

MINUTE OF FLAG MEETING

THURSDAY, 9th OCTOBER 2014 AT 1.00 PM
AXIS CENTRE, NEWMACHAR

Present

Belinda Miller	FLAG Chairperson
Moira Beverley	Aberdeenshire Council – Finance
Gavin Clark	Scottish Natural Heritage
Philip Smith	Visit Scotland
Chris White	Aberdeenshire Council Area Manager
Gina Ford	Scottish Enterprise
George Cameron	Principal Engineer Harbours

Officers in Attendance

Martin Brebner	Team Manager European Policies & Programmes
David John McRobbie	European Programmes Co-ordinator
June Jaffrey	European Programmes Claims Officer

Apologies

James Buchan	Scottish Fishermen's Organisation
Will Clark	Peterhead & Fraserburgh Fish Processors Association
Ian Gatt	Scottish Pelagic Fishermen's Association Ltd
Reid Hutchison	Aberdeenshire Council – Community Economic Development
Linda Hope	North East Scotland College
Alexander Macleod	Aberdeenshire Council – Community Planning
Michael Park	Scottish Whitefish Producers Association
Maureen Stephen	Aberdeenshire Councils for Voluntary Services
Andy Willox	Federation of Small Businesses
Roger Goodyear	Banff Coast Tourism Partnership
Ian Hay	East Grampian Coastal Partnership

1. WELCOME & APOLOGIES

- 1.1 Belinda welcomed those present.
- 1.2 It was noted that quorate was not met and it was decided by the FLAG Chair that any decisions made would be circulated to absent members for their consideration.

2. DRAFT MINUTE OF AEFF FLAG MEETING

- 2.1 The draft minute of the AEFF FLAG meeting held on 5th June 2014 was noted and approved.

3. CHAIRPERSON'S UPDATE

- 3.1 The Chair advised she had no update to report since the previous FLAG meeting.

4. CO-ORDINATOR'S UPDATE

- 4.1 David John advised that although he had not included the “Proposed installation of inner harbour pontoons – Phase 1” project in the update report he wished to update the FLAG. The applicant appealed and queried the FLAGs earlier decision to reject the project. David John, Martin and Belinda met with the applicant to discuss the project rejection. Clarification had been sought from Marine Scotland prior to meeting with the applicant. The applicant had also contacted Marine Scotland and was advised they supported the FLAG decision. There will be no further action as the matter is concluded.
- 4.1 The Co-ordinator’s Update is summarised below:
- Financial update; DJ advised that since funding started in March 2012 over £843,425 of AEFF funds has been committed with £114,265 of funds remaining.
 - Spend update; £181,657 has been committed to date – there is a further £35k for current projects which have just been paid which is to be included in this figure. It is anticipated that a number of claims will come forward for payment prior to the end of 2014.
 - Scottish Government claims; seven admin claims have been submitted to Marine Scotland. To date just over £52k has been received, David John advised that there are outstanding queries on a number of the claims mainly due to difficulties receiving supporting documentation from internal services.
 - Scottish Govt. Reports, Monitoring & Audit; DJ advised that an irregularity was reported to Scottish Government. The Whistle My Lad project had been overpaid on one claim due to an internal clerical error; the project has subsequently reimbursed the overpayment.
 - David John and Martin met with Marine Scotland in September to discuss the new programme – supporting documentation is to be released by SG for the future EMFF programme.
 - Whitehills Seafood restaurant was picked by the Scottish Government Internal Audit division. This was the first inspection the auditor had undertaken and was unclear on some processes namely tendering. DJ and the Auditor reviewed the project file and the auditor confirmed he had done a random spot check the day previous and was satisfied with the project.
 - An Internal Audit took place in August. The report from Audit came back last week with responses submitted by Martin and David John to the points raised.
 - The Finnish FLAG visit to FLAGs in Aberdeenshire, Angus, Moray and the Borders took place in September and included a tour of Fraserburgh Lighthouse museum. There were some language difficulties due to a number of non English speakers but it was felt the tour was a success and enjoyed by the visitors.
 - AEFF Promotion; David John advised that although he had not actively engaged with promotion over the last few months for this programme; it would be significant in the new programme.
 - FARNET had asked LAG Co-ordinators if they wished to submit showcase videos of projects in their areas. DJ asked the FLAG for their view and advised of the short timescale of November for

submission. It was agreed that procurement processes would lead to a time delay therefore although it was seen as an exciting opportunity we could not participate at this point.

