



## 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 Tuesday 26th July 2016 at 1130-1330**

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  
Matt Bruce, Lewis and Harris Horticultural Producers  
Bill Macmillan, Highlands and Islands Enterprise  
Neil Campbell, Community Land Scotland  
Duncan MacInnes, Western Isles Fishing Association

**Balivanich:**

Murdina Naylor, Tagsa Uibhist  
Andrew Ross, North Uist Development Company  
Kirsty McCormick, Storras Uibhist

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:

Michael Smith, Mossend Residents Association  
Roddy Mackay, Princes Trust  
Sarah MacLean, Scottish Crofting Federation  
Carola Bell, Community Energy Scotland  
Donnie Macdonald, MG Alba  
Iain MacLennan, Skills Development Scotland  
Helen Sandison, Private Individual  
Lorna Macaulay, Harris Tweed Authority  
Eoin MacNeil, Co-Cheangal Innse Gall  
Stewart Robertson, Scottish Government Agriculture, Food & Rural Communities Directorate  
Johanne Ferguson, Scottish Natural Heritage

	<i>Action for:</i>
<p><b>1. Welcome and Apologies</b></p> <p>Colin welcomed the members present and apologies were read.</p> <p>There were 10 Private and 2 Public representatives in attendance. This made the 12 member quorate and the public/private split required for decision making.</p>	
<p><b>2. Declarations of Interest</b></p> <p>The following interests were declared:</p> <p>Ian Fordham: Calanais Redevelopment            Cllr Alasdair Macleod: Urras Storas an Rubha            Matt Bruce: Urras Storas an Rubha            Kirsty MacCormick: Rosinish Heritage Trail</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 as the principle applied for the duration of the programme.</p>	
<p><b>3. Note of last meeting and matters arising thereof:</b></p> <p>The minutes were checked and declared accurate.</p>	
<p><b>4. Project Applications</b></p> <p>(a) Note of Projects Approved &amp; Rejected</p> <p><b>Round 1:</b> There were 2 approvals and 3 rejections from Round 1, the conditions and feedback were looked at by LAG members and considered to be reflective of discussions at the previous LAG meeting:</p> <p><b>OHS / 14 / 007 Kirkibost Residential Recording Studio £71,552.15</b></p> <p><i>a) Written confirmation of funding package approval</i>  <i>b) The Grantee will maintain buildings and other assets.</i>  <i>c) Acknowledgement of LEADER (EU) funding.</i>  <i>d) Evidence must be provided of assessment of 'reasonableness of cost' through the provision of quotes and tenders.</i>  <i>e) Sole responsibility for compliance relating to any statutory requirements which apply to</i></p>	

*any works or services carried out.*

### **OHS-14-008 HCT Polycrub Project £8317.40**

- a) Written confirmation of funding package approval*
- b) HCT submit a detailed Evaluation Report to the LAG on completion of Year 1*
- c) Planning Permission Documents are submitted to the LEADER Innse Gall Team once HCT are in receipt of them.*

### **OHS-14-001 40 North Restaurant Extension REFUSAL**

*Reason's for refusal were that the project fell short of the following criteria*

- *Fostering Innovation*
- *Displacement*
- *Partnership working and collaborative working/Knowledge sharing*
- *Additionality*

### **OHS-14-008 Barra Surf and Coastal Adventures REFUSAL**

*Reason's for refusal were that the project fell short of the following criteria*

- *Innovation*
- *Engagement and support*
- *Knowledge Sharing and Partnership*

### **OHS-14-012 Lewis Crofters Expansion Project REFUSAL**

*Reason's for refusal were that the project fell short of the following criteria*

- *Innovation*
- *Additionality*
- *Value for Money*

### **Round 2:**

The project appraisals had been sent to all LAG members for scoring, members with interests could not submit score sheets for declared projects. However it was raised that where a LAG member has a vested interest, they should not receive the Officer Appraisal. This was agreed by the LAG

Due to Interest Declared, Kirsty MacCormick stepped out of the room whilst the LAG discussed the Rosinish Heritage Trail application.

### **OHS / 14 / 017 Rosinish Heritage Trail, £46,191:**

Overall the project scored highly and as under the £75'000 threshold, the outcome did not require ratification from the LAG. The project had strong community engagement, partnership working and collaboration, however it was noted that the project scored low in equality. There were concerns over the cost of path creation as the estimates given were

for £40-50 per metre; however paths in the area had been completed for around £15 per metre. A cap limit of path costs was suggested, but as different areas and types of paths may vary in cost, this was felt to be too restrictive.

As the organisation has not tendered the path works, the costs are estimate. It was felt that the grant amount should not be advertised before tender as this may inflate work costs to meet monies available. In the case of an underestimate of costs, the applicant will have to cover additional expenses themselves. However if the applicant over estimates costs, then LEADER grant money will reduce in line with the reduction of the total project costs.

