

Scottish Borders LEADER Local Action Group

Annual Report to 31st March 2020



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Front Page - *Tweeddogs Dog Day Care Centre – LEADER Grant £41,972. Construction of an all-weather indoor exercise/play area with kitchen and toilet facilities where exercise and stimulation activities can be provided.*

Front Page - *Ettrick & Yarrow Community Development Projects – LEADER Grant £24,292. Engagement of a Project Officer to develop 6 projects in the Ettrick Valley including Captain's Road Missing Link pictured.*

Front Page - *Dod Mill LEADER Grant £50,000. Conversion of an Old Kiln House into a Cultural space and upgrade disused buildings to create glamping/artistic accommodation spaces.*



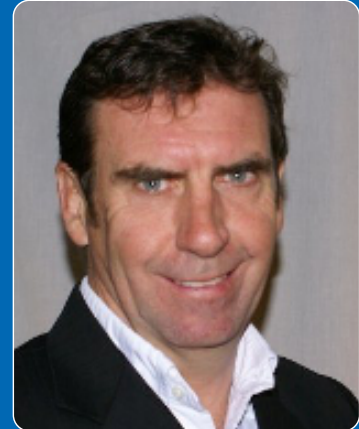
Scottish Rural
Development
Programme



Scottish Borders Local Action Group is part-financed by the Scottish Government and the European Community LEADER 2014-2020 Programme

1. Foreword from the Local Action Group Chair

Scottish Borders LEADER fully committed its project funding in February 2019. We were successful in securing additional funding of £58,234 from the Scottish Government central pot of funding towards the end of 2019 for the projects submitted in the last round but which could not be accommodated by Scottish Borders budget allocation. There has been a high demand for LEADER funding in the Scottish Borders area and we are extremely proud of the wide and diverse range of projects the 2014-2020 programme has accommodated.



All Scottish Borders projects were due to complete on 31st March 2020, however the impact of Covid-19 and subsequent lockdown resulted in the majority of our 59 projects facing unexpected challenges. Not only were contractual programmes of completion badly affected but also delivery of materials which meant many had no option but to put back expected completion dates. Our projects are to be congratulated on the way they have dealt with this unprecedented set back and the speed with which they negotiated the re-starting for works once the lockdown period ended.

Scottish Government has confirmed the original programme end date of 31st December 2020 is to be extended to 31st March 2021 to enable projects to fully complete and submit claims documentation for drawdown before the final deadline. Again, our projects have been very diligent in submitting claims regularly and timeously to assist the LEADER staff in processing these claims well in advance of the end of the programme.

The LAG is extremely proud of the dedication and hard work of the projects and LEADER staff who have worked together and adapted to this unexpected set back. There is a very skilled team who is exceptionally committed to driving forward to complete the programme in the necessary timescale whilst continuing to provide the necessary support and guidance to projects.

As the 2014-2020 LEADER Programme draws towards closure there is still no clear indication as to any funding which will fill the gap left by LEADER. The benefits of LEADER are apparent and MPs and MSPs are aware of the need for the replacement of some kind of rural development fund which can continue to assist in the diversification and progress of rural business and activities for the future.

Gary White
Chair, Scottish Borders LEADER LAG

2. Background

With Council support the Local Action Group delivers the LEADER programme in line with the requirements of the Scottish Borders Local Development Strategy (LDS) and supports projects which drive through change in line with the LDS priorities. The Local Action Group (LAG) is a voluntary group drawn from local rural stakeholders. It manages the LEADER Programme in the Scottish Borders and it makes decisions on which projects should be supported with the grant funding. The Local Action Group is supported by the LEADER team, employed on the LAG's behalf at Scottish Borders Council.

The Scottish Borders Local Development Strategy also informs the work of the **Fisheries Local Action Group (FLAG)**, which makes recommendations on local development funding from the **European Maritime Fisheries Fund (EMFF)**. Marine Scotland, the Government agency that manages the fund in Scotland, via the Forth FLAG is supported by Scottish Borders Council, as lead partner. The EMFF Programme Coordinator is based in an office in Eyemouth.

The two Programmes have separate processes and reporting procedures. The LEADER annual report does not report on EMFF activities but some administration costs of the FLAG are paid through the LEADER fund, so there is some reference to EMFF in the budget section.

