

REPORT TO INFRASTRUCTURE SERVICES COMMITTEE – 8 JUNE 2022

COMMUNITY LED LOCAL DEVELOPMENT FUNDING

1 Executive Summary/Recommendations

1.1 This Report updates the Committee on the launch of the 2022-23 Rural Community Led Local Development Fund. This effectively replaces the previous LEADER programme, with funds to be managed by local partnerships. The paper proposes that the Council acts as Accountable Body for and remain a member of the North and South Aberdeenshire Local Action Groups in order to deliver this funding.

1.2 The Committee is recommended to:

1.2.1 Note the launch of the Rural Community Led Local Development Fund and the indicative allocation of £1,030,000 to the North and South Aberdeenshire Local Action Groups;

1.2.2 Agree that the Council acts as Accountable Body for the partnerships and funding for the 2022-23 financial year;

1.2.3 Agree that the Council remains a member of the North and South Local Action Group partnerships until at least 30 April 2023.

2 Decision Making Route

2.1 The LEADER programme supported bottom-up, Community Led Local Development in rural communities by providing funding to partnerships of community, private and public representatives known as Local Action Groups (LAGs) to deliver place-based Local Development Strategies. Funding was provided from the European Agricultural Fund for Rural Development and the Scottish Government until the end of 2021.

2.2 On 18 August 2016 ([Item 11](#)), Infrastructure Services Committee **agreed** to:

- (1) Authorise the Council to act as Lead Partner for the North and South Aberdeenshire Local Action Groups; and
- (2) Delegate decision-making on project grant funding awards to the Director of Business Services in respect of projects which have been recommended for approval by the Local Action Group.

2.3 On 17 June 2021 ([Item 14](#)), Infrastructure Services Committee **agreed**:

- (1) to note the findings of the evaluations of the North and South Aberdeenshire Local Development Strategies; and

- (2) to note that the Council continue its role as Lead Partner/Accountable Body for the North and South Local Action Groups for the remainder of the 2021/22 financial year.

2.4 On 30 September 2021 ([Item 11](#)), Infrastructure Services Committee **agreed**:

- (1) to endorse the partnership review of the North Aberdeenshire and South Aberdeenshire Local Action Groups; and
- (2) to agree that the Council would continue to participate in the partnerships for a further year.

2.5 On 22 April 2022, an update was received from the Scottish Government on its proposed approach for a community led local development approach across rural Scotland following the closure of the LEADER programme. A new Rural Community Led Local Development (CLLD) fund is to operate for the 2022-23 financial year. £7.6m of the total £11.6m programme budget is to be allocated to LAG Areas based on the socio economic profile of each area alongside population and size. The indicative allocations to the North and South Aberdeenshire LAGs are £430k and £600k respectively.

3 Discussion

3.1 In order to access their allocations, LAG partnerships were required to submit business plans to the Scottish Government. First drafts were due by 29 April and final documents by 31 May 2022. However, at the time of writing, the template for business plans is still awaited from the Scottish Government.

3.2 If the business plans are approved, a grant agreement would need to be entered into between the Scottish Government and an Accountable Body. Aberdeenshire Council undertook this role for the North and South LAGs for LEADER funding, which involves employing staff; contracting with/paying grants to project sponsors; and claiming grant from/reporting to the Scottish Government. As the Rural CLLD funds are set to operate in a similar way to LEADER, it is recommended that the Council act as Accountable Body for this funding.

3.3 It is also recommended that the Council participates in the North and South Aberdeenshire LAGs whilst the funds are administered. This would extend the Council's commitment until 30 April 2023, as agreed by ISC on 30 September 2021. Continued participation beyond this point would be considered when sufficient information is available on future CLLD funds.

4 Council Priorities, Implications and Risk

4.1 Given the broad scope of the fund's priorities, all Council priorities are relevant to this report:

Pillar	Priority
Our People	Education Health & Wellbeing
Our Environment	Infrastructure Resilient Communities
Our Economy	Economy & Enterprise Estate Modernisation

4.2 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial	X		
Staffing	X		
Equalities and Fairer Duty Scotland		X	
Children and Young People's Rights and Wellbeing		X	
Climate Change and Sustainability		X	
Health and Wellbeing		X	
Town Centre First		X	

4.3 The financial implications of this Report are that the Council would be responsible for the management of £1,030,000 of funding. This would involve the Council entering into contracts with project sponsors/external contractors and recovering funds from the Scottish Government. There is a risk that this funding may not be recovered from the Scottish Government if expenditure is viewed to be ineligible or projects are not delivered. This can be mitigated through effective management of the funds and the allocation of staff resources to undertake this work. Up to 15% of the funds (£154,500) may be used for programme administration and animation (e.g. marketing/promotion of the funds and working with communities to develop projects). Additional staff resources may be required but would be paid for by this capacity funding.

4.4 An Integrated Impact Assessment will be carried out as part of the Business Plan development process.

4.5 The following Risks have been identified as relevant to this matter on a [Corporate Level](#):

- ACORP001 – Budget Pressures
- ACORP002 – Changes in government policy, legislation and regulation
- ACORP005 - Working with other organisations (e.g. supply chains, outsourcing and partnership working)

The following Risks have been identified as relevant to this matter on a [Strategic Level](#):

- BSSR003 - We live within our means and use public money to maximise outcomes for our communities

5 Scheme of Governance

- 5.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.
- 5.2 The Committee is able to consider and take a decision on this item in terms of Section F.1.1 of the List of Committee Powers in Part 2A of the Scheme of Governance as it relates to an Economic Development policy and resource matter.

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