

**AYRSHIRE LEADER LOCAL ACTION GROUP
LOCAL DEVELOPMENT STRATEGY
AND BUSINESS PLAN**

BUSINESS PLAN

Submitted by: South Ayrshire Council

May 2008

Fraser Associates
Management and Economics Consultants

in association with

the rural development company

CONTENTS

Chapter		Page
1	<u>Delivery Process</u>	2
2	<u>Discrimination, Diversity, Disability and Equality</u>	7
3	<u>Administrative and Financial Arrangements</u>	8
4	<u>Project Development And Approval Procedure</u>	11
5	<u>Communications Action Plan</u>	16
6	<u>Planned LAG Activities</u>	19
7	<u>Actions Proposed</u>	22
8	<u>Project Selection Criteria</u>	24
9	<u>Monitoring and Evaluation</u>	26

1 DELIVERY PROCESS

1.1 Administrative and Financial Lead Body

The prospective Ayrshire LEADER Local Action Group (LAG) have agreed that South Ayrshire Council Enterprise Service will take responsibility for the function of Administrative Lead and Accountable Body for the Ayrshire LAG. The working group which is leading the development of the LEADER approach in Ayrshire, on behalf of the Local Action Group, will continue to be supported by South Ayrshire Council Enterprise Service. South Ayrshire Council possess the appropriate capacity and systems to administer large scale public funding programmes. They have extensive experience of the management and administration of public and EU Programme Funds. The Enterprise Manager has direct experience of acting as Accountable Body lead officer for a LAG under the LEADER+ Programme.

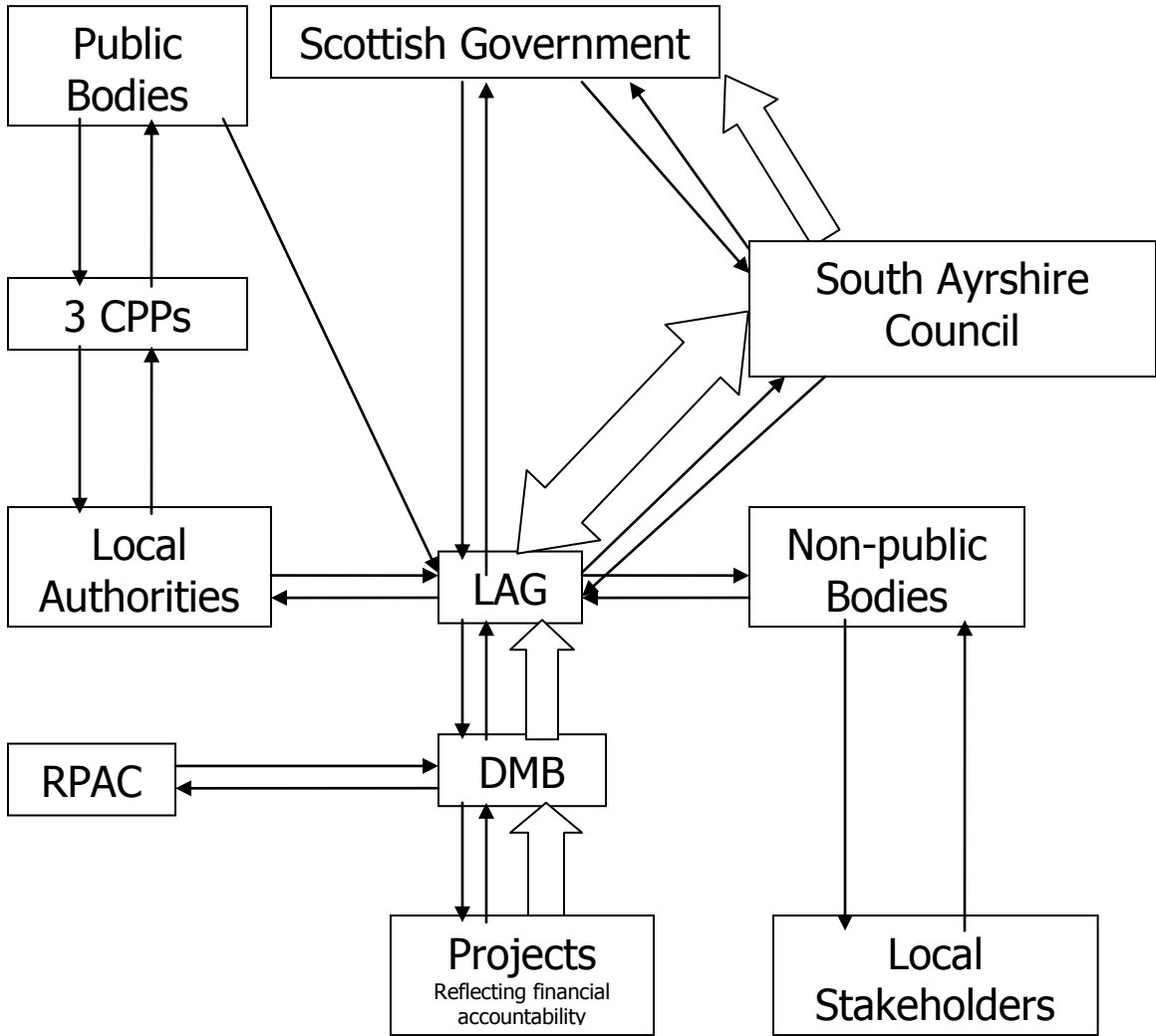
The Accountable Body will be responsible for:

- ensuring Programme compliance and systems management;
- the financial accountability of the Programme; and
- the employment and line management of Programme staff on behalf of the LAG.

1.2 Community Planning Partnership and LAG Structure

The LAG will link with the three Community Planning Partnerships (CPPs) which cover the rural area of Ayrshire through the three local authorities who will be responsible for ensuring effective communication between the LAG and CPPs. This allows for a common basis of linkage and communication, and for the circumstances in each CPP to be addressed appropriately. Further links will exist through common membership by other public sector, community and voluntary organisations which will help to inform the work of both groupings. The diagram below, Figure 1, outlines this information flow and the other lines of communication and responsibility for the Ayrshire LAG.