3. Projects Activities to 31st March 2019

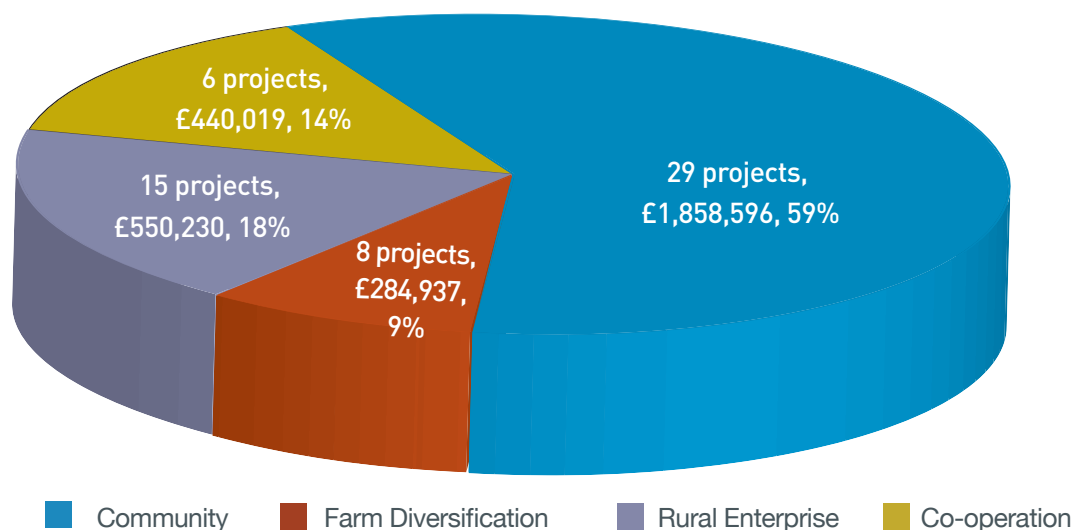
Demand for the LEADER 2014-2020 programme funding was extremely high and the fund effectively closed to new expressions of interest in August 2018. The Scottish Borders LEADER Programme project funding became fully committed in February 2019. Two projects could not be accommodated by the Scottish Borders allocation at the final round of decision-making but, following the set up of a Scottish Government central funding pot in June 2019, both projects were successful in securing funding from that source. Scottish Borders LEADER has now supported 59 projects to a total of £3,133,782 (see Fig 1).



Whitglen Small Animal Hydrotherapy – LEADER Grant £10,000. Development of existing buildings into a hydrotherapy pool with drying room, office and toilet facilities to provide water based rehabilitation for orthopaedic/neurological conditions in dogs and small animals.

Fig 1

Scottish Borders Allocation of LEADER Funds Across the 4 Funding Strands



The Scottish Borders LEADER website www.scottishbordersleader.co.uk provides more information about the programme. Copies of the Local Development Strategy and Minutes of LAG meetings are also available on the site.

4. Financial Report

The Scottish Government allocated a budget of just over £4m to Scottish Borders LEADER at the start of the programme. Following an LDS Change Request to amalgamate the targets for Farm Diversification and Rural Enterprise and consolidate the Enterprise Facilitator projects within the 'Community' strand, the budget was updated. During the period of reporting, one project totalling £82,629 required to withdraw and this commitment paid back to Scottish Government. Additional funding of £58,324 from the Scottish Government central funding pot provided an updated position as documented below (see Table 1).

Table 1

	Original Budget £	Revised Budget as at 31/3/19 £	Revised Budget as at 19/12/2019 £	Allocated £	Balance £
192. Community Projects	1,601,135	1,753,329	1,925,731	1,858,596	67,135
192. Farm Diversification	401,843	401,843	823,686	835,167	-11,481
192. Rural Enterprise	401,843	401,843			
193. Enterprise Facilitator	200,000	194,254	0.00	0.00	0.00
193. Co-operation	401,843	401,843	440,019	440,019	0.00
194. LEADER Admin & Animation	734,005	753,871	753,871	786,947	-33,076
194. EMFF Admin & Animation	227,758	72,581	72,581	88,999	-16,418
Balance of remaining additional EMFF	-	60,719	-	-	-
Totals	4,018,427	4,040,283	4,015,888	4,009,728	6,160

The breakdown of project funding awarded to 31st March 2020 is as detailed in Table 2.

