

AYRSHIRE LAG (A-LAG) MEETING
10th Aug 2022
10 – 12:30
County Hall, South Ayrshire Council

LAG Members Present

Fiona Anderson (FA)
Jean Brown (JB)
Kevin Brown (KB) LAG, Vice Chair
Chris Campbell (CC)
Christine Cuthbertson (CCu) – attended virtually
Bruce Davidson (BD)
Jim Watson (JW), LAG Chair

LAG Staff Present

Angela Lamont, (AL), Co-ordinator

Other

Sarah Baird (SB), Senior Officer (Islands) - Economic Policy, North Ayrshire Council (NAC)
Mike Newall (MN), Lead Partner, South Ayrshire Council (SAC)
Milissa McCulloch (MM), External Funding Officer, SAC
Sarah Smillie (SS), Community Wealth Building Officer, SAC

Apologies

Emma McMullen (EM), Senior Manager - Economic Policy Officer, NAC

Key: Underline – key decisions/new fund features

Welcome/Introductions	Actions
<p>MN welcomed everyone and ran through housekeeping for the building. JW also relayed welcomes and invited round table introductions. AL requested everyone complete a Register of Interests form, re-starting the annual process. JW then ran through the key points for the new fund, including the £533,604 allocation and 15% for staff/resourcing.</p> <p>Quorum The meeting was quorate, with 7 of the existing 10 LAG Members present (>50%), 2 from the public sector, 5 non-public.</p>	
<p>Timeline AL presented the timeline, stating there were 2 key points: the appointment of the 3 day/week Project/Claims Officer on 1-9-22, in the first instance to have cover in place for her pre-booked annual leave from 5 to 18-9-22. Challenges had been faced in attracting bidders but she was hopeful things would turn around. The deadline for bids had been postponed from 15 to 24-8-22.</p>	
<p>Eligible Area AL stated the eligible area for 22/23/beyond largely mirrored the 2014-20 LEADER Programme's, with the addition of Arran, Cumbrae and pockets around Kilmarnock, Ayr and Ardrossan/Saltcoats. She reported it had been based on 2011 Data Zone Boundaries overlayed with population data from the 2011 census, and >50% population in rural areas/small towns by the 2016</p>	

<p>Urban Rural Classification. The GIS map was being drawn up by the SAC GIS team.</p>	
<p>Fund Specifications/Eligibility</p> <p>AL summarised this paper with a set of slides and stated decisions would be <u>subject to SAC Internal Audit approval</u>. The following decisions were made unanimously for 22/23 with the short timeframes a priority consideration:</p> <ul style="list-style-type: none"> • To return to Scottish Government (SG) on the maximum 30% capital spend stipulation. The short turnaround of the fund would benefit from small capital projects this year and this cap may jeopardise fully allocating. • Grant size: £5k - £50k. This will balance the project number with the reduced resource this year. • Intervention rate: up to 90%. In-kind contributions will not be accepted this year but will be considered for next. The 10% was felt necessary to ensure organisation buy-in. • Payment Mainstay (community groups, charities etc): <ul style="list-style-type: none"> • <u>Up to 50% upfront, but where there are weaknesses/'risks' with a project this may be reduced.</u> • <u>Final payment of at least 25% withheld for provision of all valid invoices/receipts.</u> • <u>One intervening retrospective payment of up to 25%.</u> <p>A potential risk to the Lead Partner (LP, SAC) was raised with the 50% upfront payment. Other Local Authority (LA) based funds with this set up were mentioned, and it was suggested 22/23 be a test year for this.</p> <p>The 25% final payment was also discussed as a potential barrier for smaller groups. <u>A sponsor/parent organisation was discussed for these groups to apply with who would provide cash flow for the project. This might also include provision of a bank account where the applying group lacks one. This was approved.</u></p> <p>Businesses:</p> <ul style="list-style-type: none"> • <u>All retrospective payments as with LEADER. This is based on experience of Forth Valley and Lomond (FVL) LEADER in their test of change year project.</u> <p>The possibility of SG providing up-front payments to LPs was also raised. This will be noted and raised with them later in the year.</p> <ul style="list-style-type: none"> • Removal of Funder of Last Resort <p>AL explained this had been in place with LEADER, and meant when costs reduced the LEADER grant reduced by this amount and the match funding had to increase. This caused problems for applicants and claims calculations. A simpler method is to have grant and match funding reduce proportionally if costs reduced. This was approved.</p> <ul style="list-style-type: none"> • One Pan-Ayrshire 'Pot' <p>It was decided to continue with this rather process than assigning an amount to each LA area for 22/23. This would include the islands. JW commented projects had roughly followed the percentage of rural area covered by each LA in the 2014-20 LEADER Programme but this had been over 5/6 years so should</p> 	<p>AL/JW to raise possibility of upfront payments to LPs from 23/24 with SG later in 22/23.</p> <p>AL/Project Officer to monitor projects split by area as they come in to strive for fair split among LA areas.</p>