The following conditions were set:

- a) Written confirmation of funding package approval*
- b) The Grantee will maintain buildings and other assets.*
- c) Acknowledgement of LEADER (EU) funding.*
- d) Evidence must be provided of assessment of 'reasonableness of cost' through the provision of quotes and tenders.*
- e) Sole responsibility for compliance relating to any statutory requirements which apply to any works or services carried out.*
- f) Applicant to engage with the Comhairle's Environment Officer and members of the Technical Services Department regarding the path and car-park works.*
- g) LEADER will monitor communications with various bodies and landowners/crofters involved*
- h) Applicant to perform regular maintenance of paths over the years*
- i) Considerable care should be taken that tendered works come in within the budget cost. The applicant is liable for any increase in project costs.*
- j) The project will need good promotion to get visibility with potential visitors.*
- k) As paths are considered at an above average cost, LEADER will closely monitor the tendering process and should the project costs reduce, the grant fund will reduce in line with total costs.*

Kirsty MacCormick was welcomed back to the Meeting.

### **OHS / 14/ 019 Huisinish Gateway £125,000**

Project has applied for more than £75'000, therefore requires ratifying by the LAG. The project scored high and the LAG felt that all costs had been considered and the applicant had submitted a strong application for a project that will benefit the community. Therefore this project is approved for funding with the following conditions:

- a) Written confirmation of funding package approval*
- b) The Grantee will maintain buildings and other assets.*
- c) Acknowledgement of LEADER (EU) funding*

- d) Evidence must be provided of assessment of 'reasonableness of cost' through the provision of quotes and tenders.*
- e) Sole responsibility for compliance relating to any statutory requirements which apply to any works or services carried out.*
- f) Robust monitoring of the accuracy of the construction costs in such a remote area and the extent to which clients will be willing to pay for the services is crucial to future viability.*
- g) Alternative areas for caravan parking should be fenced off to ensure that all clients will have to use the services provided*
- h) Agreement that pressure will be maintained on Scottish Water to ensure that there is no delay on new water main provision.*

## (b) Project Refusal/ Complaint

A complaint document has been drawn up with Scottish Government following a complaint from an applicant regarding a project refusal. The form, provided in the papers, was worked on by Scottish Government, Solicitors at the Comhairle, the Outer Hebrides LEADER Coordinator and Accountable Body Representative. It will now be scrutinised by other LAG's in Scotland before being finalised by Scottish Government. Scottish Government recognises appeals only at finance stages, any other conflicts raised are classed as Complaints.

The Complaint received covered many aspects from Criteria to Conflict of Interest. The Comhairle investigations supported the decision made by the LAG. The Chair and OH Co-ordinator were pleased with the letter released from the Accountable Body, which offered a clear and transparent picture. The details of the complaint were only discussed with the LAG chair to ensure applicant respect and confidentiality.

It was noted that businesses may struggle to meet the partnership criteria, however, in line with LEADER ethos, only businesses who are willing to work in partner and close to the community will filter through for funding.

**Confidentiality:** The LAG took the opportunity to reiterate the importance of confidentiality especially when working with private businesses.

**Re-Submission:** There was a question raised about project re-submission. Guidance states that a project must make a significant change in application to re-submit. The LAG have discretion to decide the definition on 'significant'.

## (c) Grant Letter Offer

A template Final Letter of Offer was given to the LAG for their information. Project conditions are established through individual LAG comments on the scoring sheets as well

as standard requirements. LAG members can add any conditions they wish, and these will be checked and included. The LAG decided that they should also review all conditions before being sent to the applicant either at LAG meeting or by email.

**LAG Responses** – Members were reminded that they are now given 10 days instead of 7 to review applications and provide more time for queries and responses. This way issues can be raised and information can be obtained in the first 3 days. This round, there were a number of questions left until the final days, this may appear unprofessional to return to applicants with further questions the day before decisions are made, especially when the applicant may have spent weeks/ months working with officers on the application. Members should ensure any questions are raised in the first 3 days after receiving scoring documents.

**5. Expressions of Interest**

- (a) Open Enquiries  
No issues were raised with the current Expressions of Interest
- (b) Applications in Progress  
No issues with the Applications in progress

**6. Sub-groups**

**Review Panel:** There had been email communications discussing the possibility of a review panel with mixed results. The benefits of a review panel were perceived to be: the marginal applications get a second chance to secure funding; that the panel would make recommendations for full LAG decision, and that the panel could reduce numbers of complaints and save staff time in dealing with complaints. Downfalls of a Review panel noted were: the panel complicates the process by adding another dimension; such a process could also be open to challenge; doubt is thrown to decisions made by LAG members, and the complaints procedure has already been created and the Comhairle were happy to support the LAG’s decision which suggests a robust procedure currently. If a complaint is submitted, and the Investigating Officer believes the decision of the LAG is in doubt, a recommendation to the LAG will be made to remedy this. The LAG therefore decided that they will not create a review panel, and continue with the current procedure. Should any issues arise, then this can be re-visited.