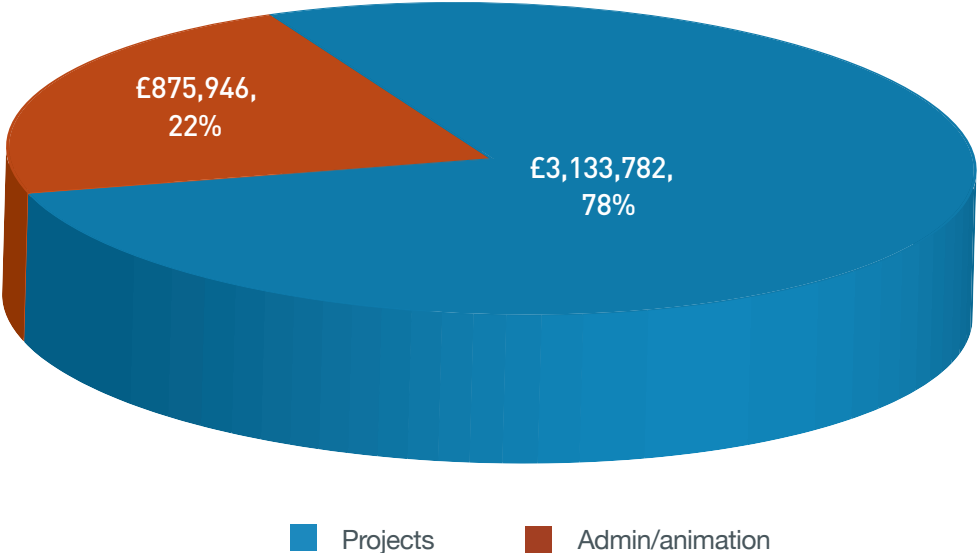
Table 2

	No.	Community	No.	Farm Diversification	No.	Rural Enterprise	No.	Co-operation
2015/16	0	0	0	0	0	0	0	0
2016/17	10	500,579	2	86,928	3	104,571	0	0
2017/18	13	939,973	2	73,480	6	162,746	1	76,235
2018/19	5	418,044	3	124,529	6	212,913	5	325,550
2019/20	0	0	0	0	2	70,000	1	38,234
TOTAL	28	£1,858,596	7	284,937	17	550,230	7	440,019

It is estimated that £875,946 will be required to cover the admin/animation activities of the programme by the end December 2020. This is approximately 22% of the overall budget but less than the 25% maximum allowable for admin/animation. It should also be noted that LEADER admin/animation budget also covers the running costs of the EMFF programme. It is estimated £786,947 will be required to finance LEADER admin/animation and £88,999 for EMFF admin/animation until end December 2020. (See Fig 2)