Figure 1: LAG Lines of Responsibility, Communication and Fit with Community Planning Structure



Key:
 ⇄ Information flow
 ⇒ Accountability

It is the intention of the Ayrshire LAG partnership to operate collectively in pursuing the objectives of the strategy rather than its members representing individual organisational interests. LAG partner organisations will be encouraged to involve colleagues with relevant connections, knowledge, skills or capacity as appropriate, adding value to the partnership and the delivery of the strategy. Each partner organisation will have an equal voice in decision making; the partnership will seek to reach all decisions by consensus insofar as is practicable.

The LAG will demonstrate effective linkages with the Community Planning Partnerships in relation to the delivery of the LEADER Programme in Ayrshire. Its principal responsibilities will be:

- ongoing strategy development;
- driving the community engagement and participation process;
- establishment of financial and operational structures;
- monitoring strategic outcomes;
- effective liaison with the Community Planning Partnership teams to optimise complementarity for LEADER with other local plans and strategies;
- active liaison with the RPAC; and
- decision-making on applications above delegated limits.

All LAG members are committed to direct involvement in the delivery of the Programme and will actively support the work of the LAG and staff in the field thereby adding considerably to the overall resource and development effort.

1.3 Operational Complementarity

The links established through the three Community Planning Partnerships will ensure that opportunities for complementarity with initiatives and funding streams delivered by partners in Ayrshire will be optimised and that performance will be monitored. LAG staff will work along with Community Planning Partnership, Local Authority and other relevant partner organisations staff providing direct support for the promotion and delivery of the Programme in their respective areas.

Partnership Links will be established between the LAG, Community Planning Partnerships and the SRDP RPAC for Ayrshire region through LAG partners who also sit on the RPAC, specifically South Ayrshire Council, Forestry Commission, SNH, the Ayrshire Structure Plan Team and LAG members. At local level, relevant projects will be expected to take explicit account of priority-setting by the RPAC for Axis 3 of the Scottish Rural Development Programme at the time of application.

Complementarity and demarcation with the Lowland and Upland Scotland ERDF Programme is of greatest relevance with respect to Priorities 1 and 2 of that Programme as there is common scope in relation to supporting business viability, more sustainable economic use of natural assets and addressing the community dimension to economic development. This has largely been addressed at a Programme level to ensure that there is no overlap in eligibility and that there is full complementarity in the activities supported.

East Ayrshire Council Economic Development Department will take specific responsibility for ensuring complementarity and demarcation with Lowland and Upland Scotland ERDF Priority 4 which applies only in that Council area.

The LAG will scrutinise other European Programmes such as LUPS and Interreg IV to ensure maximum complementarity and benefit is achieved.

Similar arrangements are in place at the Programme level for the Lowland and Upland Scotland ESF Programme particularly in relation to Axis 3 of the SRDP. Specifically complementarity is envisaged in respect of limited training for individuals in the sectors mentioned for SRDP under ESF and vocational training for individuals in the agricultural, food and forestry sectors.

1.4 Decision Making Body

A Decision Making Body (DMB) formed as a sub-group of the LAG will be responsible for the day to day overview of the delivery of the Programme and its operational management. Meeting on a regular bi-monthly basis, the DMB will be chaired by the LAG Chair. Membership of this group respects the essential LAG criteria in terms of its balance and composition. All members will be equally responsible for the delivery of the work of the group. All group members will be involved in the assessment of projects with two members assessing each project. The LEADER Programme Co-ordinator will be responsible for the technical appraisal of projects prior to members' assessments and will act as secretary to the group. As with the LAG, partners will be encouraged to involve colleagues where they can make a specific contribution to the work of the group.

The South Ayrshire Council Enterprise Service are responsible for providing the Council and Community Planning partners with advice and guidance on accessing the full range of EU funding available in the area. Similar support will be made available to the LAG to ensure complementarity with other funding sources is achieved and that any duplication or overlap is avoided.

The indicative ten organisation membership could be as follows:

Public Sector:

- South Ayrshire Council.
- Forestry Commission Scotland.
- SNH.
- South Ayrshire Association of Community Councils.
- East Ayrshire Council.
- North Ayrshire Council.

Social and Economic Partners:

- Scottish Rural Property and Business Association.
- Young Farmers.
- Ayrshire Chamber of Commerce.
- North Ayrshire CVS.
- WRVS.
- Council for Voluntary Organisations (South Ayrshire)

At least two member organisations from both public sector and the social and economic partners will change on a 2 year rotation system as agreed by the LAG. Every effort will be made to ensure that the LAG and DMB combine representation of age and gender balance.

The principal responsibilities of this group will be:

- to make any necessary operational decisions essential for the continued effective delivery of the Programme;
- the allocation of project applications to DMB members to conduct project assessments;
- decision-making on project applications (large scale projects seeking over £20,000 LEADER funding will be referred to the main LAG with a recommendation);
- oversight and monitoring of the physical and financial performance of the Programme receiving and approving the Programme Co-ordinator's monthly report on the operation of the Programme;
- proactively drive the pursuit of innovative solutions;
- monitor the equal opportunities process and progress against target groups and make any necessary recommendations arising;
- support strategic project development and coordination;
- maximise the opportunities for operational and funding integration;
- ensure complementarity with other programmes and funding streams; and
- reporting to the LAG on the above.

All reports will be prepared by the LEADER Programme Co-ordinator and submitted to the DMB for consideration and approval.

The operation of the DMB and all the decisions made will be subject to monitoring by the full LAG and will be in accordance with operational procedures and the scheme of delegation set by the LAG.

Members of the DMB will be reminded of their responsibility to declare any interest in any of the projects put forward for support at the beginning of each meeting. The registration of such interests will be minuted for each case and members declaring such an interest will neither seek to influence nor take part in the decision-making process.

Recommendations regarding quality thresholds for awarding LEADER support to projects will be developed by the DMB and agreed at an early meeting. These will be subject to review following the first six months of operation and annually thereafter.

