

**MINUTE OF MEETING OF
RURAL ABERDEENSHIRE LEADER
LOCAL ACTION GROUP**

**THURSDAY, 21 MARCH 2013 AT 11.00 AM
COMMITTEE ROOM 3, WOODHILL HOUSE**

Present

Belinda Miller	LAG Chairperson
Jamie Bell	Scottish Enterprise
Moira Beverley	Aberdeenshire Council – Finance
Reid Hutchison	Aberdeenshire Council – Community Economic Development
Jennifer Kinnaird	Scottish Government Rural Payments Inspection Division
Bob Leonard	Aberdeenshire Council – Community Learning & Development
Alexander Macleod	Aberdeenshire Council – Community Planning
Keith Newton	Aberdeenshire Council - Community Planning
Maureen Stephen	Aberdeenshire Councils for Voluntary Services
Dawn Tuckwood	NHS Grampian

Officers in Attendance

Vicky Thomson	Aberdeenshire Council
Alasdair Cunningham	Aberdeenshire Council
Anne MacLennan	Aberdeenshire Council

Apologies

Charlie Adam	National Farmers' Union Scotland
Shona Anderson	Visit Scotland
Gavin Clark	Scottish Natural Heritage
Ian Cowe	Forestry Commission Scotland
Moira Gordon	SWRI
Lorna Paterson	National Farmers' Union Scotland
Scott Petrie	Scottish Land & Estates
Andy Willox	Federation of Small Businesses

1. WELCOME & APOLOGIES

- 1.1 Belinda welcomed those present and apologies were noted as above. For the benefit of Dave McCallum from Skill Force, introductions were made round the table.

2. SKILL FORCE PRESENTATION:DAVE McCALLUM

- 2.1 Dave McCallum gave a very interesting presentation on the activities of Skill Force being undertaken in three Aberdeenshire secondary schools, namely Turriff, Banff and The Gordon Schools in Huntly.

Skill Force is a youth education charity delivering alternative learning to those young people who are at risk of underachievement or exclusion from school. The aim is to use practical skills and activity based learning to ensure every young person is given the chance to fulfil their potential and

become a valued member of their community. Specific attention is given to building confidence and self-esteem, developing team working, problem solving and leadership skills.

Eighty percent of the work with pupils is classroom based. Twenty percent is based on outdoor pursuits, residential activities and community projects.

Various awards and qualifications are achieved including, ASDAN bronze and silver awards, Duke of Edinburgh, First Aid Certificate and Leadership awards.

Tables and graphs were presented showing Skill Force achievements and student destinations.

This was followed by a question and answer session.

The LAG thanked Dave for his very informative presentation and agreed it would be helpful if the Skill Force presentation was provided to other relevant Council groups.

3. MINUTES OF LAST MEETINGS

- 3.1 The draft minute of the LAG meeting on 4 December 2012 approved and will be uploaded on the LEADER website.

Two minor changes will be made to LAG member organisations, namely Scottish Government Rural Payments Inspection Directorate to be changed to Division and NHS to be changed to NHS Grampian.

- 3.2 The draft minute of the PAC/LAG Audit/Future Funds meeting on 5 March 2013 was noted. LAG welcomed the level of detail in the minute which will be a useful reference tool when considering the 2014-2020 programme.

4. COMMUNICATION

- 4.1 Belinda informed the LAG that Ruth Sim, Aberdeenshire Community Councils representative, has had to stand down from the LAG due to health issues. A letter will be sent to Ruth thanking her for her work on behalf of the LAG.

This now means there are currently three vacancies on the LAG:
Aberdeenshire Community Councils
Aberdeenshire Rural Partnership Federation
Aberdeenshire Youth Council

It was agreed that Vicky contact each organisation to invite a new representative to join the LAG.

5. PROJECT AMENDMENTS

- 5.1 Two project amendments have been approved since the last LAG meeting: Junior Driving School – amendment to match funding profile.

Kintore Bothie – amendment to completion date.

LAG noted all amendments made.

