



EUROPEAN FISHERIES FUND: Axis 4 - Business Plan

To be completed by Lead Partner:

Lead Partner (Organisation name)	Aberdeenshire Council
Fisheries area	Aberdeenshire Coastal Areas - Moray Firth & North Sea
Partnership name	Aberdeenshire Fisheries Local Action Group

Official use only:

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Form to be filled in and returned by e-mail or post to:

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1. Description of the delivery process.

1.1 Introduction

This Business Plan sets out how the Aberdeenshire Fisheries Local Action Group (FLAG) will deliver the European Fisheries Fund (EFF) Axis 4 Local Fisheries Development Strategy (LFDS) 2011-2013 in Aberdeenshire and outlines the role and responsibilities of members of the Fisheries Local Action Group (FLAG).

1.2 Administrative and financial lead body

Aberdeenshire Council will act as the administrative and financial lead body for the Aberdeenshire Axis 4 programme as it has the requisite resources and demonstrable experience (e.g. in managing the rural LEADER programme).

1.3 FLAG structure and operation

The members of the FLAG Partnership are as follows:

Aberdeenshire Community Councils
Aberdeenshire Council
Aberdeenshire Councils for Voluntary Service
Banff and Buchan College
Banff Coast Tourism Partnership
East Grampian Coastal Partnership
Federation of Small Businesses
Peterhead and Fraserburgh Fish Processors Association
Scottish Enterprise
Scottish Fishermen's Organisation
Scottish Natural Heritage
Scottish Pelagic Fishermen's Association
Scottish Whitefish Producers Association
Visit Scotland

The FLAG partnership comprises representatives from the commercial

fisheries sector and from the public and civic sectors but all FLAG members are asked to look beyond their specific sectoral loyalties and use their knowledge and experience to help advance the broader interests of the Aberdeenshire FLAG area.

1.4 Responsibilities of FLAG members

FLAG members are expected to act fairly and transparently in discharging their responsibilities. These include monitoring the strategy, promoting the programme, networking and community engagement, overseeing management, supporting the work of Axis 4 staff and generally contributing to successful delivery of the strategy. Decision-making will follow the same principles as the LEADER LAG on matters such as requirement for a quorum, declarations of interest, project scoring and majority voting, and meeting minutes to record proceedings.

1.5 Decision Making Body

There will be quarterly (or as appropriate) meetings of the FLAG Decision Making Body (DMB), a sub-committee of the FLAG Partnership, at which applications for AEFF funding will be assessed and recommendations made for consideration by the FLAG. In addition to making recommendations to approve or reject projects to the FLAG, the DMB may ask for more information. As the AEFF Co-ordinator will act as a guide for applicants, he/she will not have a vote at the DMB. Final decisions to award funding or reject an application rest with the FLAG.

Applications will be circulated one week prior to DMB meetings which will in turn be scheduled one month after the quarterly application deadline. This will enable the Co-ordinator to check applications, ask for supplementary information and write and circulate a report to DMB members to accompany applications. The Co-ordinator's report will assess the project against Axis 4 criteria (covered in Section 5).

1.6 Mandate of Decision Making Body

In making recommendations to the FLAG, DMB meetings will have clear terms of reference and operate to FLAG decision-making principles. Only FLAG meetings can make a definitive assessment on whether a project application is approved or rejected. DMB meetings will reduce demands on FLAG members (DMB membership could rotate between FLAG members).

1.7 Operational complementarity

The FLAG and its staff will consult with organisations involved in other initiatives (e.g. LEADER and Axis 2 and 3 of the EFF, Structural Fund programmes) in the area to ensure that the complementarity and demarcation outlined in the Local Fisheries Development Strategy is delivered in practice. This will be addressed by scheduling six monthly (or as appropriate) 'cross-cutting' meetings with relevant agents/representatives.

1.8 **Working with the community**

Effective community representation on the FLAG will ensure that the interests of the communities in Aberdeenshire participate in the programme and in the decision making process. If particular coastal communities appear not to be coming forward with projects, these areas will be actively targeted to improve uptake. Efforts to nurture community capacity in Aberdeenshire have been underway for many years by the Council's Community Economic Development team, which provides a useful platform for AEFf Axis 4 activity.