2 DISCRIMINATION, DIVERSITY, DISABILITY AND EQUALITY

The Ayrshire LEADER LAG have agreed to adopt South Ayrshire Council's policies in relation to discrimination, diversity, disability and equality. These are attached at Annex I. The promotion of equality of opportunity within the LAG area irrespective of sex, race, colour, ethnic or national origin, marital status, disability, sexual orientation, religious beliefs or age will be reflected by the LAG in its membership, strategy, business plan and operational approaches. The LAG and DMB will respect these principles insofar as is practicable, and both bodies will involve members with specific knowledge and expertise in equal opportunities.

All LAG members and staff will be offered training with regard to equal opportunities to help ensure that these are fully considered in the decision-making process. Financial provision for the costs associated with this will be incorporated in the LAG administration budget. Such training will also be made available to groups promoting projects and, where appropriate, may be required as a condition of award of grant. The LAG will ensure the provision of guidance relating to equal opportunities for all project applicants.

Project assessment and audit procedures will specifically include consideration of whether equal opportunities have been effectively addressed. All LAG members, staff and the DMB will be charged with responsibilities in this regard. Where particular examples of good practice are identified, this will be recorded and highlighted in local publicity and to the LEADER Network.

3. ADMINISTRATIVE AND FINANCIAL ARRANGEMENTS

3.1 LAG Staff

A full time staff team of two will be employed by South Ayrshire Council as administrative and financial lead body on behalf of the LAG to support the operation of the LAG and the delivery of the Programme. The Programme Co-ordinator will be supported by a Programme Officer. LAG staff will have direct operational responsibility for the Programme. Their work in the field will be supported and complemented by relevant staff from partner organisations and the Community Planning Partnerships on a reciprocal basis thus strengthening the operational development resource.

The Programme Co-ordinator will be responsible for the day to day management of the Programme and the delivery of the strategy and business plan. This will include the key roles of animating and facilitating community involvement and project development. Other key responsibilities include:

- liaison and communication with rural communities and strategic partners including LAG partners, Community Planning Partnerships and the RPAC.
- management of the LEADER team.
- promotion and publicity relating to the Programme.
- responding to general and specific enquiries.
- providing advice and guidance to project promoters.
- delivery of briefings or training sessions for groups of LEADER project promoters on eligibility criteria and the preparation of applications.
- project technical and eligibility appraisals including the value for money, realism and deliverability of all project proposals.
- checking the complementarity and additionality of project applications against other relevant programmes and schemes.
- ensuring compliance with relevant State Aids regulations.
- identification of additional funding sources.
- cooperation and networking with other LAGs and areas.
- managing Authority liaison.
- Accountable Body liaison.
- management of the Programme's physical and financial reporting.
- management of any delegated authority schemes.
- reporting to the DMB, LAG and accountable body (SAC).
- project monitoring.

The Programme Officer will also be responsible for elements of facilitation and animation with projects and communities. Other key Programme Officer responsibilities include:

- responding to enquiries.
- providing advice and guidance to project promoters.
- providing assistance in project planning and monitoring.
- project technical appraisals.
- project monitoring.
- issuing of letters of offer of grant as instructed by the LAG or DMB.
- checking and processing projects claims and raising payments through South Ayrshire Councils Finance Section.

- liaison with LAG partners and appropriate staff.
- maintaining the Programme physical and financial management records and project files.
- assist in the collation of statistical information for the evaluation of associated projects in accordance with agreed outputs / targets.
- providing administrative and secretarial support to the LAG.
- the sourcing and collation of information and materials for inclusion in Programme publicity and the website.

South Ayrshire Council, as the Accountable Body, will provide the necessary financial administration and human resource support, covering:

- approval and recording of all transactions.
- reconciliation of project claims (following checking by LAG team).
- preparation of financial reports and internal auditing.
- human resource management and the provision of training.

3.2 Finance

The administrative and financial Accountable Body, South Ayrshire Council will act as banker for the LAG and hold all delegated funds from the Scottish Government. Payments to successful project promoters will be issued by South Ayrshire Council in line with instructions made under delegated authority provisions, by the Decision Making Body or LAG. This process will be subject to checks on the eligibility of individual projects by the Council's Enterprise Service. The raising of cheques for payment, in line with the LAG approvals will be carried out by the Programme Officer. This Officer will be responsible for keeping a record of all grants allocated, claimed and paid to projects, to enable the Programme Co-ordinator to report to the LAG on a regular basis.

Advance payments to project holders of up to 70% of eligible costs may be made at the discretion of the LAG. Final payments to project holders will be made in arrears once the Programme Officer has received evidence of project completion. Relevant receipts, invoices, formal timesheets and justification for any staff or eligible volunteer time spent, will be requested and checked before final payment is released.

3.3 Levels of Approval

There will be an accelerated decision making process for small projects seeking LEADER funding of between the £1,000 minimum threshold and £5,000 to reduce demands on finite applicant and LAG capacity. Such projects will be appraised by the Programme Co-ordinator before being passed to a nominated panel of two DMB members, one public sector and one social and economic partner for assessment and a decision. Membership of this panel will reflect the relevant experience of members in respect of each application.

The DMB will make decisions on all approvals for projects seeking between £5,001 and £20,000 of LEADER funding.

