

**MEETING NOTE OF NESFLAG (PAC) – CONFERENCE CALL
TUESDAY, 13 SEPTEMBER 2016 AT 12.15 PM**

Participants

Jamie Bell	Scottish Enterprise (public)
Shelley Hague	Angus Council (public)
Robin Maddock	Banffshire Partnership (private)
Darren Broadley	Peter & J Johnstone (private)
David John McRobbie	Don Fishing Company (private)

Officers

Jamie Wilkinson	European Programmes Co-ordinator
June Jaffrey	European Programmes Claims Officer

1. Welcome & Apologies

1.1 Jamie Wilkinson welcomed those present.

2. Quorum

2.1 It was noted that quorum was met, with the Public and Private split workable in this instance.

3. Revision of Projects

3.1 Jamie advised the participants of the requirement for the conference call; the revision of the scoring and any further recommendation for the applications under consideration.

The applications under consideration were issued with the action points following the PAC meeting, and have responded with statements and revised documents.

PAC members advised they had reviewed the paperwork which the Co-ordinator had sent.

3.2 SCO1364 Buchanhaven Boat Shed

The applicant provided feedback and responses to the following;

PAC Feedback and Responses:	
1) The applicant should provide an update on the progress of their new constitution and plans to incorporate as a SCIO.	A constitution is complete and will be formally adopted at an EGM. The SCIO is attached on the NESFLAG website.
PAC Comments;	PAC satisfied.

2) Further evidence of community demand should be sought, for example letters of support, surveys, further research or evidence of public meetings held.	An open day was held with the project plans of the project displayed for public comment. Over 4,000+ people attended the event. Support was favourable, a number of letters of support have been provided by; Buchan Development Partnership, Aberdeenshire Voluntary Action, Community planning Officer Steph Swales, Buchanhaven Community Centre, Alex Geddes, Local Schools and Peterhead Feuars. The applicants have photos of the event showing the level of turn out.
PAC Comments;	It was felt a good level of community support was indicated.
3) The business case should be finalised prior to the FLAG meeting.	Liz Scott went through the operational costs with the applicants along with additional information regarding running costs. Work was undertaken to demonstrate the long-term sustainability of the project.
PAC Comments;	There was confusion around the cash flow figures as it appeared formulas within the spreadsheet were not copied correctly. Members were satisfied that the project be sustainable with a bank overdraft and the Awards For All funding.
4) Project cash flow should be prepared to demonstrate how the applicant will manage staged payments over the course of the project build.	The Co-ordinator confirmed that Awards for All funding has been confirmed and that reasonable cash reserves are held by the applicants.
PAC Comments;	PAC satisfied.
5) An operational cash flow should be prepared to demonstrate how the building will be financially sustainable.	The Co-ordinator confirmed that a full funding package is in place by means of; own funds and various Aberdeenshire council funding schemes.
PAC Comments;	PAC satisfied.
ACTION;	The Co-ordinator will have the group address the cash flow document/spreadsheet.
6) The applicant should provide further details of external support	It was advised that the group have capacity to support the project in the

available to them in order to ensure the project is successfully delivered.	long-term, with the Peterhead Feuars Managers overseeing the harbour and organisation such as Aberdeenshire Council, Buchan Development Partnership, and AVA offering support on an on-going basis. Liz scott is confident in the ability of the group and their support network; with future NESFLAG monitoring picking up any issues/queries and resolving.
7) A statement should be submitted by the applicant outlining how the facility will be operated to ensure that it will be managed as a community facility open to use by the wider public.	The attachment was missing - the Co-ordinator will attach.
RECOMMENDED GRANT CONDITIONS:	
The PAC were in agreement with grant conditions being applied as per the following;	
1) The building should be maintained for wide community use and open to anyone to rent for boat repairs or other such activities (a booking system to be operated with a strict no priority for berth holders or community members' clause). A small fee to be applied to cover overheads.	
2) The applicant should work with local schools and other groups to encourage partnerships for use of the building, e.g. demonstrations, training sessions etc.	