2. FLAG Administration & Financial arrangements

2.1 FLAG Staff

A full-time **AEFF Co-ordinator** will be recruited to raise awareness of the programme, encourage applications and guide prospective applicants through the application process to minimise the number of under-developed and unsuccessful bids. The Co-ordinator will be tasked to ensure that applicants have the capacity to carry out and sustain their projects. See Appendix D for the Co-ordinators job description.

There is also provision for part-time **administrative support** - to keep records of indicators, arrange payments, organise FLAG meetings and minutes, and carry out other administrative tasks. See Appendix E for the Administrators job description. Some administrative, reporting and financial tasks will be carried out by FLAG partners. Staff will be employed through Aberdeenshire Council but will report to the FLAG.

The Administrator will keep records of the Axis 4 award payments and programme running costs. Once a quarter the Administrator will reconcile financial records with those held by the Council to ensure errors are corrected at an early stage. It will be the Administrator's job to keep a record of indicators and report these to the Scottish Government.

In order to meet the requirements for regular reporting of progress under the programme, part-time provision is also made for a staff member to cover the **reporting and management function**.

2.2 Finance

Responsibility for financial management rests with Aberdeenshire Council, which is the Lead partner and Accountable Body. Further financial information on the costs of administering the programme appears in Appendix F.

2.3 State Aids

Compliance with State aid regulations will form an essential part of the technical appraisal of projects. Guidance will be sought from the Managing Authority if there is doubt over the compatibility of an EFF Axis 4 award with State aid rules.

3. Outline of activities for further FLAG development

3.1 Establishing the FLAG

Notwithstanding that around one third of the FLAG partnership will have had the benefit of LEADER LAG experience in assessing and evaluating project proposals against programme criteria, it is recognised that the FLAG partnership is likely to take some time to develop as a cohesive group given the different context and the recruitment of members for whom the methodology of the FLAG will be relatively novel. Moreover, fisheries industry representatives will perhaps be more accustomed to advancing the interests of a specific commercial sector and may require some time to adjust to using their knowledge and experience to benefit the broader Aberdeenshire FLAG area.

Accordingly, the Aberdeenshire FLAG will work closely with Marine Scotland and DG MARE staff and contractors in its formative stages to obtain advice, guidance and training to ensure FLAG members 'buy in' to the FLAG concept and progress quickly towards adoption of best practice in collaborative working (as described in the DG MARE Fisheries Areas Network - or FARNET - start-up guide for FLAGS). It is to be expected that the composition of the group may evolve gradually over time to reflect changing demands upon it. Given the relatively short timeframe in which Axis 4 funds have to be committed, a key target is for the 'scoping and building' stage of the FLAG partnership to have been completed within 3 months of the programme launch in order to achieve a reasonable level of consensus on the aims and objectives of the programme.

3.2 Growing the FLAG

In order to ensure the FLAG maximises its effectiveness in deploying Axis 4 resources on behalf of fisheries areas in Aberdeenshire, training and awareness events and presentations will be arranged for FLAG members and staff in association with Marine Scotland and DG MARE. Once the FLAG is established links will be set up with the Community Planning Partnership as Aberdeenshire Community Planning Principles are strongly aligned with the AEFf Axis 4 Strategy

4. Project development, application and approval procedure

4.1 Project application

The Scottish Government application form will be used. It is intended that there will also be a short 'expression of interest' form which applicants can use to give an outline of their proposed project to enable advice to be obtained whether their project fits within the terms of the Axis 4 Programme before filling in a full Application Form. The 'expression of interest' form and full Application Form will be obtainable online and electronic submissions will be encouraged. The Co-ordinator will be able to assist with (but not complete) applications where the applicant does not hold the necessary expertise. This will ensure that the fund is accessible to the widest range of applicants.

It is acknowledged that not all funding may be in place at the time of application, but all sources of funding should have been approached. Axis 4 projects may be approved on condition of matched funding being awarded. However applicants will certainly have to demonstrate that all match funding has been identified and is in place before drawing down programme funds. The same conditions will apply to planning permission for capital projects, in that planning permission will have to have been applied for before any expenditure is incurred. Marine Scotland will clarify the eligibility of 'in kind' contributions.