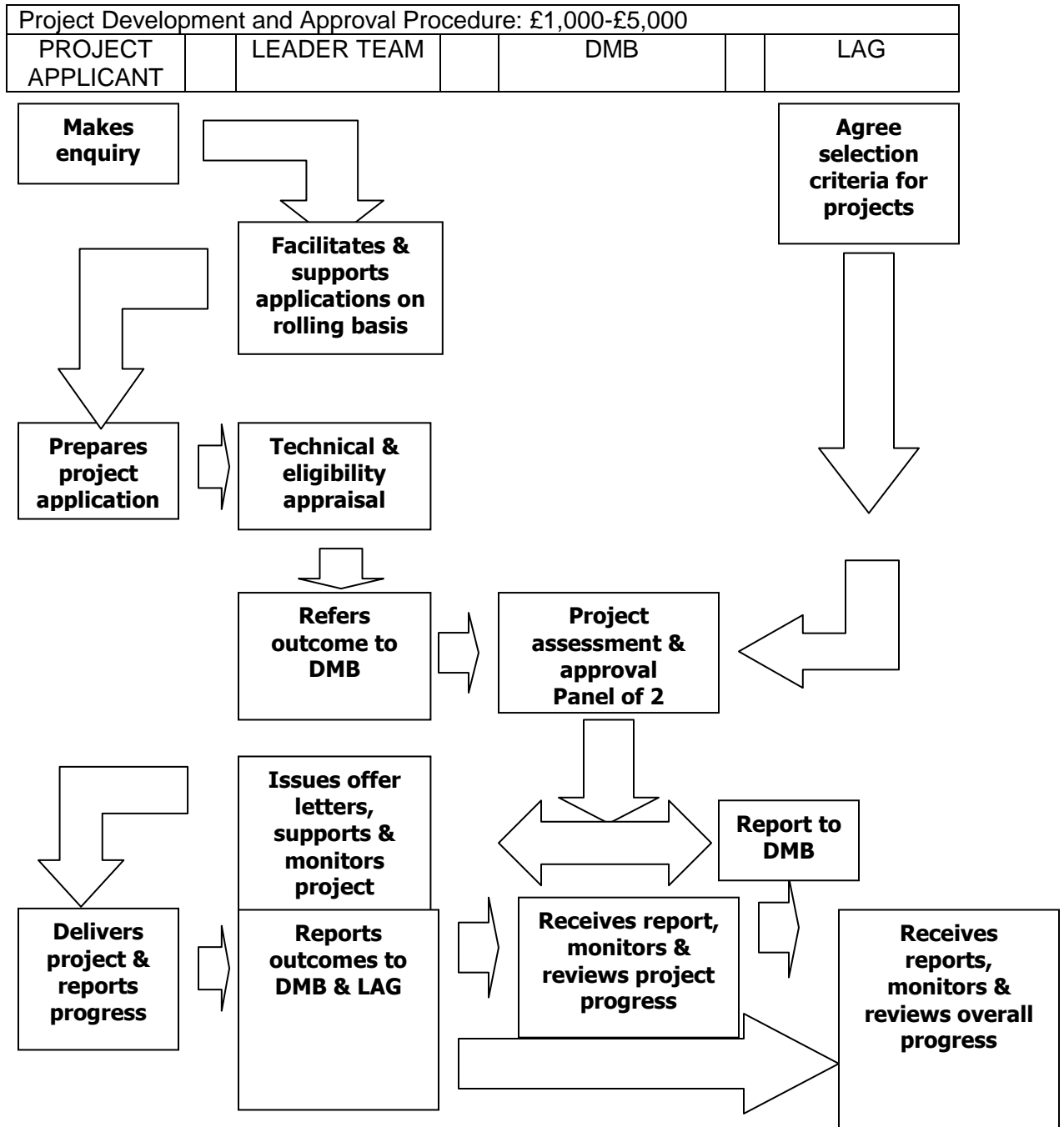
Large scale projects seeking over £20,000 LEADER funding will be appraised by the DMB and recommendations agreed. Final decision-making will then be referred to the full LAG.

3.4 State Aid

The Programme Co-ordinator will have specific responsibility for ensuring compliance with State Aid regulations; this will form an essential element of the project technical appraisal process. The Programme Co-ordinator will be supported by South Ayrshire Council's Enterprise Service and where necessary will be expected to liaise directly with relevant Scottish Government experts seeking advice as required. Appropriate training in State Aids will be accessed.

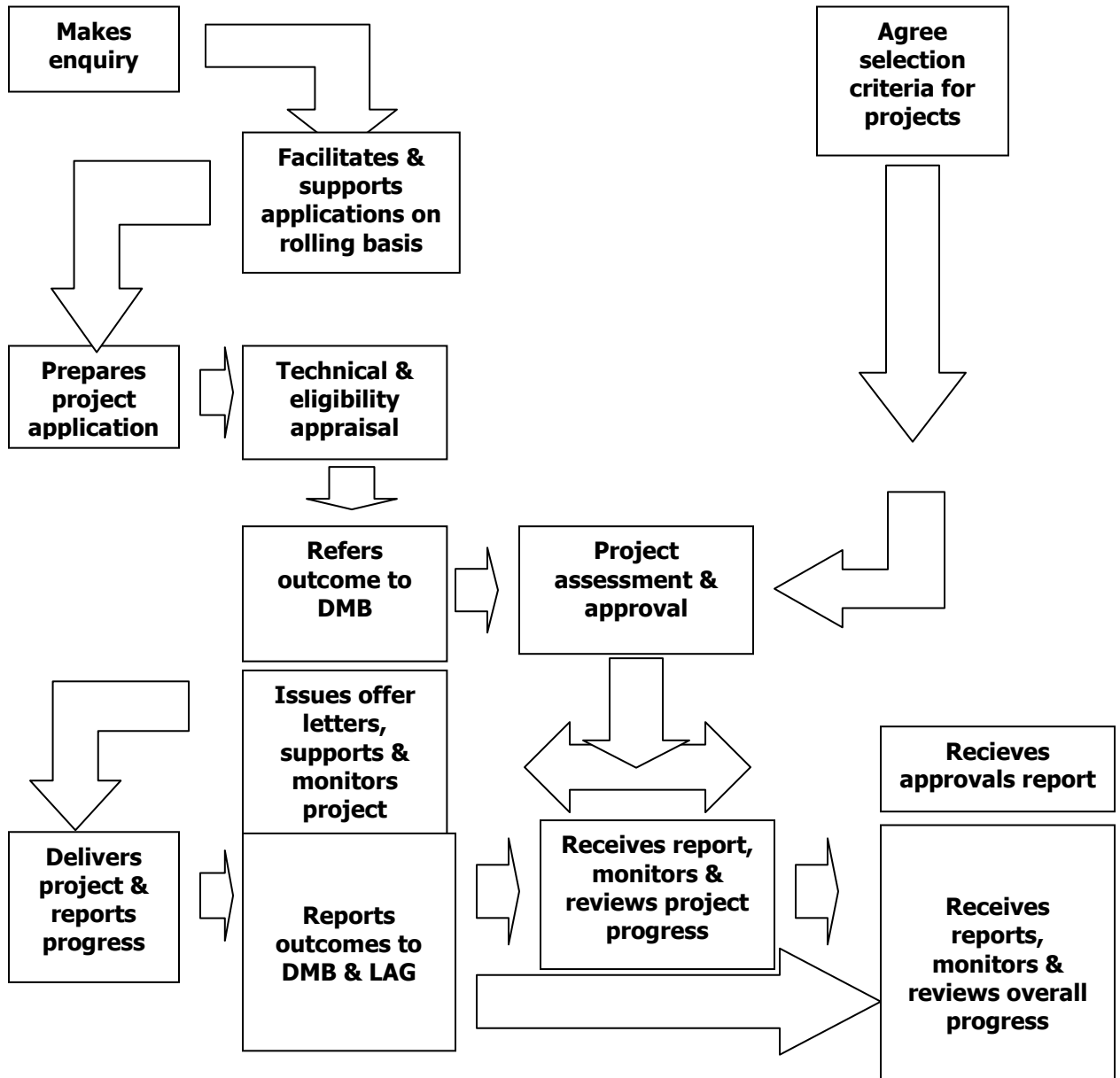
4 PROJECT DEVELOPMENT AND APPROVAL PROCEDURE

