Cheshire LEADER Fund

Minutes

	Actions

West Cheshire and Warrington Local Action Group Meeting

Wednesday 27 January 2016, 11.15-13:00

Cheshire Equine Clinic, Chowley Oak Business Park, Chowley Oak Lane

Present:
Rev Canon David Felix – DF
Chris Brown-Bolton – CBB
Cllr Harry Tonge – HT
Cllr Louise Gittins – LG
Joanne Butterill – JB
John Heselwood – JH
Andrew Hull - AH
Nicola Said – NS
Stuart Roberts – SR
Matthew Morris – MM
Doug Haynes – DH
Lizzie Aldridge – LA
Hazel Kimmitt – HK
Craig Bradley – CB
Edwin Christmas – EC
Jonathan Fell - JF
Joanna Douglass – JD
Mandy Sibthorpe – MS
Ellie Morris – EM
Sean Bell – SB

1. **Introductions & Apologies**
   Introductions took place around the table; Jonathan Fell (Cheshire Farm Ice Cream) and Edwin Christmas (Grosvenor Estate) are new Rural Growth Board members, while Hazel Kimmitt has taken Martin Ledson's place, representing Trafford Council. Apologies were received from:
   Annette McDonald
   Danielle Lea-Smith
   Heather Hayes
   Cllr. Michael Young

2. **Minutes of Previous Meeting**
   DF confirmed that the LAG is satisfied with the previous minutes, no objections were raised, minutes were signed as an accurate record.

3. **LAG Partnership Agreement**
   JD introduced the finalised draft of the Partnership Agreement, which has been verified by Cheshire West & Chester Council's legal department; however, it primarily acts as a code of conduct for data protection reasons, due to market-sensitive data that the LAG are likely to encounter throughout the LEADER programme. JD confirmed that LAG members are not legally liable for decisions made by the LAG, CB concurred.

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DF asked the entire LAG to sign the agreement, as it is a requirement to confer any decision-making or voting power to LAG members.

4. Declaration of Interests

DF explained that the Cheshire LEADER team still have a small number of Registers of Interest that need to be completed; these were passed around at the meeting to be filled in as they are also a requirement of conferring decision-making powers.

Conflicts of Interest will be a standard item for all future meetings.

5. LEADER Update

JD stated that the Cheshire LEADER programme has been officially open for business since the 23rd of November 2015; the LEADER team have since been inundated with potential applications, and have conducted a considerable number of site visits. JD, MS, EM and DF also all attended a LEADER National Event, held by the RPA, on the 14th of October to mark the launch of the programme.

Since the last LAG meeting, the Cheshire LEADER website address was circulated to the LAG for comment; JD thanked the LAG for their feedback, and briefly talked through the contents of the How To Apply page (http://cheshireleaderfund.co.uk/how-to-apply/), detailing the purpose of each available document.

JD drew the LAG's attention to the LEADER Key Outputs document, explaining how it shows the amount of money available per LEADER priority, and the average number of jobs that must be created per project. 'Support for Farm Diversification & Small/Micro Enterprises' receives the greatest share of the available funding as it has the broadest definition and is therefore the most popular by far.

The Cheshire LEADER team will advise the wider LAG on progress against each priority, and the Exec Board will need to bear each priority's budget and targets in mind when making decisions on Full Applications.

MM thanked JD for the document and mentioned that the 'Support for Forestry Productivity' priority only seems to aim for relatively poor value for money, suggesting that the money should perhaps be allocated elsewhere. JD explained that the Delivery Plan (and, therefore, funding allocation per priority) can be revised each year, and this may well occur on account the current prevalence of Small/Micro Enterprises. So far, Outline Applications have been opened to all six themes, while other LEADER LAGs have done priority-specific calls. The decision was made for both Cheshire LEADER LAGs to open all six priorities because the LEADER timescales can be prohibitive for a lot of businesses, and this is only exacerbated by introducing specific calls.

The 'Support for Farm Productivity' priority is challenging due to the limited eligibility of equipment – guidance on this has recently been received from the Rural Payments Agency - and in introducing efficiencies in farming it is possible the number of jobs actually decreases. This is a conflict the LEADER team are aware of, and they will work with the LAG to ensure value for money and achieve the targets set out in the Local Development Strategy.

CB reminded the LAG that LEADER's aims are jobs *and* growth – if a project delivers significant growth it may still score well in the appraisal process.

DF added that while the LAG is limited by the amount of funds allocated for each priority, we can and should aim to exceed the job creation targets if possible.

JD introduced the new version of the LEADER Fact Sheet that now also includes the breakdown of funding available to each priority, as well as the calculated average grant amount per job created. As this document is aimed at potential applicants, the figures are somewhat simplified compared to the full version available to the LAG.

JB queried how the LAG should react to projects that may be able to get their funding elsewhere. JD explained that LEADER is considered 'funding of last resort' – we have to assess if a project could have raised money elsewhere, and this is part of the Full Application process.

JB then suggested that if a project applied for funds elsewhere and failed, this might simply mean that it's a weak project. JD agreed but added that some projects may fail to find funding elsewhere simply due to ineligibility, timescales, or other limitations and may find that LEADER is a better fit.

JB asked if it is okay for an applicant to source private funding from a bank loan; CB confirmed that this is viable, and in the majority of cases the LEADER team just need to ensure applicants aren't trying to match LEADER with other public funds.