Fig 2

Estimated Spend as at 31st March 2020



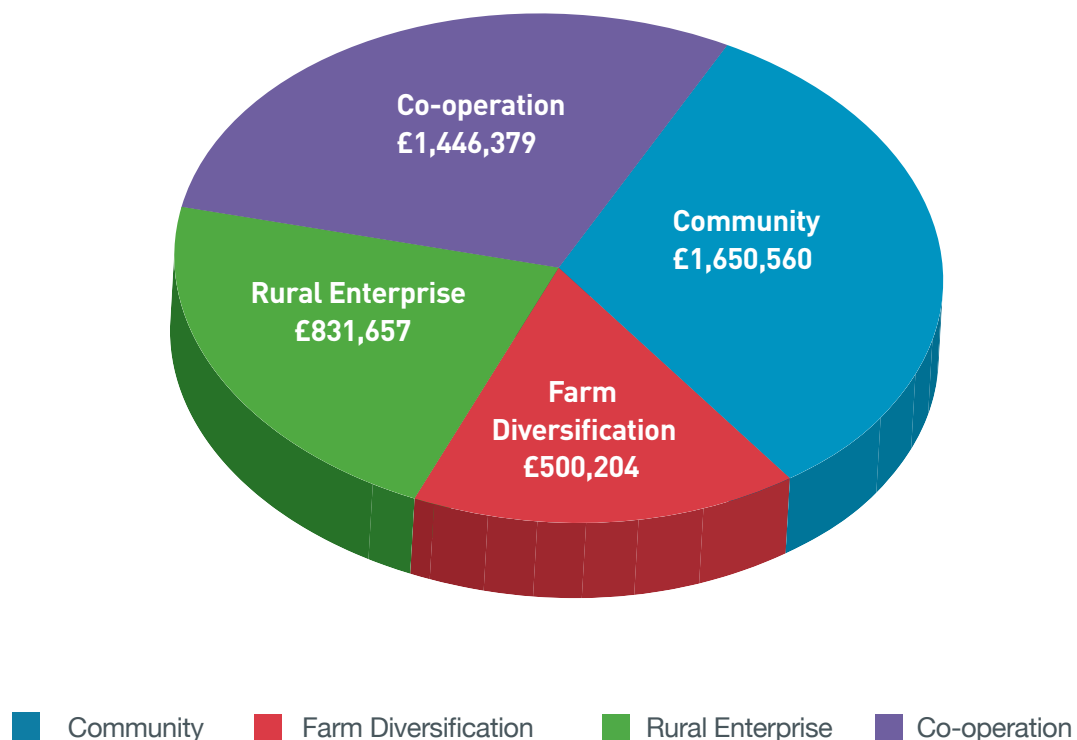
5. Funding Statistics

The LEADER 2014-2020 programme supports both community and rural business projects. The majority of the funding is to support core community projects. At the beginning of the programme a minimum 10% required to be committed for each of the Farm Diversification, Rural Enterprise and Co-operation strands. Following a directive by Central Government in July 2018, the minimum targets were revised to minimum 20% for Farm Diversification/Rural Enterprise and a minimum 5% for Co-operation. Scottish Borders has met the minimum 20% target for Farm Diversification/Rural Enterprise and has achieved well over the 5% minimum for Co-operation.

The 2014-2020 LEADER Programme has provided leverage to attract match funding at an overall value of £4,428,800 across Scottish Borders. The chart below shows how much match-funding has been brought in across each of the 4 strands during the reporting period (see Fig 3).

Fig 3

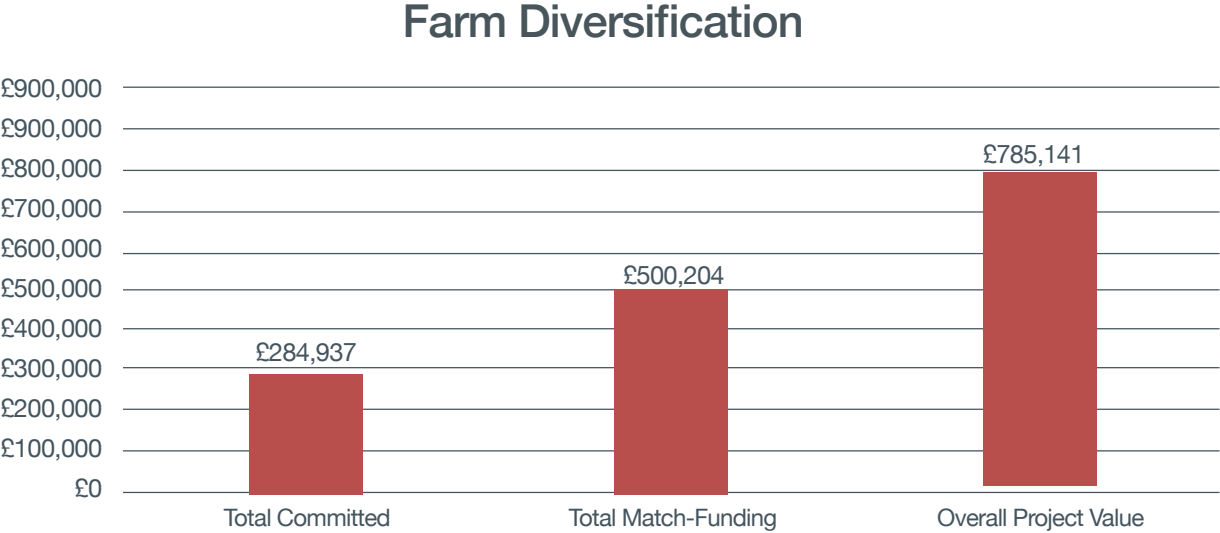
Total Value of Match-Funding for each of the 4 Funding Strands



Farm Diversification

LEADER has supported 7 farm diversification projects to a total of £284,937 (see Fig 4).