The three following diagrams provide a schematic representation of the three levels of LEADER project development and decision making procedure in Ayrshire.



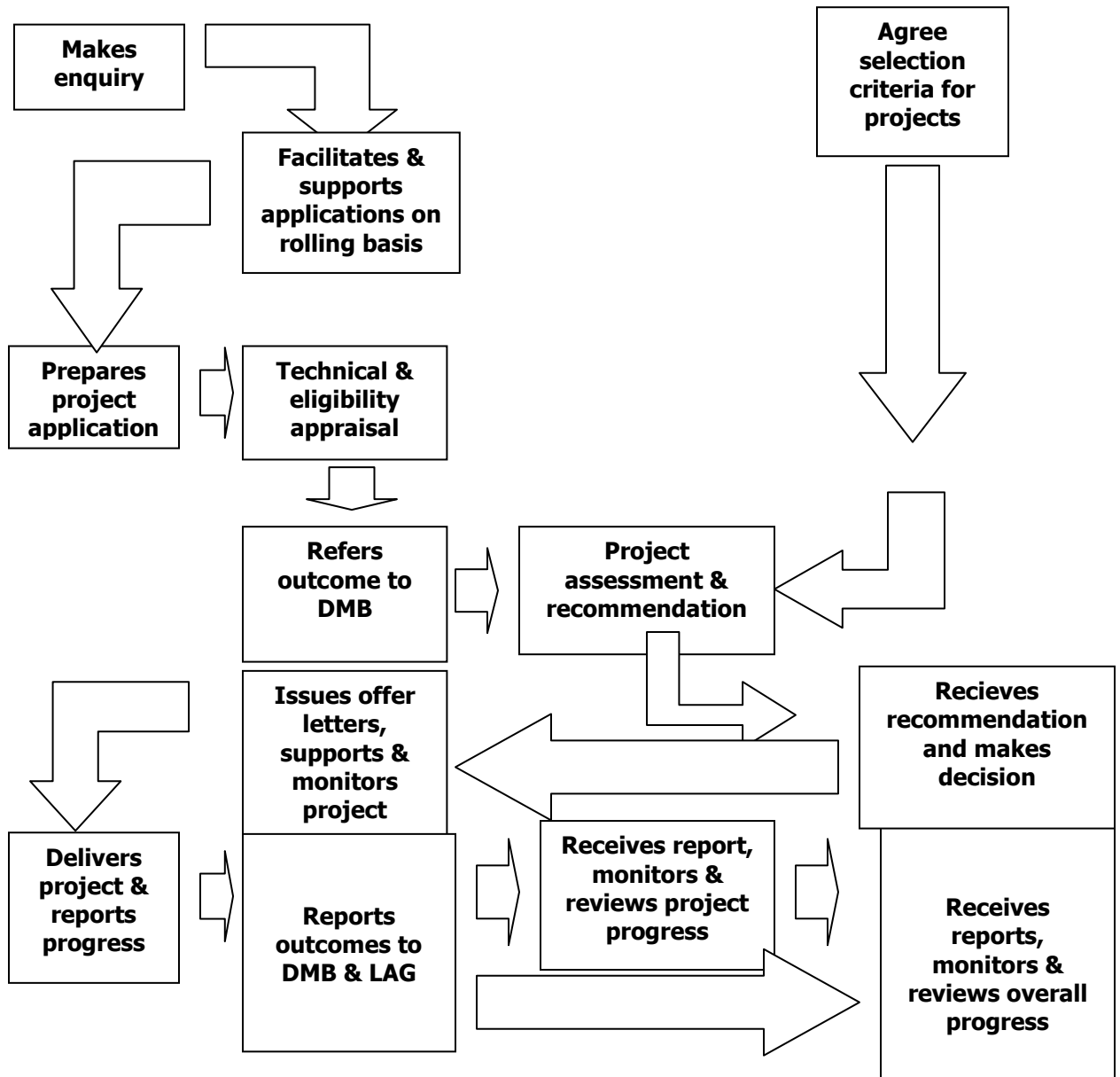
Project Development and Approval Procedure: £5,001-£20,000

PROJECT APPLICANT		LEADER TEAM		DMB		LAG
-------------------	--	-------------	--	-----	--	-----



Project Development and Approval Procedure: Over £20,000

PROJECT APPLICANT		LEADER TEAM		DMB		LAG
--------------------------	--	--------------------	--	------------	--	------------



Similarly Table 1 below summarises the principal elements of the delivery mechanism and where the associated responsibilities lie.