Scoring for SCO1364 Buchanhaven Boat Shed;

The previous score for the application was 11/15 and was further discussed. After discussion the PAC were in agreement that many of the criteria scores were still applicable with one change to "Need for Grant" as indicated below.

Criteria	Score	Comments
Strategic Fit	3	No change
Horizontal Themes	2	No change
Need for Grant	2	Consensus was reached to increase this score given the additional evidence be provided by the applicants.
Value for Money	3	No change
Capacity to Deliver	2	No change

PAC RECOMMENDS THAT THIS APPLICATION IS APPROVED WITH CONDITIONS.

3.3 SCO1367 Leisure-Commercial Pontoons at Port Henry Marina

There was discussion around the applicant's requirement for funding given the cash

reserves held by the applicants. It was agreed that a further discussion on this would take place at the full meeting.

The applicant provided feedback and responses to the following;

PAC Feedback and Responses:	
1. The applicant should clarify its state aid position, and whether it will be able to receive the grant under de minimis. If the applicant does not have remaining de minimis allowance, it may be difficult to award the grant and further discussions will have to take place with Marine Scotland.	The Co-ordinator spoke with Scottish Govt. to clarify State Aid funds from the likes of EMFF and EFF were approved schemes and awards under these did not count under <i>de minimis</i> arrangements. Therefore there is no State Aid issue.
PAC Comments;	Some PAC members had reservations on large organisations applying for funding but it was determined that the decision to approve/reject lay with NESFLAG.
2. The applicant should be clearer about the main beneficiaries of the project, i.e. the inshore fisheries sector. The business case should reflect this and focus on encouraging new entrants to the sector and increased provision for inshore fishermen.	The Co-ordinator spoke with the consultant who has re-focused the business case toward inshore fisheries activity. The project is not to support increased catch but to provide a safer environment and space for larger vessels.
PAC Comments;	PAC satisfied.
3. The applicant should clarify that the project is a ring-fenced, standalone investment which is only viable with grant support. The PAC was concerned that additionality has not been sufficiently demonstrated at present.	Ring-fencing is hard to test but the project cannot go ahead without grant support. A query on an earlier application was clarified – in that the application was to the wider EMFF programme not AEFf and may have been rejected as there may have been a more suitable AXIS programme.
PAC Comments;	Clarity was required on the previous funding application and reasons for rejection; it was confirmed that this does not impact on this programme as the application was in an earlier scheme.
4. The applicant should confirm that no other grant funding is available (e.g. Coastal Community Fund, national EMFF programme etc.).	Concerns were raised on the applicant not waiting for Peterhead Regeneration funding; the PAC were advised that the work would be done

	over the Winter and that the timetable is to fit with a wider development. The Coastal Communities Fund closed in mid-august and is not likely to hold another round until 2017.
PAC Comments;	PAC satisfied.
5. The applicant should confirm that existing capital reserves as shown in its accounts are earmarked for other investments and not available for this project.	The PAC were satisfied that grant reserves and funding were appropriately allocated as demonstrated by the Business Plan
PAC Comments;	PAC satisfied.
RECOMMENDED GRANT CONDITIONS:	
The PAC were in agreement that grant conditions be applied as per the following;	
1. One berth should be made available to any future enterprise which involves eco-tourism or harbour tours (but would be accessible for fishing vessels).	
2. One berth should be reserved for large visiting yachts to tie-in to non-fishing local economy use.	

Scoring for SCO1367 Leisure-Commercial Pontoons at Port Henry Marina;

The previous score for the application was 13/15 and was discussed further. After discussion the PAC were in agreement that the criteria scores did not require adjustment.

Criteria	Score	Comments
Strategic Fit	3	No change
Horizontal Themes	2	No change
Need for Grant	3	No change
Value for Money	2	No change
Capacity to Deliver	3	No change

PAC RECOMMENDS THAT THIS APPLICATION IS APPROVED WITH CONDITIONS.

- The PAC were reminded the NEFSLAG meeting date is 21 September 2016.

Note Taker – June Jaffrey
European Programmes Claims Officer
14/09/16