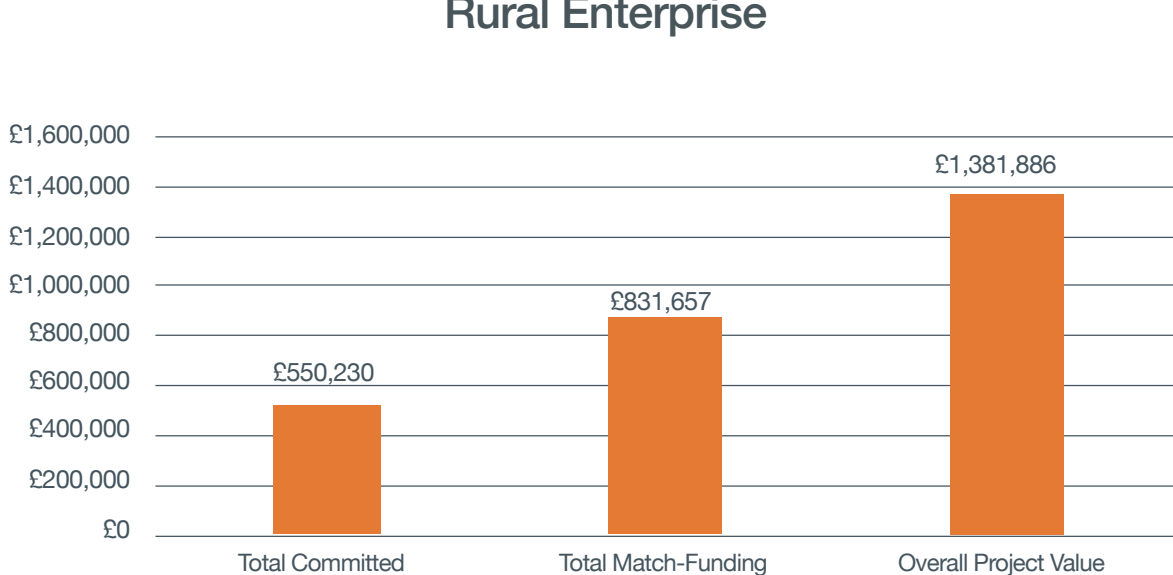
Fig 4



Rural Enterprise

LEADER has also supported the development of 17 projects for new small rural businesses or expansion of existing small businesses totalling £550,230 (see Fig 5).

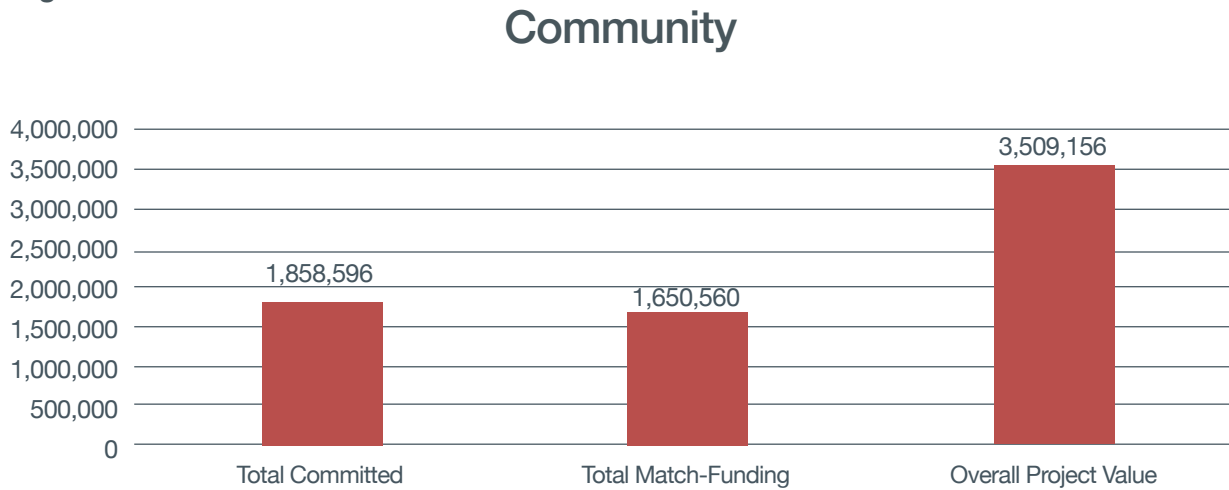
Fig 5



Community

Scottish Borders LEADER has contributed £1,858,596 towards the development of 28 community projects run by voluntary organisations and social enterprises (see Fig 6).