TABLE 1: SUMMARY OF MAIN DELIVERY RESPONSIBILITIES	
DELIVERY MECHANISM ELEMENTS	MAIN RESPONSIBILITY
Preparation of strategy and business plan for Programme	LAG and working group
Development of operational strategy and action plan	LAG and LEADER team
Development of project quality appraisal standards	Decision Making Body
Support development of projects that fit with the above	LAG partners and LEADER team
Application process	LEADER team
Technical appraisal and eligibility check including State Aids issues	LEADER team (appraisal & assessment separated to meet audit requirements)
Assessment process, scoring recommendations	DMB, LEADER Team & LAG (appraisal & assessment separated to meet audit requirements)
Monitoring implementation of equal opportunities policy	Programme Co-ordinator, DMB and LAG
Project approval	Decision Making Body & LAG
Formal offer letter with attached conditions	LEADER team
Formal letter of acceptance of offer of grant	Project applicant
Project claims process - financial information and physical progress	LEADER team leader/SAC
Payment of LEADER grant	South Ayrshire Council
Programme monitoring through detailed tracking of individual project performance	LEADER team and DMB
Programme level review of performance against strategy	LAG/SAC
Complementarity with wider programmes and strategies	LEADER team, LAG, CPP and RPAC

4.1 Location

The Ayrshire LEADER LAG have agreed that the staff team be located with the Ayrshire Structure Plan team offices, 15 Links Road, Prestwick. There are three principal reasons for this. Firstly Prestwick is central for the area covered and relatively accessible for the majority of the rural population. Secondly, like the LAG the Ayrshire Structure Plan team is an Ayrshire-wide organisation with links to all three local authorities and other strategic partners. Finally there are potential synergies and complementarity between the two organisations which may be optimised through such co-location.

Although the team will be based in Prestwick, it is intended to make extensive use of the Local Authorities' and other LAG partners outreach facilities in the rural area to aid coverage of the three Local Authority areas. This will include drop-in sessions, roadshows and formal meetings and will involve both LAG staff, LAG members and staff from partner organisations. Examples of this approach already exist for other co-managed initiatives, such as Business Gateway.

5 COMMUNICATIONS ACTION PLAN

5.1 Introduction

This section outlines the information and publicity plan for the Ayrshire LEADER Programme. It follows guidance produced by the European Commission, and fully addresses the requirements of the Regulation.

5.2 Aims

The aim of the Ayrshire LEADER Communications Action Plan is to increase the engagement and involvement of the potential beneficiaries of the Programme. This will be achieved by raising awareness of the opportunities for such involvement in LEADER and in the development of innovative solutions to local issues and opportunities. The plan further seeks to ensure that the general public is aware of the Programme and the beneficial results and impacts which are being generated for the rural area.

5.3 Target Groups

The following stakeholders will be targeted:

- regional and local authorities, and other competent bodies.
- economic and social partners.
- community and voluntary groups and residents of the Programme Area (particularly those working with women and young people).
- trade and business organisations (specifically including agriculture, tourism and small and microbusiness organisations).
- non-governmental organisations, especially bodies who promote equality.
- bodies working to protect and improve the environment.
- project operators and promoters.

It is essential that these groups be informed of the opportunities made available by the LEADER Programme and also that they be regularly informed of any changes to procedures and practices. In addition, these groups will be informed of the progress the Programme is making towards realising its objectives.

The Programme requires that the general public be made aware of the activities and initiatives funded by LEADER, including raising the awareness of the important role played by European Union and SRDP support. All partners will include appropriate articles within their own public communication mechanisms to aid this process.

5.4 Activities

The following promotion and communication activities will be undertaken by the LEADER team:

- the production of a newsletter and website.
- workshops, seminars and conferences.
- the production and distribution of papers and reports, including LAG and DMB reports.

- the production of press releases and organisation of press briefings.
- photoshoots and PR opportunities related to funding awards and completion of successful projects.

5.5 Transparency

There will be a presumption that all LAG minutes will be publicly available, except where confidential or sensitive information is involved. Wherever possible, papers will be placed on a website to ensure ease of access.

5.6 Finance

The Communications Action Plan will be supported through the allowance for administration. Adequate resources will be allocated to ensure that the objectives of the Communications Action Plan can be achieved.

5.7 Lead Officer

The LAG will take overall responsibility for information and publicity. Day to day implementation of this policy will be the responsibility of the Programme Co-ordinator who will be supported in this by the Programme Officer and South Ayrshire Council's Marketing and Communication staff.

5.8 Applicant Information

The Ayrshire LEADER LAG Communications Action Plan shall ensure that the following information is made available:

- a description of the LAG and its decision making structures, including the membership of relevant committees and sub-committees.
- a description of the funding application procedures.
- a description of the application scoring and appraisal system employed.
- information and guidance to assist organisations to apply for support.

Information provided will include contact details, names, addresses, email addresses and telephone numbers for the LEADER Team together with LAG contacts and contacts in local, regional and national public, private and voluntary organisations who can explain how the Programme operates.

This is expected to involve securing the co-operation of partner organisations outwith the LAG such as vocational training bodies, bodies concerned with employment, business and trade groups, and other non-governmental organisations to ensure that appropriate channels are developed to make potential beneficiaries aware of the opportunities offered by Programme sponsored activity.

5.9 General Public Information

Information aimed at the general public will include:

- acknowledgement of the role of LEADER funding on all publications, materials and signs associated with projects supported under the Programme.
- actions to make beneficiaries aware that they are participating in an operation part-financed by the European Union.
- actions to make the general public aware of the contribution of the European Union LEADER Programme and the SRDP.
- information on successful project case studies.

5.10 LAG

The LAG will ensure that adequate information is made available about its work and decisions. This will include keeping the media informed of important decisions and progress with the overall implementation of the Programme.

5.11 Networking and Cooperation

All information and materials will be prepared with a view to enhancing the role of the Ayrshire LEADER LAG in cooperating with other LAGs and areas and in participating in LEADER Networks.

5.12 Publicity Material

All publicity material will make full reference to the contribution made by the European Union, in line with the Guidance produced by the Commission. Project promoters will be advised of the requirement to contribute to Programme publicity which is associated with the granting of LEADER support.

5.13 Initial Programme

In the first year of LEADER operations the focus of this plan will be on publicising the Programme and the opportunity to be involved. This will be undertaken through a programme of workshops and events and through the development of specific publicity and communications mechanisms, materials and projects as noted in the following section.

6 PLANNED LAG ACTIVITIES

The following initial work programme is planned for the LAG in the first year of operation.

6.1 Immediate

Immediately following the submission of this strategy and business plan the shadow LAG and working group will continue the processes of informing and engaging the rural communities of rural Ayrshire in this initiative. A central element is the establishment of the new funding, policy and rural partnership context throughout rural Ayrshire in preparation for this new Programme. The priorities here will be to identify and develop existing and new capacity in the area, strengthening this by building connections and enhancing communication links. Through this work, it is intended to inform and develop the role of the LAG partnership in the rural community and to continue to grow involvement from across the community, building on the community consultations undertaken in developing the LEADER strategy.