It is anticipated that Aberdeenshire AEF Axis 4 will operate primarily on the basis of an open (generally, quarterly) call for project applications.

4.2 Project approval

Adequate separation of responsibilities will be maintained between the elements of facilitation (Coordinator) and project assessment (DMB and FLAG) to ensure transparency in decision-making and to avoid potential conflicts of interest. For example the Coordinator will only undertake technical appraisals or offer technical advice on a project and will not be involved in project scoring. FLAG members with an interest in a particular project will declare that interest and withdraw while the application is being considered.

5 Project selection criteria

The FLAG will develop relevant local criteria to guide decision-making in project assessment and adopt the guiding principle that the main priority is to increase the capacity of local rural community and business networks to build human capital, innovate and co-operate in order to tackle local development objectives. Draft criteria are attached as Appendix G.

Examples of technical criteria considerations might include whether the applicant has the practical and financial capacity to deliver the project, whether the need for grant aid is clearly demonstrated and whether the targets, indicators and milestones are realistic. Quality criteria might include the extent to which the project contributes to the achievement of the strategy and complements activities covered by other relevant initiatives, the extent to which the project responds to identified local needs supported by evidence of demand.

Guidance from Marine Scotland suggests project selection criteria should include:

- Strategic integration – direct links to local, national and European priorities
- Complementarity with the business plan
- Evidence of need
- Additionality – extent to which project would proceed without Axis 4 support
- Leverage – amount of match funding from other sources
- Value for money – measure of efficient use of resources
- Project management – assessment of ability to deliver project based on ability to deliver outcomes
- Innovation – assessment of how the process circumvents barriers to development
- Equal opportunities – full equal participation of individuals and social groups by means of relevant policies
- Community involvement – degree of participation, involvement and support and extent to which project will benefit fisheries areas – evidence will be required to substantiate
- Sustainability – evidence of continuing benefit
- Environmental impact – extent to which the project enhances or protects the environment

6. Planned procedures for monitoring and evaluation

The Aberdeenshire FLAG will report progress to Marine Scotland in accordance with the reporting requirements as set out below by Scottish Government.

6.1 Monthly

Monthly reports on projects will be required which show commitments made on projects, the name of the project, location, FLAG reference for the project, the name of the beneficiary and address including the post code, date of payments. In addition the following will be provided by each FLAG monthly.

- Total grant committed to end of month.
- Total grant committed to date.
- Total grant offers accepted to end of month.
- Total grant offers accepted to date.
- Total grant paid to end of month.
- Total grant paid to date.
- Total grant offers NOT accepted to end of month.
- Total grant not yet claimed.

A template for submission will be issued by Marine Scotland and will be submitted within 10 calendar days of the end of each month or as otherwise advised.

6.2 Quarterly

Information required will comprise expenditure to date, approved expenditure to date, amount approved, amount paid, sponsor body and other bodies involved and details of match funding and the progress to date on objectives and targets. In summary the following information will be required from FLAGs each quarter:

- Number of projects completed in the quarter and accumulative.
- Number of projects approved in the quarter and accumulative.
- Number of projects in progress.
- Details of committed expenditure in quarter and accumulative.
- Details of income and outgoings in quarter and accumulative broken down by Actions, Sub Actions and Themes where applicable.
- Progress towards outcomes by projects as reported in grant claims.
- Achievements towards targets as per indicators.

A template for submission will be issued with FLAG guidance by Marine Scotland. Reports will be submitted within 20 calendar days of the end of each quarter.

6.3 Annual

Annual reports will detail annual expenditure, approved expenditure and projected expenditure for the following year. This will include an overview of the progress the FLAG has made in meeting its priorities and targets. Reports will be sought by Marine Scotland after 31 March in each year and should be submitted no later than 30 April in the same year. Again, a template for this will be provided, to be completed and submitted within 30 days of the year end.