NS asked if LEADER might be matched with Arts Council funding, CB explained that the general rule is that commercial projects must be matched with private funds, while community/non-profit projects can be matched with other public funds.

DH asked how the LAG should approach projects which may fit into more than one LEADER priority; JD explained that in such cases there is some flexibility with regards to how projects are categorised. This may mean moving some projects to less-popular priorities in order to help meet target outputs.

Finally, JD added that the new Fact Sheet will be uploaded to the Cheshire LEADER website. **SB**

6. **Local Action Group – Appraisal Overview**
   JD explained that the Cheshire LEADER team have now undergone their appraisal training with the RPA, and talked through the appraisal process as per papers for this item.

   Once a project has been appraised, members of the Executive Board will receive a six-page summary of each project, rather than the entire Full Application form. All applications are scored during the appraisal process; the maximum possible score is 72, but any project that scores over 19 can be considered for funding, and the appraiser will give a recommendation on how to proceed with each project.

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Each application will also go to the RPA for a quality check before it reaches the Executive Board, in order to make sure the LEADER team's approach to applications is consistent and fair.

Ineligible projects will never reach this stage of the process, so the Executive Board are only ever asked to make decisions on projects based on their value for money, or their alignment with the aims of LEADER and the Local Development Strategy. The Executive Board may also choose to reduce the intervention rate on projects if they wish.

MS added that if the Executive Board does reject a project, they will need to state clear reasons why, so that this can be fed back to the applicant in writing.

JD reiterates that the LEADER application process is competitive; there may be situations where the Executive Board is presented with five worthwhile projects but can only afford to fund three of them. In such a situation, it is valid to only fund the three strongest projects.

MS added that the Executive Board may also consider funding all five projects, but at a lower intervention rate. JD concurred, adding that in most cases applicants must submit company accounts as part of their Full Application, and the appraiser should be able to advise if a project is viable at a lower intervention rate.

JB asked if only the appraiser will assess the financial viability of projects, as she would be keen to see the full accounts herself; MS explained that a copy of each project's full accounts will be brought to the Executive Board meeting in case Board members need more detail – this will also include accounts of all linked businesses.

CB added that the Full Application process is incredibly robust, as the LEADER programme cannot assume that all LAGs have someone with JB's background who assesses business plans or accounts on a daily basis. MS added that she and JD also have financial backgrounds.

DF asked if the LEADER team could draw on the LAG's expertise if they have difficulty appraising a project; CB explained that it depends on level of involvement - an appraiser can bring in any advice or support they feel necessary, but anyone involved in the appraisal cannot then be involved in the decision-making process.

DH asked what happens if, hypothetically, all available funds are allocated within a short space of time. JD explained that this will be monitored, and if the LAG is spending ahead of profile they may be able to receive additional funds from other LAGs who are behind.

NS asked if revenue costs can be covered for one-off events that encourage tourism; CB explained that in some cases this may be eligible, if it is an incredibly specialist project that requires certain expertise.

JH asked that if OAs come in that are relevant to other funding streams, at which point is this assessed? MS explained that RPA guidance currently states that at the Full Application stage we should be identifying other viable sources of funding, however she and JD are doing this earlier on in order to avoid wasting applicants' time.

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7. Outline Applications

JD gave a brief update on Outline Applications received so far, adding that the LEADER team held an application masterclass at Reaseheath College last week.

To date, six Outline Applications have been received for the West Cheshire & Warrington LAG. Of these, two have been invited to Full Application, two more will be invited, and two were considered incomplete and have been returned to the applicants. Both of the incomplete Outline Applications were from one agent, who JD and MS have since met with.

8. WCW LAG Members and Election of Executive Board

DF introduced the function and purpose of the Executive Board – a subset of LAG members who will meet quarterly to assess and make decisions on LEADER applications, while the wider LAG will meet annually. He added that the Board must cover all LEADER themes, as well as all geographical regions within the LAG (West Cheshire, Warrington, and Dunham Massey)

The following members were then elected to the Executive Board:
- DF, Chair
- CBB, Vice-Chair
- NS representing Rural Tourism
- DLS & Chris McGloin (not present) representing Forestry Productivity
- JB representing Farm Diversification and SMEs
- JH&LG representing Rural Services
- SR representing Farm Productivity
- AH representing Culture & Heritage
- LA representing Warrington
- HK representing Dunham Massey

9. Alignment With Other Funding Streams

CB gave a brief overview of the four funding schemes of the RDPA; SB will distribute accompanying slides to the LAG.   **SB**

Points not covered in the slides included:

- LEADER was intended to be a fully nationwide programme, but some regions chose not to apply, or applied and were rejected.

- LEADER's minimum grant amount was set at £2,500 due to the previous programme funding many projects that contributed little to the economy, as well as the work involved in each application

- The RPA did suggest a hard cut-off point between the Growth Programme and LEADER, with LEADER covering grant requests below £50k, and the Growth Programme covering requests above £50k. This was abandoned, but may be reintroduced as there has already been a lot of crossover between the two streams, creating a duplication of effort.

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- Countryside Productivity, which ran two schemes in 2015, is unlikely to reopen until at least autumn 2016, so it is likely that applicants may turn to LEADER in the interim.

10. Dates of Future Meetings

Future Executive Board meetings are currently set for the following dates:
- 27th April 2016
- 20th July 2016
- 19th October 2016

11. AOB

No other business is raised, meeting concludes.

Signature ………………………………………………………………..

Name (Please print) …………………………………………………………

Date ……………………………………………………………………...