennan, Federation of Small Businesses
Alison MacCorquodale, Tourism Outer Hebrides 2020 Leadership Group
Carola Bell, Community Energy Scotland
Donnie Macdonald, MG Alba
Iain MacLennan, Skills Development Scotland
Helen Sandison, Private Individual
Lorna Macaulay, Harris Tweed Authority
Matt Bruce, Lewis and Harris Horticultural Producers
Rachel Mackenzie, Highlands and Islands Enterprise
Stewart Robertson, Scottish Government Agriculture, Food & Rural Communities Directorate

Barra:

Eoin MacNeil, Co-Cheangal Innse Gall

Balivanich:

Johanne Ferguson, Scottish Natural Heritage
Murdina Naylor, Tagsa Uibhist
Andrew Ross, North Uist Development Company

In attendance:

Donna Matheson, Outer Hebrides LEADER Co-ordinator
Domhnall MacDonald, Comhairle nan Eilean Siar, Accountable Body Rep
Heather MacBeath, Outer Hebrides LEADER Project Support Assistant
Charlene Macmillan, Outer Hebrides LEADER Finance and Project Officer
Eilidh Johnson, Outer Hebrides LEADER Development Officer

Apologies and Absent:

Duncan MacInnes, Western Isles Fishing Association
Kirsty McCormick, Storax Uibhist
Michael Smith, Mossend Residents Association
Neil Campbell, Community Land Scotland
Roddy Mackay, Princes Trust
Sarah MacLean, Scottish Crofting Federation



	<i>Action for:</i>
<p>1. Welcome and Apologies</p> <p>Colin welcomed the members present and apologies were read.</p> <p>There were 11 Private and 6 Public representatives in attendance. This exceeded the 15 member quorate and the 49% public/ 51% private split required for decision making was met.</p>	
<p>2. Declarations of Interest</p> <p>The following interests were discussed:</p> <p>Eoin MacNeil brought to the attention of the LAG that he knew the applicants of OHS/14/008. However, as he had no vested interest, the LAG decided he was able to be present for any discussion of the project</p> <p>Carola Bell brought to the attention of the LAG that a close family member was an employee of OHS/14/012. The LAG decided that there was no personal interest and she could discuss the project.</p> <p>Any members who had declared an interest in projects were advised that they should step out of the room before the LAG discuss the project and this principle is to be applied for the duration of the programme. There were no declarations made by the members in attendance regarding the projects brought forward today for discussion.</p> <p><i>Action: Could all members encourage secondary's who have not yet filled declarations of interest forms, to do so now.</i></p>	LAG
<p>3. Note of last meeting and matters arising thereof:</p> <p>Both sets of minutes were checked and declared accurate.</p> <p>Regarding the minute from 26.4.16 it was decided that too much time had been spent discussing the expressions of interest. As some of these may not move to application, it is the responsibility of the Officer to decide if they meet the initial criteria and LAG members should contact the assigned officer if they wish to discuss, or have any issues with a particular EOI. The LAG will then have the option to discuss projects once they move to application stage. LAG members should highlight any issues or conflicts of interest to the officer after circulation of the enquiries list (every fortnight).</p>	