be monitored with the new fund with its year on year funding. AL/Project Officer to monitor as applications come in.

- **Provision of Accounts**

AL suggested 1 year of accounts be required as compared with the LEADER 3 years due to the grant size being smaller than LEADER and to ease the process for applicants. Caution was raised because audited/certified accounts can be 15-24 months out of date, so it was recommended more recent management accounts be supplied too, with a business plan where there is concern. It was decided this be applicable to business applicants but not community groups as it may be overly onerous.

AL reported she had received training on analysis of accounts and there were 2 key questions which would give indication on healthy/otherwise. She offered to provide them for the LAG pre-project assessment which the LAG agreed to. She also suggested running a short training session on this time dependent. The LAG agreed.

- **Quotes**

AL recommended the 3 quotes at application stage for items >£500 be upheld to mitigate difficulties/delays at claims time. This was approved.

Eligible Organisations

It was decided to continue with the eligible organisations under the 2014-20 LEADER Programme as this was open/inclusive. Large organisations > 250 employees however would be ineligible, but this would not apply to LAs, as long as the applying body was a partnership organisation with wider community representation, eg: a Landscape Partnership. LAs were seen as important with eg: their work on Covid recovery and reducing inequalities, and the funds including Shared Prosperity Fund (SPF) they manage. Core LA functions would not be eligible.

Excluding LAG Members from applying was also discussed and decided against. It was felt this would be a barrier to retaining/attracting new LAG Members and any risk is mitigated with the conflicts of interest process. AL said this would be a standing item on the agenda.

Eligible Activities

Capital (up to 30% spend)

The list of capital activities presented on the slide was approved:

- Only where planning etc, is in place/demonstrated not needed.
- Purchase of capital assets/construction from new – avoid for 22/23. This is common sense with the timeframes. Support towards elements of an existing construction project would however be considered.
- Remainder on SG guidance:
Improvement to/expansion of existing buildings/facilities including:
 - Purchase of equipment, fixtures and fittings linked to eligible project activity.
 - Improving land, eg: landscaping works, playgrounds etc.
 - Altering, refurbishing or extending a building already owned/leased.
- Control of asset – lease /title deeds in place for at least 5 years post project completion to remain. Reduces risk.

AL to provide key information on applicant accounts pre-assessment and short training session for LAG on this, time permitting.

Revenue (at least 70% spend)

- **Feasibility/Technical Studies**

Difficulties with feasibility studies with previous LEADER programmes had been noted, so AL asked the group if they should focus on technical studies instead, necessary eg: for projects to commence. The LAG were, in contrast, happy to approve both, but only feasibility studies where a clear destination is demonstrated.

- **Training**

Training was not permitted under LEADER but would be necessary for the digital/green skills development identified in the new priorities. The LAG approved this, with the requirement that training be specific, be in close alignment with our priorities and have a rural emphasis. As with LEADER it would preclude the delivery of primary, secondary or tertiary education courses.

