

**MINUTE OF MEETING OF
AEFF PROJECT ASSESSMENT COMMITTEE**

**TUESDAY, 4 JUNE 2013 AT 1.30 PM
CONFERENCE ROOM E2, WOODHILL HOUSE**

Present

Belinda Miller	FLAG Chairperson
Jamie Bell	Scottish Enterprise
Gavin Clark	Scottish Natural Heritage
David Cook	Banff & Buchan College
Roger Goodyear	Banff Coast Tourism Partnership
Ian Hay	East Grampian Coastal Partnership

Officers in Attendance

Ann Marie Macaskill	Aberdeenshire Council
David-John McRobbie	Aberdeenshire Council
Vicky Thomson	Aberdeenshire Council
Anne MacLennan	Aberdeenshire Council

Apologies

James Buchan	Scottish Fishermen's Organisation
--------------	-----------------------------------

1. WELCOME & APOLOGIES

1.1 Belinda welcomed those present and apologies were noted as above.

2. MINUTE OF LAST MEETING

2.1 The draft minute of the FLAG meeting of 21 March 2013 was noted and will be considered for approval at the FLAG meeting on 19 June 2013.

3. CHAIRPERSON'S UPDATE

3.1 Following on from concerns expressed at the FLAG meeting in March regarding issues involved with securing public co-finance, there is no resolution to report to date.

Ann Marie and David John prepared a briefing paper for the Cabinet Secretary, Richard Lohead and Belinda raised the issue in person with the Cabinet Secretary at a recent Rural Economy Summit in May 2013. However, it was agreed that it will be necessary to send a follow-up letter highlighting FLAG concerns over the lack of public co-finance.

Belinda and Ann Marie have been in further discussions with Aberdeenshire Council's Management Team and Finance department although it was made clear that the Council cannot automatically align funds for co-finance purposes.

A report has been prepared for the next Aberdeenshire Council Policy and Resources Committee meeting on 18 June 2013 advising about the shortfall in public co-finance and the potential risk of being unable to fully commit the

AEFF budget.

It is hoped that the above course of action will make some impact to allow AEFF to fully commit Axis 4 funds within the available time period.

- 3.2 There have been some issues with Marine Scotland regarding the urgent need for some community groups to draw down funding from AEFF.

A letter was sent to Marine Scotland on 17 May 2013 to request further clarification about project claim procedures. No response as yet.

- 3.3 The updated version of the Service Level Agreement has now been signed.

4. CO-ORDINATOR'S UPDATE

- 4.1 The Co-ordinators update, which will be presented again at the FLAG, is summarised briefly below:

- Commitment to date is £363,447 leaving a project balance of £594,243.
- Round 5 applications total £246,115 leaving a potential balance of £348,128 if all round 5 projects are approved by the FLAG.
- AEFF claim forms have been issued to project applicants.
- All claim forms submitted for payment have to be copied and sent to Marine Scotland in advance of grant payment. Marine Scotland then collate all claims submitted by FLAGs and from other EFF axes per month. Marine Scotland will then advise FLAGs if any of their projects have been randomly selected for a pre-payment inspection (PPI).
- Cairnbulg Harbour Development submitted their first financial claim and the project was at risk as result of the delay in payment due to the above Marine Scotland procedures. AEFF processed the claim and Aberdeenshire Council subsequently paid the applicant. The claim was then chosen for inspection by Marine Scotland and all was found to be in order.
- An indicative cashflow summary based on anticipated expenditure on current projects was submitted to Marine Scotland in May 2013.
- AEFF promotion is ongoing.
- There are a number of projects coming forward but the issue of securing co-finance continues to pose problems for potential applicants.
- Scotland is the only Member State without national co-finance.
- Ann Marie attended a UK FLAG event in Whitehaven on 30 May 2013. The clear message from the event was that any deviation from the desk guidance provided will be seen as an audit issue.

- 4.2 Costs for the Scottish Marine Safari project which was approved by the FLAG in Round 2 have reduced to £6,000 due to the project manager choosing to remove the ROV camera which was the largest component of the project. Ann Marie has not been made aware of the revised project outputs as yet so it is unclear if a valid project still exists.

FLAG considered this to be a potential audit issue. The ROV camera was the main element of the project and this has not been delivered.

The applicant will be asked to submit written detail with regard to what remains of the initial approved project. Ann Marie will formally write to the applicant.

4.3 Roger Goodyear reported that the PORT Boatshed project was granted full planning approval.

4.4 Ann Marie reported that the AEFF funded Seafood Pavilion was very popular with visitors to the Taste of Grampian event which was held on Saturday 1 June 2013. The Pavilion was very well marketed with good publicity coverage. Stallholders were happy with their sales on the day and discussion is already being held with regard to making the seafood pavilion bigger and better at next year's event.