<p><u>Appeals:</u> There will be an appeals process in this programme. The guidance for this is with the legal team for approval in Scottish Government and will be released in due course.</p>	
<p>4. Project Applications</p> <p>(a) Scoring</p> <p>Colin firstly asked the LAG to discuss their feelings and experience of scoring.</p> <p>A number of LAG members highlighted that a dummy run or mock application would have been helpful in assisting them with the scoring process, in order to gain an understanding of what members should look at, and what the general view of a 1, 2, or 3 looked like for each criteria item. Colin Gilmour (Chair) suggested the possibility of a separate informal meeting where members could run through an application and look at scoring criteria. If this is desirable for members, Colin Gilmour would be happy to lead this meeting along with Donna Matheson (LEADER Co-ordinator).</p> <p>The amount of papers for each project was highlighted, as there was a large amount of repetitive reading. A concern was raised that some areas were detailed and relevant, other parts were lacking in information. The LEADER team agreed to re-visit the process to seek a solution. However, the papers have been issued by Scottish Government and with an appeals process being made available, the members must be sure of decisions and read the applications fully rather than a brief summary. Any additional information can be obtained from the LEADER team. When a request for information is made, the response will be forwarded to the whole LAG to ensure all members have the same data.</p> <p>Colin Gilmore suggested that the LAG members are given 10 days instead of 7 to review applications in order to provide more time for queries and responses. This way issues can be raised and information can be obtained in the first 3 days. Then members have a further 7 days to do the scoring. If members are unable to score for any reason, they should also indicate this to the LEADER staff.</p> <p>(b) Weighting</p> <p>Weighting was discussed in the Training session held in May. The system is optional but by setting some points and comparing differences in weighted and unweighted scores, the LAG can make an informed decision about using this method. Colin demonstrated the use of weighting with his own score sheets, he noted that the weightings reduced the range across his scores and also reduced the upper end percentages. In terms of ranking, the weighting moved only one project upwards.</p> <p>Charlene distributed the late paper showing unweighted scoring and scores where the suggested weighting, that had been provisionally agreed at the Training Session, were</p>	

applied, for project OHS/14/012. The results showed a 1% difference between scores. Due to the added layer of complications for member and staff involvement, and lack of added value for applicants, the LAG decided not to use the recommended weighted scoring from the training session in May.

The LAG initially approved a 'no weighting system'. However as discussions unfolded with applications the LAG decided to implement at double score weighting on Innovation and Additionality Criteria, highlighting these as particularly important for LEADER funding, and in-line with the Local Development Strategy and EU Regulatory Programme requirements.

The Pass mark or Approval Mark was then discussed; in the previous programme this had been 60%, however the LAG were free to choose a mark they considered appropriate.

The average score was discussed on the basis of a 1-3 scoring matrix. The total score that can be achieved is 60 points. An average score across the whole application would result in 40 points or 66% (it was agreed that a score of at least 2 for each criteria would be the minimum requirement for a pass mark). The LAG discussed a pass mark of 70% so all applications going forward were above average marks, however, it was felt that this would be too limiting and projects that were ideal for LEADER may miss the mark on less valued factors. The LAG accepted 66% as the pass mark for approval.

Suggestions such as raising the bar for projects applying in excess of 75k by setting the pass mark at 70% then lowering later if necessary were discussed and refuted by the LAG.

There was discussion about the limitations put in place with the Harris Tweed Policy so that only innovative projects would filter through. The importance of innovation was not so heavily reflected elsewhere as projects applying to this round were not perceived to be particularly innovative. The LAG discussed this and decided that innovation should be valued more highly than other factors and therefore a double scoring would help weight this more effectively.

Additionality was also considered a highly important factor. Three of the presented projects were asking for large amounts of public funding for projects, where the applicants were perceived to have levied in minimal investment themselves, despite having the means to (suggestion of low Additionality). The LAG decided as giving public money to private business, additionality was a fundamental element and should be weighted doubly along with innovation.

Displacement was also considered in the weighting, however the OH LEADER officers assess this element in the application process. Target groups were discussed by the LAG as these are an important part of the Local Development Strategy. In scoring strategic fit, the LAG