6.4 Claims and payment

Marine Scotland will confirm budget provision to FLAGs in October/November 2011. Payments to FLAGs will be made following receipt of quarterly reports and will be based on the EFF Axis 4 grant paid and overall FLAG expenditure in the previous quarter (up to the amount approved by the Scottish Government) and subject to satisfactory performance.

7. Communication, information & publicity

The will be a marketing plan to launch the A EFF Axis 4 programme in association with Marine Scotland comprising promotional material, a series of events, a public relations programme and a dedicated website which will enable communities and businesses in fisheries areas to obtain programme information and application forms. Awards of funding and exemplar project case studies will be promoted on the website and shared with neighbouring FLAGs.

The A EFF Coordinator will draw up a marketing plan and a strategy to include events, continuous up-dating of the website, promotional leaflets and a public relations timetable. In all awards, the support of EU will be explicitly acknowledged and guidance given on the use of logos and signage to publicise A EFF Axis 4 support.

8. Detailed financial information

8.1 Project Expenditure

Indicative financial projections for project expenditure are listed in Appendices A, B and C, but as with all 'bottom-up' programmes, the extent of uptake and the types of projects coming forward cannot be accurately predicted.

8.2 Match Funding

It is recognised that identifying and securing public sector match funds 'pound for pound' with EU resources to deliver the Axis 4 programme will present a considerable challenge at a time when public sector budgets have been reduced. Accordingly there has been early contact with colleagues across Aberdeenshire Council and in other public agencies such as Scottish Enterprise to identify projects and programmes which complement and are consistent with the objectives of Axis 4. Other eligible potential sources have been identified and are listed as follows:

- Coastal Communities Fund (Crown Estate)
- Lottery funding
- SITA Trust (landfill tax)
- Planning gain funds
- Seafish/Seafood Scotland

8.3 Administration expenditure

The outline budget for promotion and administration of the AEFf Axis 4 programme appears in Appendix F.

Aberdeenshire European Fisheries Fund

Table 1 : Total Eligible Costs

Indicative Costs

		2011	2012	2013	Total cost
		£'000k	£'000k	£'000k	£'000k
a	Strengthening the competitiveness of the fisheries areas;	0	300	300	400
b	Restructuring and redirecting economic activities, in particular by promoting ecotourism, provided these actions do not result in an increase in fishing effort;	0	320	320	440
c	Diversifying activities through the promotion of multiple employment for fishers through the creation of additional jobs outside the fisheries sector;	0	175	175	232
d	Adding value to fisheries products;	0	175	174	232
e	Supporting small fisheries and tourism related infrastructure and services for the benefit of small fisheries communities;	0	360	360	500
f	Protecting the environment in fisheries areas to maintain its attractiveness, regenerating and developing coastal hamlets and villages with fisheries activities and protecting and enhancing the natural and architectural heritage;	0	150	150	200
g	Re-establishing the production potential in the fisheries sector when damaged by natural or industrial disasters;	0	60	60	80
h	Promoting inter-regional and trans-national cooperation among groups in fisheries areas, mainly through networking and disseminating best practice;	0	15	36	34
i	NON PROJECT: Acquiring skills and facilitating the preparation and implementation of the local development strategy;	1	1	1	4
j	NON PROJECT: Contributing to the running costs of the groups.	5	60	60	236
	Total	6	1,616	1,636	2,358
	Average grant rate is 66% not including running costs.				69.50%

Aberdeenshire European Fisheries Fund

Table 2 : Sources of funding for eligible costs:Main measures Year 2011

Indicative Costs

		EFF Axis 4	other public	private	Total
		£'000k	£'000k	£'000k	£'000k
a	Strengthening the competitiveness of the fisheries areas;	0	0	0	0
b	Restructuring and redirecting economic activities, in particular by promoting ecotourism, provided these actions do not result in an increase in fishing effort;	0	0	0	0
c	Diversifying activities through the promotion of multiple employment for fishers through the creation of additional jobs outside the fisheries sector;	0	0	0	0
d	Adding value to fisheries products;	0	0	0	0
e	Supporting small fisheries and tourism related infrastructure and services for the benefit of small fisheries communities;	0	0	0	0
f	Protecting the environment in fisheries areas to maintain its attractiveness, regenerating and developing coastal hamlets and villages with fisheries activities and protecting and enhancing the natural and architectural heritage;	0	0	0	0
g	Re-establishing the production potential in the fisheries sector when damaged by natural or industrial disasters;	0	0	0	0
h	Promoting inter-regional and trans-national cooperation among groups in fisheries areas, mainly through networking and disseminating best practice;	0	0	0	0
i	NON PROJECT: Acquiring skills and facilitating the preparation and implementation of the local development strategy;	0.5	0.5	0	1
j	NON PROJECT: Contributing to the running costs of the groups.	2.5	2.5	0	5
	Total	3	3	0	6
	Average grant rate				