5. COMMUNICATION

5.1 There were no specific items of correspondence.

6. MARINE SCOTLAND DESK INSTRUCTIONS

6.1 Ann Marie summarised the main points from the desk guidance document issued by Marine Scotland.

- Any FLAG member who declares an interest in a project must remove themselves from the FLAG meeting during the decision making process.
- FLAG must have a robust decision making process in place in order that decisions reached can be justified if appeals are made. Scoring summaries must be included in each project file.
- A new Claim and Payment Certificate is to be used as an aid to processing project claims. Ann Marie has not had sight of this document as yet.
- Twenty per-cent of the award is to be retained until the project is completed.
- It is a Marine Scotland requirement for FLAGs to report on cashflow on a quarterly basis. Predicted figures must be as accurate as possible.

Updates from the FLAG Co-ordinator's meeting in Whitehaven on 30 May 2013

- Any returned monies or non-commitment of funds will impact on the next programme.
- The new programme is to be operational by January 2014.

7. DECLARATIONS OF INTEREST

7.1 There were no declarations of interest.

8. PROJECTS 017 to 022

8.1 017 – Gardenstown Harbour Development

The project is to enhance visitor facilities at Gardenstown Harbour. Proposals include the installation of an events kitchen in the former Salmon Bothy, the installation of CCTV and additional seating in the form of benches and picnic tables.

The enhanced facilities will better meet the needs of visitors to the Gardenstown Harbour area. The annual summer Gala was cancelled in 2012 mainly due to the lack of kitchen facilities and a number of visitor events are again at risk this year due to the poor facilities.

The proposed event kitchen area will allow the 'Hardbucks' café, which has been operating on a seasonal basis over the summer months in Gardenstown, to have increased opportunities to promote local seafood and increase the number of evening events.

There are numerous letters of support in the file from the local community.

Quotes have been obtained for the proposed work.

Total project costs are £22,214 with the applicant group contributing 20%. Banff & Buchan Area Initiative has been approached for co-finance and outcome should be known shortly.

PAC agreed that the applicant group were trying to be innovative with the proposed calendar of events for Gardenstown harbour. It was also agreed that proposals would better meet the needs of visitors by making the harbour a much more attractive area. The installation of CCTV will greatly increase security and safety for leisure vessel owners and locals alike. The events kitchen will indirectly create full-time seasonal jobs.

Proposals are an excellent fit with Axis 4.

PROJECT FUNDING OF £8,886 RECOMMENDED FOR APPROVAL.

8.2 018 – Peterhead Lifeboat Museum

The project is to build a lifeboat shed with facilities to house, maintain and preserve the Julia Park Barry lifeboat which operated out of Peterhead for thirty years in the last century.

Once refurbished, the Julia Park Barry, which was relocated from Ireland, will be on display in the new building.

The building will house interpretative displays, audio visuals and other memorabilia to showcase the maritime and RNLI history of Peterhead and tell the story of the lifeboat service in Peterhead through its long service at the port.

Peterhead Lifeboat Museum volunteers will maintain and run the facility and

will educate and inspire school pupils, locals and visitors about the work of the RNLI.

Total project costs of £330,000 are estimate only as there are no final costings available as yet. Peterhead Port Authority will contribute 10% of the costs. Public co-finance is unconfirmed to date but an application has been submitted to Heritage Lottery.

Outline planning permission was submitted. However, the preferred site met with objection and a public meeting is to be held next week. Planning application will be re-submitted with the support of the community.

Although proposals were interesting, PAC considered costs to be quite high and would welcome an indication of timescale for accurate QS costs to be provided. It was agreed that the facility will require to have a re-inforced floor and quite a bit of cost will go on the foundations and below-ground structure.

Marketing will be key to the success of the facility and PAC recommends a marketing and business plan are prepared detailing operating costs and highlighting how the facility integrates with other fisheries related attractions along the coastal trail.

PAC suggested involvement of RNLI with the facility being used as a retail outlet for RNLI merchandise. PAC recommend that the applicant explore commercial aspects in more detail with a view to considering making the facility more multi-functional than a museum alone and to ensure the facility links with other coastal tourist facilities.

PAC would welcome an update following the community consultation with regard to the planning application.

PAC SUPPORTIVE IN PRINCIPAL BUT FURTHER INFORMATION REQUESTED FOR THE FLAG MEETING.

8.3 019 – Installation of Wi-Fi at Fraserburgh Fishmarkets

The project is to install an internet wi-fi system at Fraserburgh fish markets.

Currently businesses operating from the markets have to leave the building to make contact with customers to discuss prices. This delay could result in lower prices or in a loss of sale altogether.

With a fully operational wi-fi system these transactions could be made on the spot resulting in increased prices and the potential for contact being made with a far larger customer base.