**Decision Making Group:** The LAG had previously discussed the possibility of a decision making group dividing the members into 2 groups of 12. Each group would be required to



<p>score for a specific period of time (i.e. 6 months) before rotating to allow the other group to score. The quorum for the groups would be reduced (e.g. to 7/12 returns for decision). It was felt that this might reduce staff time spent on communications and chasing for responses. However, the LAG decided that the current process should be continued, all members have committed to the LAG and should be involved. If members cannot for any reason participate in scoring, they should inform the team as soon as possible.</p>	
<p><b>7. Co-ordinators Update</b></p> <p>Donna will also be attending LARCS training tomorrow. The applications already submitted will have to be added to the system. Staff will also have to work with applicants to aid them through the process.</p>	
<p><b>8. Confidentiality Agreement</b></p> <p>The proposed agreement was submitted, and it was felt that there should be an additional point to protect the projects even at EOI stage. If members refuse to sign or are found to be in breach of the agreement, they will subsequently have their membership revoked</p>	
<p><b>9. Meeting Updates</b></p> <p>(a) Accountable Body</p> <p>Minutes of the Accountable Bodies Meeting from 9<sup>th</sup> June 2016 were provided in the papers. The meetings will help air out any governance issues, funding and finance, risk adopted by the local authority and auditing. These issues may be more abundant as the programme progresses. The Outer Hebrides LAG has a positive relationship with the accountable body (CNES) which is a favourable position.</p> <p>(b) Chairs Meeting</p> <p>The chairs meeting carried a lot of anxiety regarding Brexit; however until otherwise notified, it is 'business as usual', although it was suggest that Applicants should be encouraged to apply for funds as soon as possible, ahead of any possible changes. The OH EMFF and LEADER reported that the meeting geared toward chairs reaching out of Scottish Government and EU directly. Outer Hebrides chairs will review ahead of future meetings to decide if presence is necessary.</p>	
<p><b>10. AOB</b></p> <p><b>Constitution:</b> The concept of constituting the LAG was discussed. If the LAG choose to</p>	

commission projects themselves, they will need to become a constituted group. The uncertainty of Brexit means the LAG may wish to bring forward projects for commissioning to lever funds into the community. The LAG decided not to constitute at the moment, as currently the Comhairle bear majority risk for Outer Hebrides LEADER, and all necessary procedures are satisfactorily in place.

**Website:** Procurement issued a quick quote with no responses. They then put another quick quote out and one response came back from StornoWeb. The LEADER staff team reviewed the quote and went back to the company with further questions. The responses were satisfactory and examples of the companies work were very high quality. Following the Procurement Officer's return to work, the necessary paperwork will be issued and finalised with the selected Provider.

**Transnational Projects:** Outer Hebrides Tourism received funding for a transnational project in the previous programme. The availability of possible Pre-project costs was queried and it was noted there may be funds with SRN for proprietary costs and staff costs. Further information and guidance on co-operation projects will be released in due course.

**LAG Co-operation Seminar:** An opportunity has arisen for a LAG member to be nominated for the Co-operation Seminar in Hungary. An email was put out to LAG members and only Colin Gilmour responded. He will consider whether he wants to be nominated before the 29<sup>th</sup> of July (Closing date).

**Obligatory Requirements:** Previously recorded as 10 years, the guidance for transfer/ sale of assets is:

- *Applicants may not sell, transfer, lease or otherwise dispose of land and buildings built, extended, refurbished, altered and/or improved within the LEADER grant without the LAGs written permission.*
- *Applicants may not change the purpose for which the capital assets are being used without the written permission of the LAG.*
- *The applicant will be responsible for the condition and use of the land and/or buildings from the date of completion.*

**Brexit:** CNES members briefing regarding Brexit gave message that there is only uncertainty as Brexit unfolds. Marine Scotland has issued a message that all projects should be looking to complete projects and claims by March 2018. EMFF have now approved their first round of projects in Scotland this programme.

**Staff Leaving:** Heather will be leaving the staff team in August after tendering her resignation. On behalf of the LAG and the LEADER Team the Chair Thanked Heather for all her hard work on the Programme and wished her well in the future.





# OUTER HEBRIDES 2014-2020 LEADER PROGRAMME



<b>11. Date of Next Meeting</b> <b>Tuesday 27<sup>th</sup> September at 10am</b>	
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