Leader Programme

Report by Ian L Young, Director, Strategic Services

1 Purpose of Report

1.1 The purpose of this report is to:

- provide details on progress with regard to the development and implementation of the 2007/13 Leader Programme;
- seek Cabinet approval for the submission by the Council, in partnership with East Lothian Council (ELC) and Scottish Enterprise Edinburgh and Lothian (SEE&L), of a formal application to The Scottish Executive (SE) for funds from the 2007/13 Leader Programme; and
- highlight the potential boundary changes to the Tyne-Esk Leader area required by the Leader 2007/13 eligibility rules.

2 Report Summary

2.1 At its meeting held on 20 February 2007, Cabinet approved the content of a report entitled "Leader Programme". This previous report highlighted the success of the Tyne-Esk Leader+ Programme and outlined the timeframe involved/work required in respect of the development of the 2007/13 Programme. Cabinet also agreed, at this meeting, that the Council continue to collaborate with ELC and possibly West Lothian Council (WLC) in terms of making advance preparations to submit a bid for future Leader funding. This report has been prepared to bring Cabinet fully up to date with developments.

2.2 The SE has recently submitted the Scottish Rural Development Plan (SRDP) 2007/13, containing Scottish Leader proposals, to the European Commission (EC) for consideration and approval. Approval of the Plan is anticipated in December 2007. However, it should be noted that, as EC negotiations proceed, this date is likely to change. A copy of the SRDP has previously been placed in the Members’ library.

2.3 The SE has recently invited rural development partners in the public, private and third sectors to establish Leader Local Action Groups (LAGs) and to bid for a share of the £41 million available budget to fund a range of activities over the next seven years. A copy of the Leader bidding guidance has been placed in the Members’ library.

2.4 The Council, in partnership with ELC, SEE&L and other rural based stakeholders, proposes to bid for funding from the Leader Programme 2007/13 to enable appropriate rural based socio-economic development projects to be developed and funded over the lifetime of the new Programme. At this early stage, it is anticipated that the bid will be in the region of £2 million. However, this figure may be subject to change.
2.5 In terms of proposed Leader coverage, the guidelines state that only settlements of up to 10,000 inhabitants will be eligible for inclusion in LAG areas. According to this rule, Penicuik and a part of Mayfield, which were both covered by the previous Tyne-Esk Leader Programme, but which now constitute or are a part of urban areas with populations of over 10,000 (according to The SE urban/rural classification), could potentially no longer be eligible for inclusion. Final area coverage in respect of Midlothian will be subject to detailed negotiation with Scottish Executive Environment and Rural Affairs Department (SEERAD) officials. Every effort will be made to secure maximum Leader coverage for Midlothian and East Lothian. The opportunity may well exist to extend Leader coverage to parts of Midlothian and East Lothian which were not previously covered by the Tyne-Esk Leader+ Programme.

2.6 The Tyne-Esk LAG has recently given consideration to expanding the LAG to cover part of rural West Lothian. Guidance has been sought from SEERAD staff on this issue. Having taken on board this guidance and following discussions with WLC representatives, it was decided not to involve West Lothian in the initial bid for Leader Programme funding. A separate bid will be submitted early next year by West Lothian rural stakeholders. The Tyne-Esk LAG has also offered to “buddy” West Lothian and provide appropriate advice as and when required. SEERAD staff have confirmed that this approach is acceptable.

3 Recommendations

3.1 Cabinet is recommended to:

a) note progress regarding the development and implementation of the 2007/13 Leader Programme;

b) agree to the submission by the Council, in partnership with East Lothian Council and Scottish Enterprise Edinburgh & Lothian, of an application to The Scottish Executive to seek funds from the 2007/13 Leader Programme;

c) agree to remit to me, in consultation with the Cabinet Spokesperson for Strategic Services, to continue negotiations with SEERAD in respect of Leader area coverage for the 2007/13 Programme; and

d) agree that a further progress report be prepared in due course.

20 July 2007
4 Report Implications and Management

4.1 Resource Implications

In terms of Human Resource Implications, any work arising from this report will be carried out by existing Divisional staff. Divisional staff will lead in the preparation of the Tyne-Esk Leader 2007/13 bid in close liaison with ELC and LAG stakeholders.

With regard to Financial Resource Implications, the Council currently makes a financial contribution of £7000 per annum, from existing Divisional budgetary resources, towards the costs of administering the Tyne-Esk Leader+ Programme. The Programme administration is undertaken by ELC, and the Tyne-Esk Leader+ Project Officer post is based in Haddington. ELC and SEE&L both respectively contribute £7000 towards Programme administration costs. The Project Officer's contract has been extended until, at least, 31 December 2007. This has been important in terms of Programme continuity. In addition, despite the fact that the Tyne-Esk Leader+ Programme ended on 31 December 2006, there are still a wide range of important tasks to be undertaken by the Project Officer. Tasks include Programme closure, grant claim handling and project monitoring visits.