Proposals have received strong support from the industry and there has been good feedback from Peterhead fish market where there is a wi-fi system already installed.

Total Project Costs are £5,543 with 40% own contribution and 30% co-finance being confirmed from Aberdeenshire Fisheries Alliance.

PAC considered wi-fi to be a basic need and enhanced IT provision would be of great benefit to both salesmen and end users who are currently missing out on buying opportunities. Proposals represent good value for money and will add value to locally landed produce.

PROJECT FUNDING OF £1,630 RECOMMENDED FOR APPROVAL.

8.4 **020 – Online Sale Aberdeenshire Fish**

The project is to introduce the online sale of Scottish langoustine caught by North East Fishermen and processed by local processors. The Scottish Fishermen's Organisation (SFO) will market the online sale of fish, generating additional economic value and creating new jobs.

The project also aims to have local fishermen host tours of the processing factory and fishmarket which will open up the area to prospective visitors, giving them a unique insight into the industry.

Total eligible costs are £66,000 with match funding and public co-finance still to be identified.

PAC considered the application to provide limited information. More detail is required with regard to what the actual project costs relate to and these costs must be backed up with estimates and quotations. It is unclear from the application if industry co-financers such as Seafish have been approached.

The proposed costs for building a website seem quite low, indicating that this item may not have been properly costed. It would be beneficial if an action plan detailing proposed timescale and outputs could be provided.

PAC would welcome further information about the target audience. It is unclear whether the online sale is aimed at wholesale, retail, individuals or restaurants.

PAC also raised the possibility of displacing other fish processors in the area. It would be helpful if the applicant could provide letters of support from other local processors as well as letters of intent from skippers who are willing to show customers round the factory and fishmarket.

Although the PAC considered the project to be a good concept, it was agreed that the applicant requires to submit more detail if possible before the FLAG meeting on 19 June.

PAC SUPPORTIVE IN PRINCIPAL BUT FURTHER INFORMATION REQUESTED FOR THE FLAG MEETING.

8.5 **021 – Sandhaven and Pitullie Enabling Works**

The project is to carry out work on a 40m length of the north west face of the central pier at Sandhaven & Pitullie Harbour. A map showing the proposed area was circulated. This will allow the harbour trust to increase mooring capacity for leisure vessels from 40 to 60.

The proposals will include excavation of soft material and removal of substandard concrete.

Three quotes have been sourced, two of which are from well established companies.

Total project costs are £98,583. The applicant will make a 10% contribution and outcome of public co-finance application to Banff and Buchan Area Committee will be known on 18 June.

PAC considered the project to be very worthwhile. There is no question about demand for proposals. There is strong demand for most harbours providing services for small vessels and leisure craft and, in many cases, there is a waiting list. Improvements to facilities in the harbour area will help to stimulate tourism and will allow for increased use of the facility by the local community.

PAC would welcome clarification on the exact specification for project works as the quotations provided varied slightly in their specifications. Project costs were assessed by the Aberdeenshire Council Harbours Project Manager and are believed to be reasonable for the work proposed. However, it was recommended that the Harbour Trust obtain a final quote from the preferred bidder as any change to the scope of works may have financial implications for the Trust.

PROJECT FUNDING OF £44,362 RECOMMENDED FOR APPROVAL WITH ADDITIONAL INFORMATION.

8.6 022 – PFFPA Development Officer

The project is to employ a development officer to enable improved industry cohesion and strengthen local markets for Scottish fish. The creation of this post will enable the industry to work with local skippers and processors to identify demand and protect the interests of North East markets.

The development officer's duties will include raising awareness and promoting the interests of the Peterhead and Fraserburgh Fish Processors Association (PFFPA) and keeping PFFPA members informed and up to date. Although internal communication is important, the role is not a membership officer.

There are numerous letters of support for the proposals.

The applicant will contribute 30% of total project costs and public co-finance has been confirmed from Aberdeenshire Fisheries Alliance and Aberdeenshire Council.

PAC considered the project to have a strong fisheries focus. Proposals relate to increasing collaboration between fishermen and processors and will add value to locally landed produce.

PAC agreed that the development officer will be able to reach a wider

audience and market for Scottish seafood.

The vacancy must be advertised and the successful candidate will be self-employed. PAC welcomed the innovative nature of the project and agreed it will be far easier to implement projects once a full-time development officer is in post.

PAC highlighted the importance of ensuring ongoing monitoring and end evaluation of the project are carried out.

PROJECT FUNDING OF £17,500 RECOMMENDED FOR APPROVAL.

9. AOCB

There was no other business.

10. DATE OF NEXT MEETING

FLAG meeting: Wednesday, 19 June 2013, at 1.00 pm at Boyndie Visitor Centre

PAC meeting: Tuesday, 20 August 2013, at 2.00 pm in Conference Room F, Woodhill House.