5. AEFF PROJECT UPDATE

- 5.1 **AEFF/R1/Mar12/003** East of Grampian Seafood Trail and Scoping Study – David John advised that the scoping study had been produced but unfortunately the applicant had not followed fully the AEFF requirements as there was no supporting documentation for match funding. The project applicant had been asked to provide the information in light of advice from Marine Scotland but to date he has been unable to do so. The applicant had not followed the quarterly requirement for claims/progress reports and had submitted a financial claim some time beyond the end date. Cost categories were also unused and underspent leading to an overall project underspend. The Printing costs had been unused as the printing was done in house and a breakdown of project co-ordinator timesheets were requested by AEFF team but were not provided. There is also some confusion over the partnership agreement between EGCP and the James Hutton Institute and who the actual project applicant was. The Co-ordinator recommends the project be de-committed. Gavin Clark, Gina and Belinda agreed the recommendation to de-commit. It was generally agreed that the applicant had not followed correct processes and that the FLAG members would be emailed to seek opinion on a de-commitment.
- 5.2 **AEFF/R2/Sep12/005** Our Village: A People’s Story of Johnshaven – the project is well underway although some cash flow issues have arisen due to delays replacement of the architect, connection of water and sewage etc. The group have found that a number of invoices require to be paid at the same time putting pressure on their finances. DJ advised that he met with them in July and asked them to submit a financial claim but they have only recently done so compounding the cash flow problem. DJ confirmed that AEFF have just today paid a claim of £24k and that the group have now been asked to submit monthly claims to help with the cash flow situation. An official opening of the building will take place shortly.
- 5.3 **AEFF/R2/Sep12/009** Portsoy Organisation for Restoration and Training Boatshed – David John undertook a monitoring visit in July as no claims had been received to date. Work was being undertaken to clear the site. Roger Goodyear phoned DJ recently to give an update and advised that a project extension amendment request is required. David John will visit the site next week.
- 5.4 **AEFF/R3/Dec12/011** Energetica Coastal Path Phase I – Aberdeenshire Council is the applicant but there has been no contact in some time from them despite claim forms being forwarded to them regularly. David John sent a letter in August and met with the applicant in September and conducted a site visit. The pathway has been upgraded and was operational from summer 2013. Due to a recent fatality at a location near the pathway the landowner is reluctant for bridgeworks to go ahead. The bridge aspect of the project will no longer proceed; the cost of £7k was allocated to the bridgeworks. Owner Liability and insurance was raised at

earlier PAC and FLAG meetings and not felt to be an issue. DJ advised that the FLAG would have to approve any project amendment reminding them that the Chair has a conflict of interest. As the applicant has changed posts within Aberdeenshire Council this had led to some of the difficulties in the submission of a financial claim and progressing the works. DJ advised that a claim has been received for pathway works and signage costs totalling approx. 75% of the project costs. DJ will continue to monitor this project.

- 5.5 **AEFF/R4/Mar13/016** Whistle My Lad – David John advised that the short film is complete and premiered in Aberdeen attended by the First Minister and Provost Webster. The applicant submitted the film to the International Film Festival in Cannes; where it was well received. Although he applicant had adhered to the AEFF regulations some discrepancies were identified i.e. transactions were made from his personal bank account thus creating issue as a re-imburement from the business account to personal had to be evidenced. Their claim #3 had a number of personal transactions which the applicant is in the process of reimbursing (in advance of checking by the AEFF Claims Officer for claim processing). The Council had also paid monies to the applicant up front and over the value of the agreed match funding causing a restriction to be placed by AEFF on the grant (should there be an underspend).
- 5.6 **AEFF/R6/Sep/023** Increased Efficiency for Macduff Shipyards – the project was delayed by six months therefore some quotes doubled from original costs quoted. The Shipyard is unable to increase their private contribution due to expenditure on other areas of their business. They had requested if the AEFF grant could be increased but this is not possible. Further monies form Policy & Resources committee of £47k was subsequently agreed. David John met with the applicant recently who advised that the project will start in 2015 (estimated to take 2 months) and should be complete by the end of the financial year. Gavin queried the figures that had been received when the project was approved and it was clarified that the PAC had queried these at the time and it was noted that the costs were accurate.
- 5.7 **AEFF/R6/Sep/024** Banff Ice Machine - George Cameron updated the FLAG. The installation engineer had been taken ill causing a delay. The container is in place and will be installed in the next few weeks. David John will do a site visit shortly.
- 5.8 **AEFF/R6/Sep/025** Back Green Bunk House – David John expressed his concerns with this project. The project had been approved in September 2013 but the applicant has had difficulty securing a full match funding profile. AEFF had been asked for £148k with Heritage Lottery funding secured at £900k leaving a shortfall of £400k. The applicant has made a funding request to the Coastal Communities Fund; they will not make a decision until December 2014 with the project not commencing until May 2015. This creates a conflict with the AEEFF dates of March 2015. As AEFF was the first funding body to be applied to there could be a possibility that the project be 100% publicly funded. The applicant may request to increase funding from CCF and anticipates having a full funding profile by the end of December 2014. DJ will meet with the applicant and update the

FLAG at the next meeting.

- 5.9 **AEFF/R9/Apr14/037** Inshore Mackerel Quality Enhancement – David John advised that this project was approved in June but due to a poor Mackerel summer season the applicant has not purchased the bins. The applicant will monitor the situation and will make a decision in January 2015 as whether he will purchase the bins. David John will update the FLAG at a future meeting.
- 5.10 **AEFF/R9/Apr14/039** The Seafront Seafood Restaurant – David John advised that the project is a conversion of an old fishery building. Aberdeenshire Council awarded £22k causing a shortfall; a project sheet was completed recently to fill the gap. The project will proceed after planning has been approved.

6. UPDATE ON NEW PROGRAMME

- 6.1 Marine Scotland have begun to produce guidance regarding the types of projects they would like to see come forward, with a view to increasingly cover Diversification, Training and the Support fields. The FLAG felt that the Tourism sector should be looked at also. David John and Martin met with Marine Scotland who agreed on further diversification with a more economic focus.
- 6.2 A separate fisheries group has been set up covering North and South Aberdeenshire area. David John reported that positive responses had been received and there was a wide membership from the Fishing community.

7. AOCB

- 7.1 The chair advised that as the next LEADER LAG meeting is to be cancelled the FLAG meeting could be postponed into January 2015 – the group were in agreement. A venue in the North is to be confirmed along with a new meeting date.

8. DATE OF NEXT MEETINGS

- 8.1 2nd December meeting to be postponed and the group to be advised of the rescheduled meeting date.