- **Staff Costs**

Staff costs were approved due to the large amount of revenue spend required in 22/23, at least 70%. Salary costs for 22/23 were permitted where the salaries stay the same month on month, allowing Highland's simplified method of claims to be applied: defrayal evidence required at the start of the project and at 1 point prior to the end. This will make allowance for delays with eg: HMRC/pension evidence post-project which could go into April 23. Projects involving a consultant reaching multiple beneficiaries were also raised as a good use of staff costings. This could be LAG led and could cover eg: a refresh of Ayrshire 21.

- **Running Costs**

Approved where related to the project, and this must be a new project. This and staff costs for continuing projects will be looked at for 23/24.

- **Spend committed from 1-9-22 (SG approved), 25%**

Suggested by AL to open the window for delivery of meaningful projects in the relatively short timeframes (grant letters may be issued in November). Approved, with the caveat that evidence is sought of how the project has been funded thus far. This spend would be capped at 25% to allow risk mitigation through withholding of the final 25%.

Ineligible Activities

Approved, in alignment with the 2014-20 LEADER Programme:

- Statutory duties.
- Delivery of primary/secondary/tertiary education courses.
- Staffing – maternity/paternity/adoption/stat sick pay.
- Primary production of food.
- Financial charges – see LEADER guidance.

Timescales

After some discussion the following dates were approved:

- Fund launch Mon 29-8-22, applications open. A summary should go to the Communications Teams of each of the LAs in the interim.
- Applications close midnight 7-10-22.
- Internal Technical Checks, 10 to 18-10-22.
- Applications available for LAG review, 19 to 24-10-22
- Assessment meetings, 25 and 27-10-22, AM, 3 hours on Teams primarily unless issues. Second meeting may not be needed.

AL to send dates to LAG Members/set up meetings.

AL to draft summary of fund for Comms Teams.

<ul style="list-style-type: none"> Final date for projects to deliver/complete, including claims, Tues 28-2-23. This will allow for inevitable slippage. <p>2 further interim LAG meetings are proposed:</p> <ul style="list-style-type: none"> Late Aug 22 to approve the application form and logo, and open discussions on the new constitution and Memorandum of Understanding (MoU). Oct 22 to approve grant award letter, claims forms and guidance and provide accounts training, time permitting. <p>Dates to be confirmed.</p>	
<p>Priorities</p> <p>AL presented the current fund priorities agreed in the Community Led Vision (CLV) and recommended they be further focussed for 22/23. This would help keep the number of applications manageable and allow for more meaningful evaluation.</p> <p><u>It was agreed to focus on Community Wealth Building, Reducing Inequalities (with a focus on digital/green skills development), Just Transition to Net Zero and Sustainable Tourism. Wider Climate Change would be considered for 23/24/beyond.</u></p> <p>AL agreed to present the priorities in meaningful form for communities when the fund is launched. MM reported the climate change guidance accompanying the Investing in Communities Fund had been useful to communities and said she would forward this.</p>	<p>AL to present priorities in meaningful form for communities.</p> <p>MM to forward AL Investing in Communities Fund climate change guidance.</p>
<p>LAG Refresh</p> <p>AL stated the LAG presently had:</p> <ul style="list-style-type: none"> 10 Members: 1 pan-Ayrshire, 6 East Ayrshire (EA), 2 North Ayrshire (NA) and 1 South Ayrshire (SA). 3 public: 7 non-public members. Of the non-public members, 2 were business representing the micro-businesses/sole traders ‘hard-to-reach’ group recommended in the CLV, and there was a broad sweep of community and farming members. Representation from local Third Sector Interfaces (TSIs) however was lacking. <p><u>JW/MN had recognised the lack of public sector representation for NA and SA, and had invited SB, Senior Officer (Islands) – Economic Policy and EM, Senior Manager – Economic Policy from NAC, and an SAC Thriving Communities representative to the LAG meeting to address this. SB & MM attended; ES gave apologies. It was agreed that SB would become a LAG Member; EM,FA,AL & JW should discuss who the most appropriate rep from NAC would be; and MN would revert to the Thriving Communities lead for the most appropriate SAC rep.</u></p> <p>AL highlighted this would make the public: private split 6:7 and advised caution with this. AL, JW and MN had discussed previously needing only 3/4 new Members on top of this to allow sufficient representation for 22/23. <u>AL advised the best use of this would be a representative from each of the TSIs: Volunteer Action South Ayrshire (VASA), The Ayrshire Community Trust (TACT), Council of Voluntary Organisations East Ayrshire (CVO EA) and possibly Arran Community and Voluntary Service (CVS) though representation may sit with them through TACT. This was approved.</u></p>	<p>EM/FA/AL/JW to decide on best LAG Member rep for NAC.</p> <p>MN to consult SAC Thriving Communities for most appropriate LAG Member rep.</p> <p>AL to contact VASA, TACT, CVO EA & Arran CVS for LAG Member representation.</p>