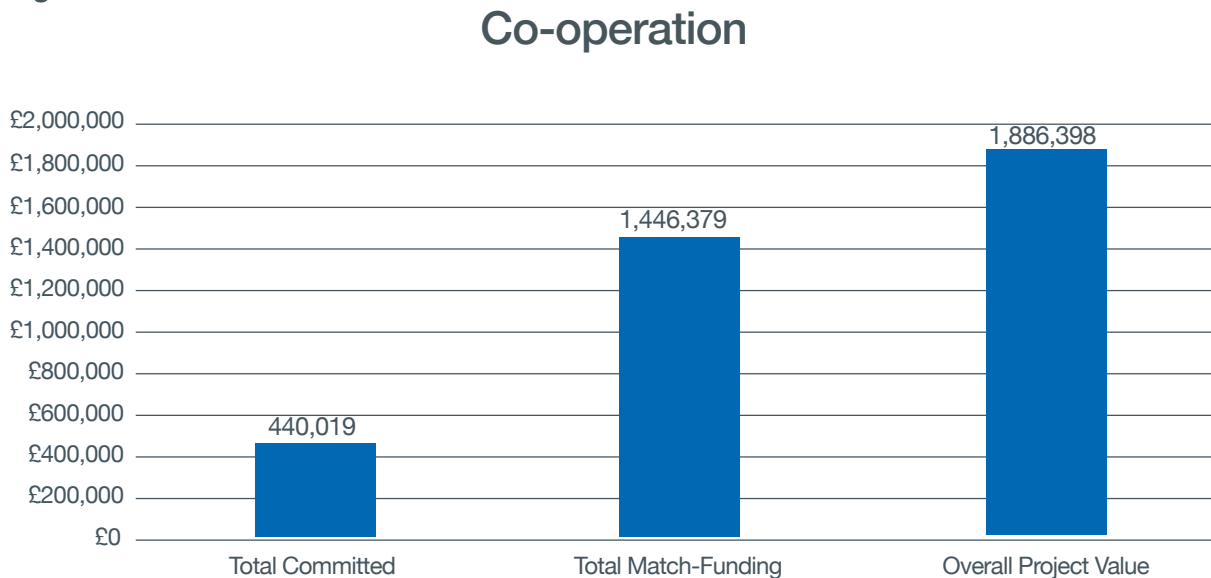
Fig 6



Co-operation

Scottish Borders LEADER supported 7 co-operation projects totalling £440,019 which are partnered with LAGs and organisations across Scotland (see Fig 7).

Fig 7





Enterprising Young People – LEADER Grant £94,942. Expansion of outdoor catering business ‘Food Punks’ (pictured) and bike repair business ‘Bike Punks’ to offer employability and skills development for young people in catering and bike repair/artistic metal artwork.

6. Monitoring & Evaluation

Due to the impact of Covid-19 and the required prioritisation of other programme activities to meet the needs of project support, the monitoring and Evaluation process has been unexpectedly delayed.

A celebration event planned by the LAG to bring together representatives from all projects was unable to go ahead due to the Covid 19 pandemic. It was hoped that workshop activities at this event would provide some valuable feedback for evaluation purposes. It is expected that feedback will now be obtained via online survey, telephone and video meetings etc with a variety of case studies and videos produced for the celebration event used to supplement evidence based information for the Monitoring and Evaluation report.

It is expected that all Borders projects will be complete by the end December 2020 and Monitoring and Evaluation will be on track to be completed by 31st March 2021.



Equestrian Theatre – LEADER Grant £18,649. Construction of a purpose built Equestrian Theatre which will enable hosting of theatrical shows at home and training for horses throughout the winter months.

7. The Future

At present the future is unknown as regards replacement funding to continue the support and development of rural business and community facilities in Scotland. A variety of consultations have taken place requesting feedback to be taken for consideration at government level when decisions are made on the future funding process. The UK Prosperity Fund, which is expected to be the source of funding for a LEADER type programme, as well as replacement for other previous European funding sources is still yet to be decided upon by UK Government.



The Hideout - LEADER Grant £18,960. Construction of a luxury self-catering accommodation unit in the form of a Hideout, based in the Upper Tweeddale area to encourage increased tourism.

LEADER team

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Enterprise Facilitator – Scottish Borders Small & Micro Business Mentoring Network - LEADER Grant £48,991. Employment of an Enterprise Facilitator to promote a group mentoring programme to small and micro businesses based in the Scottish Borders.

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LEADER TEAM

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