6.2 The Subsequent Stages

Following the approval of the Ayrshire strategy and the establishment of the LAG, a three stage development process is anticipated for the implementation of the Programme and the progressive development of the LEADER approach and the associated innovation activity.

- year 1 will focus mainly on developing the organisational infrastructure and systems and building rural development capacity and connections.
- years 2 and 3 will concentrate on implementing priority pilot and strategic projects to address immediate needs and priorities, build momentum, demonstrate success and motivate community engagement, involvement and innovation.
- years 4, 5 and 6 will see the approach mature becoming accepted as a natural and mainstream development approach with increased community involvement particularly in governance.

Year 1 activity will concentrate on building the implementation of the LEADER method in the area, building the capacity and connections by identifying and implementing the necessary stages leading to this. Key actions will include:

- developing the LAG infrastructure, systems, staffing, establishment and operational model.
- staff recruitment, induction and training.
- developing and maintaining liaison and interaction with the LAG partners, Community Planning Partnerships, RPAC and associated staffs.
- building operational links with partner organisations contributing to complementarity and cooperation.
- identifying and addressing partnership needs and implementing a programme of LAG induction training.
- accessing and implementing mentoring input LAG to LAG from more experienced LAGs.
- project assessment training for LAG members.
- equality training for LAG members and staff.

- development of quality criteria by DMB.
- developing a distinct approach to promoting innovation.
- developing effective mechanisms for community engagement and participation.
- facilitating mentoring of new or inexperienced community groups by those with stronger experience.
- implementing the publicity and communications strategy and developing the website.

TABLE 2: SUMMARY OF PLANNED LAG ACTIVITIES		
When	Planned Activity	Lead Responsibility
May 08	Strategy and Business Plan submitted	LAG
May 08 to July 08 (TBC)	LAG development, growing community awareness and engagement. Liaison with RPAC, CPPs and staff	LAG, working group & LEADER team once in post
July 08	Approval of LEADER Strategy and Business Plan	Scottish Government
July-Sept 08	LEADER team recruitment	SAC & LAG
June 08 onwards	Implement community group mentoring	LAG, LEADER team
July 08 onwards	Continuing LAG development, growing community awareness and engagement. Rolling programme of events and roadshows	LAG, LEADER team
July 08	Establish LAG infrastructure and systems	SAC & LAG
July/August 08	Setting up operational procedures and systems to run and monitor Programme	SAC & LEADER team
Sept 08	LEADER team induction	SAC
July - Sept 08	Programme of LAG induction training	SAC & LAG
July – Dec 08	Implement LAG to LAG mentoring	LAG & LEADER team
July – September 08	Developing detailed approach to innovation	LAG, DMB & LEADER team
Sept 08	Launch event	LAG, SAC & LEADER team
August 08 onwards	LAG commissions strategic projects	LAG, partners and DMB
August 08 onwards	Project animation with communities, groups, organisations and businesses	LAG & LEADER team
August 08 – October 08	Project appraisal and equality training	LAG & LEADER team
August 08	Communications Strategy launched	LEADER team
August 08	Establish project quality criteria	DMB
August/September 08	Programme opens for direct project applications	LAG & LEADER team
October 08	Website launched	LEADER team
November 08 onwards	Identify cooperation potential with neighbouring LAGs	DMB & LEADER team
March 09	LEADER event/events to report on progress and promote Programme, strategy and action plan	LAG & LEADER team

A significant proportion of this activity will take place under Action 3 of the Programme and will contribute to the SRDP outcome Enhanced Development of the Rural Community.

7 ACTIONS PROPOSED

The following Tables highlight those early project activities proposed at present which will take place under Actions 1 and 2, the target groups concerned, and the SRDP outcomes to which they contribute. These are based on the priorities highlighted through the consultations and LAG discussions. The majority of project actions will emerge as applications in response to the operational strategy and the themes therein. The following specific early actions are proposed at present.

Table 3: Indicative Project Action			
ACTION 1: Local Development Strategies			
Areas of Project Activity	LEADER Theme	Target Group	SRDP Outcome
Support for the development of Community Action Plans incorporating: <ul style="list-style-type: none"> • assessment of community capacity • identification of community resources • audit of existing resources • identification of training & skills development requirements • the particular needs of young people 	Community Capacity Building	LAG and rural population	Enhanced Development of the Rural Community Enhanced biodiversity and landscape
Establishment of Business or Community Networks <ul style="list-style-type: none"> • promotion/establishment of cooperative-networks to maximise the economic benefits to rural Ayrshire e.g. food; tourism; business sustainability; renewable energy; bio-diversity 	Revitalising Communities Community Capacity Building	Rural population and rural microbusiness	Business Viability Enhanced Development of the Rural Community Enhanced biodiversity and landscape
Provision of skills development, training and mentoring schemes particularly where targeted at improving economic and social participation by young people	Revitalising Communities Community Capacity Building	LAG, Rural population, rural microbusiness	Enhanced Development of the Rural Community Business Viability Enhanced biodiversity and landscape
Transport – innovative and/or energy efficient transport schemes	Revitalising Communities	LAG and rural population	Enhanced Development of the Rural Community Business Viability
Actions aimed at developing opportunities for retaining/attracting youth to the rural area. <ul style="list-style-type: none"> • Rural entrepreneurship • Self employment • Apprentice type schemes 	Community Capacity Building Revitalising Communities	Rural population and rural microbusiness	Enhanced Development of the Rural Community Enhanced biodiversity and landscape

Small scale capital projects may be considered in support of the above priorities.

