

**NOTE OF NESFLAG (PAC) CONFERENCE CALL  
TUESDAY, 20 JUNE 2017 AT 14.00 PM**

**Participants**

Robin Maddock	Banffshire Partnership (private)
Darren Broadley	Peter & J Johnstone (private)
Jamie Bell	Scottish Enterprise (public)
Stephen Murray	Royal National Mission to Deep Sea Fishing (private)

**Officers**

Martin Brebner	Team Manager – European Policies & Programmes
Jamie Wilkinson	European Programmes Co-ordinator
June Jaffrey	European Programmes Claims Officer

**1. Welcome & Apologies**

1.1 Jamie Wilkinson welcomed those present. Apologies were noted from Shelley Hague, Andrew Newton and David John McRobbie.

**2. Revision of Projects**

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

**2.2 SCO1807 Rosehearty Community Boat Club – New Rosehearty Clubhouse**

The applicant provided the following responses to the questions raised by the PAC:

<b>PAC Feedback and Responses:</b>	
1) The detail of the cash flow should be improved, and attention should be paid to how the applicant will manage the staged payments during the course of the project.	The cash flow has been revised and now reflects the correct project expenditure and grants received. The applicant has sufficient reserves to cash flow the project.
<b>PAC Comments;</b>	The applicants advise they have positive cash flow for the term of the project and if required can access additional finances from a trustee (they do not wish to approach SIS). The PAC were satisfied with this response.

<p>2) The applicant should provide a statement of the running costs (including maintenance) of the refurbished building over a period of 5 years, and also factor the existing former church building into these calculations.</p>	<p>The applicant has provided a document which details the expected running costs of the organisation following the refurbishment of the new building. The club has appropriate insurance to cover major repairs and the income is forecast to cover all maintenance and running costs.</p>
<p><b>PAC Comments;</b></p>	<p>A statement on projected running costs and future income was provided. These have been reviewed and considered reasonable. It was noted however that the applicants are somewhat passive with regard to promoting and proactively bringing in income.</p>
<p>3) Information should be provided about the confidence of success with the funding match funding applications, and the timings of the decisions.</p>	<p>The applicant has provided a statement about the match funding timescale. One of the proposed match funding applications (MacRobert Trust) has been refused and the applicant has made an application to an alternative funder (Trusthouse Charitable Foundation).</p>
<p><b>PAC Comments;</b></p>	<p>Applications to other funders was advised;</p> <ul style="list-style-type: none"> <li>• MacRobert Trust application was unsuccessful as the fund was over-subscribed.</li> <li>• Robertson Trust application was unsuccessful.</li> <li>• Baxter Trust application submitted; decision is due in Oct 2017.</li> <li>• Aberdeen Airport Community Trust application has not been responded to.</li> <li>• Banff &amp; Buchan Area Initiatives Fund application submitted; decision is due on 20 June 2017.</li> <li>• Trust House Charitable Foundation applications require match funding of 50% to be in place prior to applying – the applicants are awaiting the NESFLAG decision before applying to this scheme.</li> </ul>
<p>4) The applicant should consider potential future income that the building could generate which could make the organisation more financially sustainable.</p>	<p>The main sources of income from the new building are expected to be generated by meeting room lets (e.g. community council, children's parties etc.) and fees from caravans using the</p>

	chemical toilet disposal and water supply. This income should cover the running costs of the building in the medium term.
<b>PAC Comments;</b>	The facility is to be let to groups and private individuals. The applicants suggested that the use would be at no cost but it was suggested a nominal hourly fee be applied (to raise revenue). The PAC were satisfied with this response.
5) The PAC were concerned about the high level of financial contribution from the applicant, and whether sufficient reserves will be in place to address future unknown costs.	The club will have reserves of around £18,000 by the project start date (October 2017). The applicant has reduced its contribution slightly but is confident that it will retain sufficient reserves.
<b>PAC Comments;</b>	The applicants will have cash reserves after the project and will undertake annual Summer fundraising. PAC are satisfied.
6) Considering the nature of the proposed activities in the building, the PAC suggested that the applicant adopts an equalities policy.	The organisation's constitution deals with equalities issues, but the applicant has agreed to work on an equalities policy and will adopt prior to the completion of the project.
<b>PAC Comments;</b>	An Equalities Policy will be adopted. The PAC are satisfied with this proposal.
<b>RECOMMENDED GRANT CONDITIONS:</b>	
The PAC were in agreement with grant conditions being applied as per the following;	
1) All match funding to be confirmed prior to the work commencing – consideration on funding confirmation time limit will be decided by the FLAG.	
2) The building should remain available for let by the wider community – promotion to be considered more strongly by the applicants; the wording of the condition to be decided by the FLAG.	
3) The group should adopt an equalities policy prior to the completion of the building.	