<p>LAG Advisors <u>Widening out to the new themes covered in the priorities, disability groups and representatives for areas of representation had also been discussed in the CLV. It was agreed these be pursued as LAG Advisors for 22/23 where possible to inform on projects rather than vote.</u> The priority however would be for the new LAG Members and Advisors should be sought from autumn 22.</p> <p><u>SS was asked if she would like to become a LAG Advisor. She agreed.</u></p> <p>JW raised the fact that LAG Member Elaine Stewart (ES) had become a Councillor for EAC and had had a discussion with her about her remaining on the LAG representing other interests rather than this role. The LAG agreed to this, content that EB provided sufficiently wide community representation.</p>	<p>AL to pursue LAG Advisor representation for new priority themes, disability groups and groups from areas of deprivation from autumn 22.</p>
<p>Fund Name The following names were presented as options for the new fund:</p> <ul style="list-style-type: none"> • Ayrshire Rural Community Led Fund – SG generic suggestion • Ayrshire Rural Challenge Fund (to precede Ayrshire Rural Challenge Hub (ARCH)) • Ayrshire Fit for the Future (Fund) • Ayrshire Ready for 2050 (Fund) • Ayrshire Rural Vision Fund • Ayrshire Rural Wealth Building Fund <p>It was decided ‘Rural and Islands’ was necessary to bring in Arran/Cumbrae and align with accepted SG/wider terminology. A fund name with the best acronym: <u>Ayrshire Rural and Islands Fund (ARIF) was decided upon.</u></p> <p>ME asked about the logo. AL reported they had 3 quotes and the LAG would be presented with choices.</p>	
<p>AOCB & Next Meeting JW raised the possibility of LAG led projects for 22/23 and requested the LAG consider this/make contact with ideas.</p> <p>Next meeting late August to:</p> <ul style="list-style-type: none"> • Approve application form/logo. • Discuss A-LAG constitution/MoU. <p>AL to advise.</p>	<p>LAG to contact JW/AL with ideas of LAG led projects.</p> <p>AL to advise on late Aug LAG meeting.</p>

Actions

- AL/JW to raise possibility of upfront payments to LPs from 23/24 with SG later in 22/23.
- AL/Project Officer to monitor projects split by area as they come in, to strive for fair split among LA areas.
- AL to provide key information on applicant accounts pre-assessment, and short training session for LAG on this, time permitting.
- AL to send dates to LAG Members/set up meetings.
- AL to draft summary of fund for Comms Teams.

- AL to present priorities in meaningful form for communities.
change guidance.
- EM/FA/AL/JW to decide on best LAG Member rep for NAC.
- MN to consult SAC Thriving Communities for most appropriate LAG Member rep.
- AL to contact VASA, TACT, CVO EA & Arran CVS for LAG Member representation.
- AL to pursue LAG Advisor representation for new priority themes, disability groups and groups from areas of deprivation from autumn 22.
- LAG to contact JW/AL with ideas of LAG led projects.
- AL to advise on late Aug LAG meeting.
- MM to forward AL Investing in Communities Fund climate

James Watson

James Watson
Chair

26 August 2022