Aberdeenshire European Fisheries Fund

Table 3 : Sources of funding for eligible costs: Main measures Year 2012

Indicative Costs

		EFF Axis 4	other public	private	Total
		£'000k	£'000k	£'000k	£'000k
a	Strengthening the competitiveness of the fisheries areas;	100	110	90	300
b	Restructuring and redirecting economic activities, in particular by promoting ecotourism, provided these actions do not result in an increase in fishing effort;	110	110	100	320
c	Diversifying activities through the promotion of multiple employment for fishers through the creation of additional jobs outside the fisheries sector;	58	63	54	175
d	Adding value to fisheries products;	58	58	59	175
e	Supporting small fisheries and tourism related infrastructure and services for the benefit of small fisheries communities;	125	125	110	360
f	Protecting the environment in fisheries areas to maintain its attractiveness, regenerating and developing coastal hamlets and villages with fisheries activities and protecting and enhancing the natural and architectural heritage;	50	55	45	150
g	Re-establishing the production potential in the fisheries sector when damaged by natural or industrial disasters;	20	20	20	60
h	Promoting inter-regional and trans-national cooperation among groups in fisheries areas, mainly through networking and disseminating best practice;	5	7	3	15
i	NON PROJECT: Acquiring skills and facilitating the preparation and implementation of the local development strategy;	0.5	0.5	0	1
j	NON PROJECT: Contributing to the running costs of the groups.	30	30	0	60
	Total	556.5	578.5	481	1616
	Average grant rate				

Aberdeenshire European Fisheries Fund

Table 4 : Sources of funding for eligible costs: Main measures Year 2013
Indicative Costs

		EFF Axis 4	other public	private	Total
		£'000k	£'000k	£'000k	£'000k
a	Strengthening the competitiveness of the fisheries areas;	100	110	90	300
b	Restructuring and redirecting economic activities, in particular by promoting ecotourism, provided these actions do not result in an increase in fishing effort;	110	110	100	320
c	Diversifying activities through the promotion of multiple employment for fishers through the creation of additional jobs outside the fisheries sector;	58	63	54	175
d	Adding value to fisheries products;	58	58	58	174
e	Supporting small fisheries and tourism related infrastructure and services for the benefit of small fisheries communities;	125	125	110	360
f	Protecting the environment in fisheries areas to maintain its attractiveness, regenerating and developing coastal hamlets and villages with fisheries activities and protecting and enhancing the natural and architectural heritage;	50	55	45	150
g	Re-establishing the production potential in the fisheries sector when damaged by natural or industrial disasters;	20	20	20	60
h	Promoting inter-regional and trans-national cooperation among groups in fisheries areas, mainly through networking and disseminating best practice;	12	16	8	36
i	NON PROJECT: Acquiring skills and facilitating the preparation and implementation of the local development strategy;	0.5	0.5	0	1
j	NON PROJECT: Contributing to the running costs of the groups.	30	30	0	60
Total		563.5	587.5	485	1636
Average grant rate					