4.2 Risk Implications

If the Leader Programme funding bid is unsuccessful this will result in the failure to secure a significant sum of external funding for development projects in rural East Lothian and Midlothian.

4.3 Policy Implications

Strategy

Leader traditionally supports a wide range of actions which can be related to corporate priorities 1 to 8. Since its establishment in 2002, the Tyne-Esk Leader+ Programme has supported a wide range of community projects in areas such as learning, health and wellbeing, leisure, sports and cultural provision, economic development and the environment.

Consultation

The preparation of this report has taken account of a consultation exercise held in February 2007 which involved Midlothian and East Lothian based rural stakeholders. The consultation event was held as initial preparatory work in advance of the (delayed) Leader Programme bid call.

Equalities

There are no equalities implications arising from this report. The 2007/13 Leader Programme requires the active implementation of equal opportunities actions.

Sustainability

Sustainable development is central to the aims of Leader. The local development strategy required to bid for Leader 2007/13 funds must demonstrate how it will contribute to sustainable development of the area in environmental, economic and socio-cultural terms.

Report Contact: Laurence Conner
Tel No 0131 271 3433
Background papers: File 7395; LC/JG/LP 52964
5 Report Background and Appendices

5.1 Background

The Tyne-Esk Leader+ Programme, which came to an end on 31 December 2006, was a European Union (EU) initiative designed to promote economic and community development in rural areas. There were 13 Leader+ groups in Scotland, encouraging new and experimental approaches to rural development.

The Tyne-Esk Leader+ Programme was established in 2002 to deliver Leader+ funding to communities in rural Midlothian and East Lothian. Eligible wards in Midlothian (1991 basis) were:

- Penicuik South West;
- Penicuik North East;
- Glencorse/Ladywood;
- Bilston/Roslin;
- Gorebridge; and
- Pathhead.

The Programme was delivered by the LAG, which was made up of partners from the public, private and voluntary sectors. Together they represented the local rural community and oversaw the development and implementation of the Leader+ Programme.

The main Programme themes were to improve the quality of life in rural areas and to add value at the local level.

The Programme had 10 objectives:

- community capacity building;
- food and agriculture;
- community transport;
- health and wellbeing;
- tourism development;
- training;
- business development;
- community facilities;
- conservation and heritage; and
- access and interpretation.

The Programme supported a wide range of projects covering the above objectives.

Some key facts and figures for the Programme are highlighted as follows:

- total grant allocation for projects was £1,132,767;
- 88 projects were funded; and
- 42 Midlothian based projects secured total funding of £682,576.

5.2 The Future of Leader

The SE has recently submitted the SRDP 2007/13 to the EC for consideration and approval. The SRDP sets out The SE’s plans for rural development and the desired outcomes for the period to 2013. Approval of the SRDP is anticipated in December 2007, although the approval date is likely to be later. This will be subject to progress with EC negotiations.
Leader, which has previously been a stand alone European programme has been mainstreamed and integrated into the SRDP. Like Leader+, it will be a bottom-up community driven mechanism designed to support rural development across Scotland. Its budget over the Programme period is £41 million. Leader will be delivered by LAGs, running local programmes in designated geographical areas. It is anticipated that there will be around 20 LAGs.

LAG activity will be related to one or more of the five Scottish Leader themes, i.e.:

- revitalising communities;
- rural community capacity;
- new markets and products;
- progressive rural economy; and
- conservation of the rural environment.

On 3 July 2007, The SE invited local rural development partners in the public, private and third sectors to establish LAGs and prepare bids for 2007/13 Leader status and funding. Proposed LAGs have been invited to submit an expression of interest by 22 August 2007 and a local rural development strategy and business plan by 31 October 2007. Local development strategies should be firmly grounded in the strategies being pursued by Community Planning Partnerships (CPPs).

A panel, composed of members with a wide involvement in rural affairs, will be set up to assess applications. Once selected, each LAG will be notified of the level of funding awarded to implement its strategy and invited to sign a Service Level Agreement with The SE before the transfer of Leader funds.

According to The SE’ s provisional timetable, LAGs will be selected in December 2007, with funds being awarded in January 2008. However, at a meeting of the Scottish Leader+ Co-ordinators held on 21 June 2007, it was indicated that there may be some slippage resulting in the allocation of funds being delayed to spring 2008. The selection of LAGs cannot take place until the SRDP has been approved by the EC.