### **Scoring for SCO1807 Rosehearty Community Boat Club – New Rosehearty Clubhouse;**

The previous score for the application was 8/15 and was further discussed. After discussion the PAC were in agreement that many of the criteria scores were still applicable with changes to “Need for Grant” and “Value for Money” as indicated

below. The revised score is 12/15.

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

**PAC RECOMMENDS THAT THIS APPLICATION IS APPROVED WITH CONDITIONS.**

### 3.3 SCO1872 The Bayview Fishermen's Respite

The Co-ordinator advised that the applicant has reconsidered how the operation will be managed going forward; the ground floor and first floor now to be managed on a business/sole trader basis (running the Respite centre and craft/community/café space). This does not affect the eligibility for EMFF funding. The FLAG must decide whether it is appropriate to make an award to a sole trader rather than a business or charity.

The applicant provided feedback and responses to the following;

<b>PAC Feedback and Responses:</b>	
1. Although the PAC was broadly supportive of the 'Fishermen's respite' concept, it was of the opinion that the application would be more appropriately made from the charity (as the end user of the building) rather than the building's owner.	The applicant has reconsidered her position on this matter. Due to complications with OSCR's assessment of the charitable status she has decided to pursue the hostel enterprise as a sole trader rather than a SCIO.
<b>PAC Comments;</b>	The PAC are concerned about the status of the applicant organisation and longevity.
2. It was agreed that before the application could be approved the charity should be established and a lease should be agreed with a specified rent and a minimum term of 10 years.	In lieu of a lease, the applicant is willing to commit to the running of the 'Fishermen's Respite' business for a long term period. This could be written into the contract as a special condition of the grant.
<b>PAC Comments;</b>	No business plan was provided and evidence of market demand has not been demonstrated. Industry support should be considered by the applicant

	as there would be limited intermittent demand in Macduff.
3. Although the PAC recognises that the application for the heating system is eligible, it would welcome a wider project covering more of the costs (e.g. kitchen appliances or computer equipment) associated with the respite centre.	The applicant has a 'reuse, recycle' approach to the redevelopment of the building and, to date, has done a lot of work for a remarkably small investment. The majority of the materials, furniture, carpets etc. have been donated or sourced for free. There is therefore very little of the wider project which could be funded by the FLAG, and the heating system is one of the few major purchases.
<b>PAC Comments;</b>	The PAC acknowledge that only the heating system package/element of the wider project that can be funded; due to the method the applicant has chosen regarding the sourcing of materials and labour etc.
4. Further consultation with stakeholders (e.g. fishing boats, Producer Organisations, Fishermen's Mission, Seafarers, etc.) should be undertaken to provide input to the project.	The applicant has been consulting daily with the international fishermen and is already offering space for socialising, eating etc.
<b>PAC Comments;</b>	Concerns were raised that no proof of demand/usage of the respite centre has been provided. Written evidence is required.

### **Scoring for SCO1872 The Bayview Fishermen's Respite;**

Scoring was not undertaken at the PAC meeting of 31 May 2017, nor scored today as the PAC did not feel that sufficient information to make a meaningful score has been received.

### **PAC RECOMMENDS THAT THIS APPLICATION IS DEFERRED.**

The PAC suggest that any future funding application should consist of;

- Business Plan – evidencing cash flow, salary being drawn etc.
- Evidence of demand from organisations/Skippers/Fishermen etc.
- Confirmation of Sole trader status.
- Change of Use permission to be secured in advance of future application.

4. The PAC were reminded the NEFSLAG meeting date is 28 June 2017, Montrose. Lunch will be provided.

Note Taker – June Jaffrey, European Programmes Claims Officer 20/06/17