

CAIRNGORMS NATIONAL PARK AUTHORITY

FOR DISCUSSION

Title: UPDATE ON CAIRNGORMS LEADER PROGRAMME

Prepared by: David Cameron, Director of Corporate Services

Purpose

This paper presents an update on the development and delivery of the Cairngorms LEADER programme.

Recommendations

The Board are asked to:

- a) Note the information on the development of the Cairngorms LEADER programme and establishment of the Cairngorms Trust.**
- b) Consider how the Board might wish to work in partnership with the Cairngorms Trust and / or seek to make use of the existence of the charity in delivery of National Park Partnership Plan priorities.**

Executive Summary

The Cairngorms LEADER Programme is now almost one year into its period of “live” operations, with the first funding decisions being taken in May 2016. The first Annual Report on Cairngorms LEADER has now been produced by the Cairngorms Trust, the Scottish Charitable Incorporated Organisation (SCIO) established by the Cairngorms Local Action Group (CLAG) as the corporate body through which LEADER and other charitable grant funding activities can take place.

The Annual Report and supporting documents are annexed to this paper for the Board’s consideration.

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Strategic Context

1. Establishment of the Cairngorms LEADER Programme 2014 to 2020 and consequent delivery of the Local Development Strategy over that period contributes toward National Park Partnership Plan (NPPP) Strategic Outcome 1 – A sustainable economy supporting thriving businesses and communities, and the NPPP 5 year outcome that communities will become more empowered and able to develop their own models of sustainability.
2. This work also completes NPPP work programme 4c – establish a Cairngorms LEADER fund from 2013 as part of the next LEADER programme.
3. The Cairngorms LEADER Local Action Group (CLAG) is also recognised as one of the key partners in delivery of Rural Development Priority 4 “Support communities through capacity-building specifically focus on the most fragile communities to deliver transformational change” set out in the Corporate Plan 2015 to 2018.

Strategic Policy Considerations

4. The Board has considered several papers and updates on the development of the Cairngorms LEADER programme and the establishment of a charitable entity, most recently at its meeting in June 2016.
5. The Board has previously endorsed the Local Development Strategy and business case for delivery of the Cairngorms LEADER programme prepared by the CLAG, and agreed to act as the Accountable Body for Cairngorms LEADER with provision of £70,000 annual support toward the management of the programme.

Strategic Risk Management

6. The potential for the CLAG and wider voluntary and charitable organisations to make effective and valuable contributions to the delivery of priorities for the Cairngorms National Park are recognised as a key mitigation over the risk that public sector financial constraints limit our capacity to deliver our corporate objectives (risk A1). An active CLAG delivering LEADER funding represents a potential source of alternate income to support appropriate projects involving the Authority in delivery of our priorities.

7. The need for an active and effective CLAG is also recognised as an element for managing the strategic partnerships needed by the Authority for effective delivery of our corporate plan priorities (risk A5). The progress made by the CLAG set out in this paper substantiates the ongoing reduction of risk in this regard.
8. The expectation of the LEADER programme moving into a more active funding phase over the next three to four years does create some potential for public confusion over who is responsible for decisions taken, and therefore a potential for the Authority's reputation to be impacted by any contentious decisions. Part of the rationale to support the incorporation of the LAG as a separate entity with its own clear legal personality has been to help mitigate this risk, with decisions and their consequences more clearly attributable to a body with its own distinct profile as opposed to the Authority.
9. The live operation of the LEADER programme does also expose the Authority to financial risk as the Accountable Body for Cairngorms LEADER. This has been previously discussed with the Finance and Delivery Committee when the proposed Service Level Agreement between the Authority as the Accountable Body and Scottish Government was produced. The financial risk of acting as a lead body for a large scale project is now also replicated by the Authority's role in supporting the Tomintoul and Glenlivet Landscape Partnership Project. In addition to facing potential funding clawback should there be audit issues of eligibility of expenditure for grant funding; the Authority also acts as employer for staff working on both projects. A review of this risk exposure by internal audit has been commissioned for 2016/17. These strategic risks of the Authority's role as Accountable Body have now been recognised in the strategic risk register (A11). Positive internal audit reports from reviews undertaken as part of the mitigation of this risk during 2016/17 highlight that effective controls are in place and have reduced the overall risk profile.

Implications

10. There are no new strategic resource or reputational issues raised in this paper.

Success Measures

11. A number of successful outcomes have been achieved since this subject was taken forward by the Board as an adopted strategic direction.
12. Scottish Government has now formally approved the Cairngorms Local Development Strategy and Business Plan, recognised formation of the Cairngorms LAG, and signed off the Service Level Agreement with the Authority as the Accountable Body.

13. The Cairngorms LEADER allocation has been confirmed at £2.97 million, representing an increase of £800,000 on the original allocation in the previous programme.
14. The Office of the Scottish Charities Regulator (OSCR) has now approved the formation of the Cairngorms Trust as a Scottish Charitable Incorporated Organisation (SCIO) on 21 April, following fairly length correspondence on the charitable objectives of the organisation and the fit of the elements of LEADER work on economic development and farm diversification with the charities public interest test.
15. Future success measures are now based on delivery of outcomes by the Trust in terms of its investment of LEADER funding to secure the priorities established in the Local Development Strategy, and also its wider charitable activities.
16. In terms of LEADER, the CLAG has developed a comprehensive monitoring and evaluation framework to measure the outputs gained from LEADER investment in the Cairngorms, monitor progress made against the LDS themes and also establish the contribution made to the national outcomes for LEADER established by Scottish Government. The key indicators included in this programme monitoring and evaluation framework, supplemented by project specific indicators, will provide the means of measuring the success of the programme.
17. The Annual Report at Annex I indicates that the programme to date is delivering £1.04 million of third party investment into community led local development projects, from £1.10 million of LEADER investment.

David Cameron

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davidcameron@cairngorms.co.uk