The Council, in partnership with ELC and SEE&L, proposes to prepare a bid for future Leader funds for rural Midlothian/East Lothian areas. It is anticipated that this bid will be in the region of £2 million. The bid will build on the current established local delivery structure. Current LAG membership will be retained and expanded to include further bodies with an interest in rural development, so widening the coverage of local groups and interests. Furthermore, it is proposed to set up an advisory group of experts from various fields, such as local government, natural heritage and health care, who can advise the LAG when assessing funding applications.

Divisional staff will lead in the preparation of the bid in close liaison with the Tyne-Esk Leader+ Project Officer and ELC colleagues.

Findings from a wide-ranging community consultation held in February 2007 will shape the content of the revised East Lothian and Midlothian Rural Economic Strategy, which will essentially be the bid document making the case for future Leader funding. A business plan will also be produced to highlight how the new local Programme will be delivered.

The SE has made limited funding available, through the Local Enterprise Companies (LECs), to assist LAGs with activities associated with the production of development strategies. Officials from Midlothian Council, SEE&L and ELC will meet in the very near future to decide how this limited funding should best be spent.
5.3 Potential Boundary Changes to the Tyne-Esk Leader Area

The Leader 2007/13 guidelines issued by The SE state that only settlements of up to 10,000 inhabitants will be eligible for inclusion in LAG areas. This is more restrictive than the 2000/06 Leader+ Programme. According to this rule, Penicuik and the southern part of Mayfield (formerly located in the 1991 basis Pathhead ward), which were both covered by the Tyne-Esk Leader+ Programme, but which now constitute or are a part of urban areas with populations of 10,000 to 125,000 according to The SE 6-fold Urban Rural Classification, could potentially no longer be eligible for inclusion. (The SE 6-fold Urban Rural Classification divides Scotland into six zones, to reflect levels of population and accessibility).

However, the opportunity exists to propose extending Leader coverage to rural parts of Midlothian and East Lothian which were not covered by the Tyne-Esk Leader+ Programme. This is particularly the case as the new Leader programme will allow population coverage of up to 150,000 for individual LAGs. The population coverage of the Tyne-Esk Leader+ area was around 35,000.

The proposed 2007/13 Tyne-Esk Leader area comprises the rural area contained within the Midlothian and East Lothian Local Authority administration boundaries. It lies within the Forth On the Ground SEERAD boundary (On the Ground regions are coherent rural regions as defined by SEERAD) and CPP areas. The area complies with The SE 6 Fold Urban Rural Classification and comprises an area defined as accessible and remote rural. The SE has agreed that wards with a large rural hinterland with only a small area falling within the 6-fold Urban definition may be included.

The rural Midlothian wards (1996 basis) covered by adopting this position are:

- Ward 1: Penicuik South West
- Ward 2: Penicuik North
- Ward 3: Penicuik/Roslin
- Ward 4: Penicuik South East
- Ward 5: Bilston/Roslin
- Ward 6: Loanhead
- Ward 7: Poltonhall/Rosewell
- Ward 11: Arniston/Cockpen
- Ward 12: Gorebridge South
- Ward 13: Dalkeith/Newton
- Ward 16: Newbattle/Pathhead
- Ward 18: Mayfield South

The urban Midlothian wards (1996 basis) covered by adopting this position are:

- Ward 8 Bonnyrigg North
- Ward 9 Bonnyrigg South
- Ward 10 Newtowngrange
- Ward 14 Dalkeith/Eskbank
- Ward 15 Dalkeith/Woodburn
- Ward 17 Easthouses/Mayfield North
In ongoing discussions with SEERAD officials, the status quo is being argued with regard to the continued inclusion of Penicuik due to its extensive rural hinterland. Unfortunately, should SEERAD officials not accept this argument, it will be proposed that a line (urban envelope) is drawn round the town of Penicuik allowing the rural hinterland to be included. Projects that serve the rural area and are sited within the urban area will still be eligible to be considered for funding support by the LAG.

The Tyne-Esk LAG has recently given consideration to expanding the LAG to cover part of rural West Lothian. Guidance has been sought from SEERAD staff on this issue. Having taken on board this guidance and following discussions with WLC representatives, it was decided not to involve West Lothian in the initial bid for Leader Programme funding. A separate bid will be submitted early next year by West Lothian rural stakeholders. The Tyne-Esk LAG has also offered to “buddy” West Lothian and provide appropriate advice as and when required. SEERAD staff have confirmed that this approach is acceptable.

5.4 The Next Steps

Should Cabinet agree to the submission by the Council, in partnership with ELC and SEE&L, of an application to The SE to seek funds from the 2007/13 Leader Programme, the next steps will be to:

- prepare an expression of interest and submit to The SE by 22 August 2007;
- prepare/commission a local rural development strategy and business plan and submit to The SE by 31 October 2007; and
- continue negotiations with SEERAD officials in respect of Leader area coverage for the 2007/13 Programme.