<p>should consider the target groups, when outputs are set, they will reflect target groups as well. With double weightings on Innovation and Additionality, projects must score 44 points (43.5 exactly) to be approved.</p> <p>In Summary: The Approval mark is 44/66 (66%). Innovation and Additionality Scores will be weighted x2.</p> <p>(c) OHS/14/012</p> <p>Average scores for this project were low. The project is asking for a substantial amount of funding and yet shows no real innovation. The LAG were keen to support local businesses and crofting related projects, however, the significantly prior submission of planning permission and availability of additional applicant funds that were not being utilised, gave members a feeling of low additionality for LEADER. The Lack of a project plan was also commented on as extra evidence and compliance was not demonstrated effectively.</p> <p>OHS/14/012 was rejected for funding by Outer Hebrides Local Action Group</p> <p>(d) Sub-Groups</p> <p>The LAG discussed whether they should use sub groups or continue to issue scoring to all members. There was a suggestion that the 12 main scorers from this first round should sit on the first sub group and the remaining LAG members sit on a second sub group. However, this was not ratified.</p> <p>The quorate for decisions was originally set at 15, however, it was ascertained that this was high and given fewer than 15 returned scores in time for the first round. The LAG decided to lower the quorum for decision making to 12 members (50% of the LAG).</p>	
<p>5. OHL Coordinators Update</p> <p>The main points from the coordinators update are:</p> <ul style="list-style-type: none"> • LARCS should be in place by the end of the year • OH LEADER will have a monitoring visit in September 2016 • Claims Guidance has still not been issued by Scottish Government. Old Documents can be used at the moment, however new guidance will be provided 'soon' 	
<p>6. FLAG/ LAG Projects</p> <p>EMFF want to consult with the LAG regarding the types of marine projects the LAG want to fund and which should come to EMFF or LEADER.</p>	

<p>Iain Fordham (Vice Chair of the FLAG) stated that the FLAG guidance is for funding fisheries projects and diversification projects. The diversification projects could be a huge range of things including on land projects and tourism.</p> <p>The LAG discussed whether larger projects should be coming to LEADER as EMFF has a small pot of funds and an example project discussed was the case of LEADER EOI (2). The LAG decided that this particular project would sit well within the LEADER programme and therefore should come forward to LEADER</p> <p>The LAG decided that for now, Officers should divide projects between EMFF and LEADER at their own discretion. Colin (LAG Chair) and Duncan (FLAG Chair) will be attending a chairs meeting at the end of June. They will seek further advice from Scottish Government then.</p>	
<p>7. Expressions of Interest</p> <p>(a) Open Enquiries</p> <p>EOI (42) was discussed by the LAG. The tourism policy would indicate a ‘no’ for this moving to application, however officers wanted the LAG to consider how to define ‘innovation’. The LAG decided that as this project was still 5* Self Catering, the feature was not innovative enough to receive LEADER support, and did not meet the criteria of the Tourism Policy created and adopted by the LAG.</p> <p>(b) Applications in Progress</p> <p>No applications submitted for the May deadline/ June decisions</p> <p>Application OHS/14/001 was discussed by the LAG. Stewart Robertson informed the LAG that this project had previously had SRDP funding but as this was in the last programme, it was ascertained that the applicant could apply for funding. There was a discussion that this project did not meet the ‘innovation’ requirements along with concerns regarding displacement. There were also apprehensions about the profitability of the business and comments made by the specialist advisor; however community benefit could be perceived in funding this project.</p> <p>OHS/14/007: LAG members were concerned at a lack of personal funding being put into the business. Domhnall MacDonald clarified that the previous LEADER Programme stipulated a minimum personal contribution of 5%, however this programme does not require a beneficiary contribution and this was accepted by the LAG.</p> <p>OHS/14/008: There were concerns highlighted regarding VAT and funding the creation of a second company that might mirror the structure of the first.</p>	
<p>8. Memorandum of Understanding</p>	

<p>The memorandum of understanding which sets out the relationship between CNES and the LAG was accepted and approved</p>	
<p>9. Website</p> <p>Donna Matheson (LEADER Co-ordinator) informed the LAG that the website requires updating as the browsers are dated and it is not currently user-friendly. The website is now with CnES procurement and will shortly be forwarded to suppliers for quotes. . Donna Matheson asked the LAG would they like to set up a sub group for this or take recommendation from the LEADER team. The LAG decided to take recommendation.</p>	
<p>10. AOCB</p> <p>Donna passed on guidance from Scottish Government regarding obligatory requirements of LEADER funded property. Heritable properties must be kept for 10 years and non-heritable for 5 years before being sold, otherwise the applicant will be required to pay back any monies to LEADER. The LAG asked for clarification whether this is pro-rata. Donna Matheson agreed to check.</p> <p><i>Action: DM to check pro-rata status with SG</i></p>	DM
<p>11. Date of Next Meeting</p> <p>Tuesday 26th July at 11.30am</p>	



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