
CAIRNGORMS NATIONAL PARK AUTHORITY FINANCE & DELIVERY COMMITTEE

FOR DECISION

Title: SUPPORTING LEADER PROGRAMME DELIVERY

Prepared by: David Cameron, Director of Corporate Services

Purpose

This paper seeks the Committee's approval to extend the timetable over which the Authority will support LEADER project approvals and grant claims as the Accountable Body for Cairngorms LEADER Programme. The proposed extension to timetables reflects clarification of the Scottish Government's approach to supporting LEADER claims from Accountable Bodies.

Recommendations

The Finance & Delivery Committee is requested to:

- a) **Consider the updates on the Authority's position as Accountable Body in support of the Cairngorms LEADER Programme;**
- b) **Agree the proposed approach as Accountable Body from 23 November until further notice, as set out in paragraphs 5 to 9 of the paper.**

Background

1. The Committee received an update on the Authority's role as Accountable Body (AB) for the Cairngorms LEADER programme at its meetings in June 2016 and September 2016. The full Board has also received a number of updates on the progress of the Cairngorms LEADER Programme since the inception of the Programme in 2014
2. The Authority's current position in underpinning awards of LEADER grant is that we will support projects which aim to deliver and therefore incur expenditure up to February / March 2019. This position was established shortly after the vote to leave the EU, with an expectation that expenditure would have to be incurred by projects prior to the anticipated timing of the UK's exit from the EU of end March 2019.
3. This policy does not appear to have inhibited project development or uptake. The Cairngorms LEADER allocations for community based and economic diversification projects are now nearly fully committed. The farm diversification allocation is also relatively well subscribed.

4. Only the cooperation budget of 10% of allocation is yet to be developed, and this because of the longer lead times in developing cooperation contacts than any matters linked to underpinning financial arrangements. Work on cooperation projects has also been delayed given that the administration and animation resources of the LEADER team are limited and priority has been given to the other strands of the LEADER programme in the first instance.

Update on LEADER Programme Financial Position

5. An update and clarification of the Scottish Government's position on the finances of the national programme was given to ABs at their collective Accountable Bodies Board meeting of 21 September 2017. This clarification sets out that:
 - a) Project contracts / offers of grant must be signed by both parties, i.e. Local Action Group (LAG) and applicant, prior to the date of exit from the European Union. The current assumed position for this remains March 2019.
 - b) Projects must be completed and all claims paid by the LAG / AB by 31 December 2020.
 - c) All claims for draw down of LEADER grant from Scottish Government must be submitted by the relevant ABs by 31 March 2021.
6. This clarification of financial timetables does allow the Authority as the AB for Cairngorms LEADER to relax its schedules for projects and bring our AB financial timetables into line with those set out by Scottish Government.
7. The benefits of varying timetables now are firstly that existing projects may be given a bit of flexibility to seek change requests to the end point of their projects if they are experiencing any slippage in their plans and / or difficulty in delivering the outcomes intended. The LAG would be able to support change requests to put milestone dates back beyond February 2019 to help applicants deliver their projects as fully as they are able, without any additional financial allocations being made.
8. Secondly, the changes will support the LAG in completing cooperation projects. A number of such projects are now in development, with partner LAGs elsewhere in Scotland, the UK and Europe. I expect these projects to move toward LAG approval in the first half of 2018. A revised financial timeline for these projects in line with the Scottish Government position outlined above would allow for a 2 year delivery phase spanning mid-2018 to mid-2020. These projects can also be better supported by staff in the LEADER team as the other projects from the community, business and farm diversification strands move through their claim phase.
9. I therefore recommend that the Authority adopts the timetables for LEADER finance now set out by Scottish Government as its revised position for support of LEADER projects in Cairngorms.

Consequences for Cairngorms LEADER Programme

10. Extending the period over which LEADER projects may incur expenditure and claim from the Authority as AB should significantly assist in delivering effectively against the Local Development Strategy (LDS) and therefore mitigate one of the most significant

risks for the LAG in delivery of the Cairngorms LEADER Programme. These changes will also support the development and delivery of cooperation projects, which are themselves one of the strands of the LDS.

Accountable Body Position

11. The Audit & Risk Committee has been briefed on a number of significant difficulties the Authority has experienced with Scottish Government LEADER teams in its administration and monitoring of the programme. These difficulties are ongoing at the time of writing this paper and the Finance & Delivery Committee will be briefed on the status of this process at the meeting.
12. However, I consider that these matters should not influence the underpinning arrangements which the Authority implements to support the LAG in delivering Community Led Local Development in the Cairngorms, and in doing so making significant contributions toward delivering the National Park Partnership Plan.

David Cameron, 8 November 2017
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Version Control