Aberdeenshire European Fisheries Fund
Table 5 : Funding profile
Indicative Costs

		Total eligible	Proposed	FLAG
		expenditure (a)	rate of grant	(= a x b)
		£'000k	Grant rate is	£'000k
			50% from Axis 4	
			and 50% from	
			other public	
a	Strengthening the competitiveness of the fisheries areas;	600	67%	400
b	Restructuring and redirecting economic activities, in particular by promoting ecotourism, provided these actions do not result in an increase in fishing effort;	640	69%	440
c	Diversifying activities through the promotion of multiple employment for fishers through the creation of additional jobs outside the fisheries sector;	350	66%	232
d	Adding value to fisheries products;	350	66%	232
e	Supporting small fisheries and tourism related infrastructure and services for the benefit of small fisheries communities;	720	69%	500
f	Protecting the environment in fisheries areas to maintain its attractiveness, regenerating and developing coastal hamlets and villages with fisheries activities and protecting and enhancing the natural and architectural heritage;	300	67%	200
g	Re-establishing the production potential in the fisheries sector when damaged by natural or industrial disasters;	120	67%	80
h	Promoting inter-regional and trans-national cooperation among groups in fisheries areas, mainly through networking and disseminating best practice;	50	68%	34
Non Project Funding - Cost below are for the five years 2011-2015				
i	NON PROJECT: Acquiring skills and facilitating the preparation and implementation of the local development strategy;	4	100%	4
j	NON PROJECT: Contributing to the running costs of the groups.	236	100%	236
Total		3,370		2358
Average grant rate not including running costs 66%				

Aberdeenshire Axis 4 Administration Costs

	2011	2012	2013	2014	2015	TOTAL
	£	£	£	£	£	£
Co-ordinator wages (approx) FTE	2,100	28,000	28,000	28,000	28,000	£114,100
NI & Pension	567	7,560	7,560	7,560	7,560	£30,807
2 months in 2011	2,667	35,560	35,560	35,560	35,560	£144,907
Administrator wages (0.25 FTE)	400	5,000	5,000	5,000	5,000	£20,400
NI & Pension	108	1,350	1,350	1,350	1,350	£5,508
2 months in 2011	508	6,350	6,350	6,350	6,350	£25,908
Management Costs	1,185	10,000	10,000	10,000	10,000	£41,185
Building capacity of the FLAG (i)	500	1,000	1,000	500	500	£3,500
Travel for staff and volunteer partners	200	4,500	4,500	2,500	2,500	£14,200
Premises and equipment maintenance	1,250	1,250	1,250	1,250	1,250	£6,250
Website maintenance	0	150	150	150	150	£600
Marketing & Events	0	1,750	1,000	500	200	£3,450
	3,135	18,650	17,900	14,900	14,600	£69,185
TOTAL	£6,310	£60,560	£59,810	£56,810	£56,510	£240,000

To be funded by

EFF Axis 4	£120,000
Aberdeenshire Council	£120,000

ABERDEENSHIRE EFF AXIS 4

FISHERIES LOCAL ACTION GROUP:

PROJECT SELECTION CRITERIA

1. Projects to be located within the FLAG area.
2. Projects to produce evidence that equal opportunity policies are in place and that projects are inclusive.
3. Projects to bring community benefit through environmental, social or economic additionality.
4. Projects to be consistent with the Local Fisheries Development Strategy and its strategic priorities.
5. Projects to confirm compliance with Axis 4 funding restrictions.
6. Projects to demonstrate innovation
7. Projects to meet match funding requirements
8. Projects to prove value for money from Axis 4 support
9. Projects to demonstrate long term economic viability
10. Capital and infrastructure projects (eg harbour works) to deliver the project objective for a minimum duration of 10 years (5 years for completion or delivery for all other projects).
11. Project applicants to demonstrate ability to deliver the project, including appropriate management, controls and procedures
12. Evidence of demand for project and express need for Axis 4 support
13. Projects to demonstrate community engagement and involvement.

14. Projects to show sustainability including evidence of continuing benefit.
15. Where possible, projects to incorporate transferability; ie ease of transferring ideas and lessons learnt to projects elsewhere
16. Projects to specify capacity for creation of new employment opportunities, especially in diversified business sectors, for young people, the under-employed and women.
17. Applicants must be:
 - properly constituted organisations and social enterprises
 - private individuals where sponsored by public bodies, clubs and societies
 - businesses, business partnerships and capital companies
 - public agencies
 - collaborations between groups and individuals listed above in an appropriately legally constituted form
 - Fisheries Local Action Groups in respect of administration costs and in arranging larger strategic projects.