6. COMMUNITY PLANNING, SINGLE OUTCOME AGREEMENT, PRESENTATION BY ALEXANDER MACLEOD

- 6.1
- Guidance on the new single outcome agreement is to be drafted by 1 April.
 - Scottish Government has set six National Priorities.
 - Aberdeenshire has identified five priorities. These are to be included and aligned with the other six.

Priorities are:

1. Early Years – focus on early intervention and prevention to ensure children have the best start in life.
 2. Economic Recovery & Growth – Aberdeenshire is recognised as a great place to live and work. Transport is a main focus issue of this priority.
 3. Employment – employability & school leavers.
 4. Health Inequalities.
 5. Physical Activity.
 6. Safer & Stronger Communities.
 7. Work with older people is still to be drafted.
- These seven focus areas will form the new Single Outcome Agreement.
 - Welfare reform is also to be included.
 - The agreement will focus on a ten year time frame to effect generational change.
 - Next stage – draft goes before Planning Board week commencing 25 March.
 - Draft then submitted to Scottish government by 1 April.
 - This plan will influence how partners spend their budgets.
 - Interesting shift to long, medium and short term.
 - Challenging timescale – the Single Outcome Agreement will remain draft until June.
 - LAG agreed that this should be an agenda item for the next LAG meeting on 19 June.

7. AUDIT SCOTLAND FINDINGS

- 7.1 Audit Scotland has just completed an audit of approximately 60 LEADER project files relating to the year 2011/12 selected from the 20 LAGs across Scotland.

In the light of this, Alasdair Prior from the Rural Communities Team has issued a letter to all LAGs outlining Audit Scotland findings. Following lengthy negotiations with Audit Scotland, Scottish Government has been able to significantly reduce the error level.

Alastair Prior confirmed that none of Aberdeenshire LAG's files which were chosen for inspection have contributed towards the errors identified.

Issues have arisen due to Audit Scotland's interpretation of how LEADER differs from Rural Priorities. Interpretation of guidance documents and regulations has led to each LAG implementing the programme differently.

As a result of Audit Scotland findings, Scottish Government has withheld payment of the 2012/13 Quarter 3 claim which was submitted in January 2013 until outstanding issues are addressed. Only LAG admin costs have been paid to date. Remedial action is required and LAGs must do a review of all project claims included in this quarter.

Any projects which are found to be doubtful in relation to Audit Scotland findings will be paid through Scottish Government domestic funds. SG will not attempt to reclaim monies from LAGs where issues are identified. The aim is to reduce the risk of disallowance, not to penalise applicants or individual LAGs.

The LEADER team has started reviewing Quarter 3 2012/13 project claims. Some may be classed as doubtful as Aberdeenshire does have projects with artist fees. It was agreed that this exercise will have an impact on workload for the LEADER team. LAG admin expenses are capped at 20% of the budget but Aberdeenshire LAG is currently running at 11%.

Audit Scotland has now commenced the 2012/13 audit. The Skill Force project file has been requested for inspection.

LAG agreed that future funding rounds will have a significantly different feel due to restrictions on what can now receive LEADER funding. LAG considered the key to moving forward will be a checklist highlighting what is eligible or in-eligible for funding. The challenge for the next programme will be to set up adequate guidance. The main issue seems to be that projects are not aligned to a specific Axis measure code. It will be important for the LAG to ensure each project is funded under a specific Axis code. We already report on measure codes and this is now adopted on all claim forms.

LAG expressed concerns about time implications due to audit issues with regards to the launch of the new programme.

How can the LAG communicate that Aberdeenshire LEADER is performing well and how can the LAG help applicants?

The minute of meeting of the PAC/LAG which was held on 5 March 2013 is a useful aide memoire for Audit Scotland issues.

8. CHAIRPERSON'S UPDATE

8.1 Belinda attended the LEADER Strategic Board (LSB) meeting on 19 March.

Alistair Prior's discussion paper was circulated for information.

8.2 **Future Funds**

Scottish Government aims to issue an invitation to submit an Expression of Interest to work up a Local Development Strategy in April 2013. As an already established LAG we need to consider how we want to move forward to the next phase. There may be others out there who wish to submit a competitive bid so the LAG bid must be an open and transparent process.