TABLE 4			
ACTION 2: SUPPORT FOR COOPERATION BETWEEN RURAL AREAS			
Areas of Project Activity	LEADER Theme	Target Group	SRDP Outcome
Developing cross border and transnational initiatives in relation to <ul style="list-style-type: none"> • tourism • young people • micro-enterprise/entrepreneurship 	Revitalising Communities	LAG, rural population and rural microbusiness	Business Viability Enhanced Development of the Rural Community Enhanced biodiversity and landscape
Supporting opportunities which may be identified through recognised cross border designations <ul style="list-style-type: none"> • biosphere reserve • Southern Upland Way & associated routes 	Revitalising Communities	LAG, rural population and rural microbusiness	Business Viability Enhanced Development of the Rural Community Enhanced biodiversity and landscape
Explore opportunites through other complementary initiatives e.g. Business Improvement Districts (BIDS)	Revitalising Communities	LAG, rural population and rural microbusiness	Enhanced Development of the Rural Community Business Viability Enhanced biodiversity and landscape

Small scale capital projects may be considered in support of the above priorities.

8 PROJECT SELECTION CRITERIA

All projects will be subject to a technical appraisal by the LEADER team covering issues of eligibility, state aid, competence and realism. Specific criteria to be assessed will include:

- whether there is a clear and logical description of project objectives, performance indicators and milestones.
- the specificity and realism of targets, indicators and milestones.
- the financial viability of the project, i.e. is the funding package sound, the applicant financially stable, and the costs reasonable?
- have all necessary permissions and consents been obtained?
- is the match funding eligible for this purpose (EU Funding regulations).
- is the match funding supported by evidence of commitment?
- whether there is a clear project management plan supported by evidence of appropriate skills, experience or track record.
- whether the applicant has considered the risks and variables which might influence the delivery of their project.
- whether there is any form of sensitivity analysis i.e. have they taken account of the impact of change.
- whether the projected benefits are proportionate to the risks.
- whether there is clear demonstration of the need for grant aid.

The DMB will assess all projects against the following selection criteria.

- strategic coherence: how strongly the project relates to the themes of the strategy and evidence of direct links to local, national and European priorities.
- targeting: whether the project is consistent with the strategy in terms of the target groups and appropriately targeted in the local rural community and strategic plan context.
- consistency with Business Plan: whether the scale of the project is appropriate in the context of the development plan with regard to the balance of inputs and outputs and the overall budget.
- complementarity and strategic integration: the extent to which the project contributes to key local policy themes and integrates or complements activities covered by other relevant initiatives.
- need: the extent to which there is an identified need for the project, social, environmental or market.
- demand: the extent to which the project can demonstrate evidence of community, market or business demand, now and in the future.
- community involvement: the nature and extent of community involvement in the development, delivery, monitoring and evaluation of the project.
- Additionality: the extent to which the project would proceed without LEADER support, and the extent to which the proposed activity is genuinely additional to the status quo.
- displacement: the extent to which the project is likely to displace existing activity in the area.
- leverage: the financial and other forms of leverage demonstrated by the project.

- value for money: whether the contribution the project makes to the strategy and business plan objectives and performance targets is consistent with the level of assistance sought.
- project management: extent of ability to deliver project and deliver outcomes.
- innovation: the degree of innovation the project demonstrates either in its focus or methodology circumventing barriers to development.
- equal opportunities: the extent of full and equal participation of individuals and social groups by means of relevant policies and methods.
- sustainability: the extent of the project's contribution to sustainable development and evidence of continuing benefit.
- environmental impact: the extent to which the project enhances or protects the environment.
- transferability: the extent and nature of the potential and plans for transferability which has been demonstrated.
- mainstreaming: the potential of the planned activities for mainstreaming in the local and wider context.

The DMB will refine criteria for the assessment of project quality during the first year of the Programme.

9 MONITORING AND EVALUATION

9.1 Indicators

The relevant performance indicators relating to the Actions and selected strategic themes are provided in sections 5.3.1 and 5.3.2 of the strategy. The LAGs are aware of the work underway at the time of writing to prepare a common and consistently defined and applied set of core indicators for the Programme and will apply these once they are made available. A key role for the LAG DMB will be the development of further specific indicators which will complement the core indicators and through which the effects of the Ayrshire LEADER Programme may be more fully captured, demonstrated and understood.

9.2 Monitoring

The Ayrshire LEADER Local Action Group will monitor the achievement of the physical and financial targets at both project and Programme level. Programme monitoring activity will utilise the relevant baseline information and aggregated project performance in terms of the Programme output and result indicators (once agreed). This information will inform the LAGs in the ongoing management, further development and prioritisation of the Programme. Reference is made to Table 1 (Page 14), which outlines the structures which will be employed in this process.

Monitoring of Programme performance will include the following elements:

- an initial review of the development and delivery of the Programme undertaken by the LAG at the end of the first 6 months.
- a programme of full annual reviews will be undertaken thereafter by the Programme Co-ordinator on behalf of the LAG.
- the preparation of quarterly progress reports to the RPAC and the Scottish Government Rural Directorate.
- the LAGs will commission an independent review at the end of year 3 of the Programme.
- annual reports will be prepared, based on the annual reviews and made available to the LEADER Network.
- the annual reports will be posted on the Ayrshire LEADER website.
- Community Planning Partnerships will be consulted after the first 12 months of operation, and annually thereafter, as to the impact of the Programme at the community level and the value which has been added to the Community Planning approach.
- the RPAC will be similarly consulted as to the extent to which the Programme is seen to have complemented the regional approach to the SRDP.

Project monitoring procedures and activities will include the following:

- specific conditions relating to commitment to and methods of project monitoring will be included in all letters of offer of grant, this will include specification of the appropriate performance indicators to be applied.

- arrangements for monitoring project physical and financial performance will be required in all applications.
- the Programme Co-ordinator and Programme Officer will monitor project delivery and outcome reports including performance against the specified performance indicators.
- the administrative and financial Accountable Body will monitor all claims for grant.
- the Programme Co-ordinator and members of the DMB will undertake a programme of spot check monitoring visits on a rolling basis.
- project promoters will submit interim and final project reports to the Programme Co-ordinator as specified in the letters of offer to projects.
- the Programme Co-ordinator will prepare regular reports on this activity for the DMB and the LAG. This will be incorporated in the Programme review and reporting process.

In the event of any significant variation or discrepancy in either physical or financial performance from the basis of the offer of grant this will be subject to a formal report to the DMB and the administrative and financial lead body, where necessary will then be referred to the Scottish Government Rural Directorate.

