



	Initials/Actions
<p>Cheshire East LEADER Executive Board Meeting Municipal Council Chamber, Crewe 1st November 2016</p>	
<p>Executive Board Members Present: Steve Wilkinson (Chair) Mike Gorton (NFU) Andrew Jackson (Gate Farm Enterprises) Janet Maughan (Overwater Marina) Robert Parton (Aqueduct Marina) Philip Posnett (Haughton Hall) Jake Thompson (Forestry Commission) Cllr Jamie Macrae (Cheshire East Council)</p>	<p>SW MG AJ JM RP PP JT CJM</p>
<p>LAG Officers/Advisors Present Mandy Sibthorpe (Cheshire West & Chester Council) Joanna Douglass (Cheshire West & Chester Council) Sean Bell (Cheshire West & Chester Council) (Minutes) Sheila Woolstencroft (Cheshire East Council) Rachel Bolton (Skills & Growth Company)</p>	<p>MS JD SB ShW RB</p>
<p>1. Welcome & Apologies Apologies were received from John Heselwood, Brendan Flanagan, Sharon Angus-Crawshaw, Ellie Morris and Mike Baker.</p>	
<p>2. Minutes of Previous Meeting SW was not present at the previous meeting and PP acted as Chair. It was confirmed that the minutes were a true and accurate record and were approved.</p>	
<p>3. Conflicts of interest JM declared a personal interest in project 104191 as she knew the applicant's family. CJM declared a conflict of interest in project 104284, as he sits on the Peak Planning Authority which would assess the project's planning application.</p>	
<p>4. LEADER update A discussion took place around the current progress of the Cheshire East LAG, key points included:</p> <ul style="list-style-type: none"> - Confirmation had been received from the RPA that as per the Chancellor's Statement, LEADER funding would continue until such time as the UK leaves the European Union. - Project 102052, previously assessed by the Board and approved for LEADER funding, has now rendered itself ineligible due to incorrect handling of project variations. - Project 103991, previously assessed by the Board and deferred for more information before a decision would be made, had since withdrawn from the LEADER application process. 	

- Despite the uncertainty around LEADER following the UK's decision to leave the European Union, the Cheshire East LAG had hit its projected grant delivery targets for the financial year 2016-17.

5. Projects for Assessment

5.1 Project Reference 104191 – Mobberley Brewhouse Expansion

This application concerns the expansion of a microbrewery which was established in 2011. They have experienced increased market presence year on year, and now need to purchase larger brewing equipment in order to reduce brewing time. The applicant indicated that the project would allow them to create five additional full-time jobs. The Board was asked to consider that since submitting their application, the applicant had indicated that they wished to change their preferred supplier; one of the suppliers who quoted for the equipment learned from the applicant that they were not the preferred supplier, and subsequently offered a lower quote.

The appraiser noted that the applicant's financial position was in the red for the last three years, which would normally result in a project rejection. Questioned on this, the applicant explained that they had made a conscious decision to operate at a loss due to reinvestment and relocation in order to grow the business. The appraiser was satisfied by applicant's rationale, but asked for an updated financial position as the applicant indicated that they felt they were likely to be operating at a profit in the current financial year. However, the applicant then submitted draft accounts for the current financial year, which were not fully complete and therefore did not give a true account of their current financial position.

The applicant has also been offered a bank business loan towards the equipment, and the appraiser's recommendation remains the same as initial appraisal.

MS suggested that the new set of accounts was hurried with missing information, and therefore should perhaps not be considered.

CJM noted that releasing some of the brewers' time could allow them to focus on marketing and business growth; RB added that she had been monitoring the applicant's social media presence and marketing, noting that they were forming strong links with local vendors.

CJM suggested that the applicant's terminology seems confused; capital costs would appear on a cash flow but not Profit & Loss accounts; JM agreed that if the applicant was reinvesting in the business, the P&L should still show a profit.

The Board agreed that they were uncomfortable making a decision to approve the project without seeing the applicant's full accounts; MS confirmed that the project's timescales were not yet critical and a decision could be deferred until the scheduled LAG meeting on 21 December.

SW asked if the Board were happy with the decision to defer and the project's change of supplier, subject to the applicant providing full accounts that show the project is viable, and updating the appraisal form with the revised costs. All Board members eligible to vote agreed.



5.2 Project Reference 104284 – Provision of high quality tourist accommodation

This project concerned the establishment of two Shepherds Huts to provide luxury glamping accommodation, targeting couples and other small groups as an additional economic resource for an existing farm in Wincle, near Macclesfield. The farm pulled out of dairy production some time ago, and instead focused on beef production as well as undertaking some arable farming.

BF, who was unable to attend, spoke to MS regarding the project prior to the meeting and noted that the applicant had taken an appropriately cautious build-up to occupancy figures, and the applicant’s marketing plan and financial projections were sound. The applicant is also offering discounts in the project’s first year for multi-night bookings in order to increase occupancy levels and gain positive reviews. The project aims to create one FTE job but this would build up over time, increasing the hours worked as occupancy rates pick up.

Following the project’s appraisal, the funder applied a special condition to the project that any issued Grant Funding Agreement would only be valid upon the applicant providing evidence that full planning approval has been given for the project. Copies of any planning documents will have to be submitted to the LEADER team before a set date that would be stated on the Grant Funding Agreement. The applicant expected a planning decision in January 2017, but MS suggested setting a deadline of March 2017, in order to take any queries into account.

SW asked whether the Board was happy to approve the project for funding on the condition that full planning permission is secured by end of March 2017, all Board members eligible to vote agreed.

6. AOB

None raised.

7. Dates of Future Meetings

A provisional Executive Board meeting date had been set for the 14th February 2017 – now that LEADER’s future is secure, this meeting will go ahead and further meetings will be arranged in due course.

The Full LAG was scheduled to meet on the 21st of December 2016. As above, future meeting dates would be set and shared with the LAG in due course.

I confirm these minutes are a true and accurate record:

Signature

Name (Please print)

Date

SB