The Local Development Strategy which will be approved by February 2014 will tie in with the CLLD Single Outcome Agreement and it will be important to align consultation activities.

The key element will be finding out what the community wants. A Community Led Local Development Strategy will be written over the summer. It was agreed that discussions with Ally Macleod and Area Managers will be important to formulate a way forward. Community consultation will be essential to help shape the Strategy although it was agreed that the LAG is not at the stage of going out to communities yet.

Population threshold is considered to be an issue. It is likely that the Aberdeenshire area will exclude the National Park area. It is hoped that the population threshold could be 230k which is higher than the current regulation of 150k. It was considered important that the Fisheries programme is included in the Strategy as the issues are broadly similar to LEADER. If that is the case then Peterhead and Fraserburgh must be included. Towns which are ineligible for LEADER in the current programme are interdependent with the outlying rural area, therefore it was considered essential to have greater linkage between rural and urban. The LEADER approach is capacity building. LEADER will have a wider remit than the last time round. We need to bottom out who the target is.

Hopefully the LAG can make a case for the whole of Aberdeenshire.

Clarity is sought regarding whether the LDS will be LEADER led or a LDS where other parties, including Rural Priorities, can feed into?

Further guidance will be issued by Scottish Government and it was agreed it would be prudent to wait and see what is being asked for.

LAG agreed to submit an Expression of Interest. Belinda will set up a sub group of the LAG to consider this submission in more detail.

9. **EU RURAL & FISHERIES TEAM LEADER UPDATE**

9.1 An analysis of the figures from data submitted by the 20 LAGs on their monthly report to Scottish Government was circulated.

There is still a balance of £20 million to be claimed from the indicative budget of £51.8 million.

There is pressure for spend and Alasdair Cunningham is continuing to chase up late submission of project claims.

- 9.2 On the spot and ex post checks have been completed and submitted to Scottish Government by the deadline of December 2012.
- 9.3 The End of Year report will be submitted to Scottish Government by the end of March.
- 9.4 ID Computer Software Ltd gave a presentation to LEADER and AEFf on Grant Visor, a computer IT system. This excel based database is currently used by four LAGs in Scotland. Scottish Government intend to develop a software system for the next programme therefore, it was not considered appropriate to invest in Grant Visor at the present time.
- 9.5 Invitation to quote to carry out the LEADER Evaluation was issued to ten companies. Bids are to be returned by 22 March which is quite a tight timescale. It is hoped that an interim report from the preferred bidder will be available in time for the next LAG meeting in June.

9.6 **Capital Projects Update**

Daviot Hall:

Awaiting final confirmation of match funding. Tenders have been received from six companies. A project update meeting with the group and Keith Newton, Area Manager, is scheduled for 22 March.

Newmachar Hall:

Tender bids have been received. Project costs are higher than originally budgeted. Applicant is in negotiating with Aberdeenshire Council regarding balance of funding. Aberdeenshire Council Policy & Resources Committee meets on 18 April 2013.

Kintore Bothie:

Project works will commence shortly. Match funding profile is now complete and tender bids have been received.

Ritchie Hall:

Applicant is arranging a bank loan facility to cover the shortfall in match funding. Alasdair is working closely with the group regarding managing their cash flow.

9.7 **Project Officer Update**

- On-the-spot and Ex-post checks will be carried out over the next few months. Process of identifying an Aberdeenshire Council surveyor to accompany Alasdair on site visits will be addressed over the summer.
- Two claim workshop sessions for project applicants will be held in Gordon House on 26 March and 18 April 2013.
- LEADER and AEFf gave a joint presentation to SRUC students on 26 February 2013.
- A major on-going piece of work will be to address Audit Scotland issues.
- Continuing to monitor late submission of project claims.

10. AOCB

There was no other business.

11. DATE OF NEXT MEETINGS

PAC meeting: Tuesday, 4 June 2013, Conference Room E2,
Woodhill House

LAG meeting: Wednesday, 19 June 2013, Venue TBC