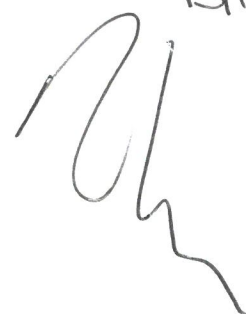


13/12/2017



**NORTHUMBERLAND COAST & LOWLANDS LEADER
LOCAL ACTION GROUP (LAG)
Wednesday 15th November, 2017**

Executive LAG Members:

Ross Lowrie – Chair
Jean Orr
Ian Moyes
Simon Cox
Julien Lake
Richard Waters
Guy Renner-Thompson
Philip Angier
Louis Fell
Angus Collingwood-Cameron
Ross Weddle

LAG Members:

Carole Moyes

LEADER Staff:

Ivan Hewitt – Northumberland Coast and Lowlands Programme Officer
Christine Stevenson – LEADER Administration

Advisory Group:

Heather Smith - Programmes and External Funding Manager, Northumberland
County Council

1.Welcome to LAG Meeting & Apologies:

Ross Lowrie, Chair opened the Northumberland Coast & Lowlands LEADER LAG at
18:05



CS/IH – Confirmed that meeting was quorate by Voting Members attending and by Theme

CS - Apologies received and recorded from Executive Members: Carron Craighead, Alex Wallace, Robert Brotherton and Iain Robson

CS - Apologies received and recorded from LAG Members: Brenda Fordy Scott and Nic Best

Apology received and recorded from Accountable Body: David Baird

2. D.O.I

Louis Fell - Agenda item 7b Organic Egg Laying Unit - Non Pecuniary

3. Draft LAG Minutes from 18th October, 2017:

Page 1 - Accepted

Page 2 - Accepted

Page 3 - Accepted

Page 4 - Accepted

Page 5 - Accepted

Page 6 - Accepted

Page 7 - Accepted

Page 8 - Accepted

Page 9 - Accepted

C&L LAG Minutes recorded as a true record. Dated and signed by R. Lowrie, Chair

4. Matters Arising & Actions to include Chair's update:

Page 2 - Meeting arranged with Amble Dementia Friendly Arts Centre applicants with LAG Chair and Programme Officer in light of LAG Full Application decision

Actions from 18th Octobers meeting:

Page 8 - CS to set up Evaluation Visits - completed

Page 9 - CS to circulate Organic Egg Laying Unit FA & TA out to LAG members for Written Deposition Decision by email with a deadline date - Completed

Chair's Update:

Will be attending the NEFRAN (Northeast Farming and Rural Affairs Network) meeting on Thursday 16th November.

Action: CS to email C&L LAG Evaluation Report to Chair for NEFRAN meeting

5. Programme Officers Report to include Project Expenditure to Date:

IH - Gave Programme Officers Report and informed LAG of current project budget commitments and spend. Asked that LAG agree to consider project applications on the basis of those figures

As of November 2017 LAG has committed **£725,354.26** with a balance of **£902,181.74** remaining to commit.

Note - LAG approved and agreed Budget profile

IH - Meeting with Shoreside Shepherd Huts update - applicant has lease agreed with Northumberland Estates, all issues resolved and applicant is confident project will proceed

HS - This project was approved a while ago by the LAG, holding back spend allocation

RL - LAG set a deadline of 1st November for applicant to confirm his intentions, useful to know when they intend to start project?

IH - Will arrange a meeting to discuss reviewing procurement and process with applicant

RL - Because of delay applicant will need to review their procurement

LF - There are new grants opening in the Countryside Productivity Scheme and Defra will be releasing a new grant by the end of the year, this means there are other streams of funding for potential applicants

6. Presentations of EOIs received by Executive:

a. Acton Chase Glamping

DORA Ref:107860

LEADER Priority Theme 3 - Rural Tourism

Total Project Cost - £137,800.00

LEADER Grant Request- £55,120.00

Summary - This project will help to diversify a farm by developing an underused caravan site at Old Felton Farm where currently only one pitch out of a possible ten is in use. This project involves purchasing and installing two luxury glamping pods and a 'Treepod' along with a hot tub for each pod. Touring caravan pitches for three additional vans will also be developed which will increase turnover to help enable the applicant to install future pods at their own expense

RL – Chair welcomed Jill, Neil and daughter Jasmine Campbell on behalf of Acton Chase Glamping who gave a short presentation of the project

LAG Questions:



JL - Can see job creation in year 3 figures of 2.6FTE, what about in years 1&2?
 JC - Year 1 up to 35% capacity, getting up to the 2.6 jobs mark by year 3
 JaC - Would expect 2 FTEs in year 1
 PA - High occupancy rate average, at what point does project become viable?
 JC - Slight loss year 1, higher occupancy year 2
 LF - Can you tap into the sewer system already there?
 NC - Yes, but more units would mean a bigger plant
 JC - We have an ongoing ecology report
 SC - Where are you with planning?
 JC - Nearly ready. Land has planning permission but not for glamping. We would look to start as soon as possible
 ACC - What is your marketing strategy to promote both the luxury glamping and touring site together?
 JaC - Intend to market separately, focus on specific groups
 LF - You said there were no others around?
 JC - Yes, other pods but no other Tree Houses
 JC - Will be unique as a small landsite
 GRT - What is the name of your own site?
 JC - Hair and Nail Fashion, a well followed site
 RL - What type of structure?
 JC - Treehouse is a raised structure, not built around the tree.
 RL - Informed applicant that the LAG celebrates success of projects. Thanked applicant for his presentation. Applicant left LAG meeting

LAG Discussions:

ACC - Ambitious of their job creation
 LF - Agrees with ACC's comments. Landsite is in a good location
 IH - The FTSs are counted as new people
 SC - Grant has gone up but still only 3 pods, what's changed from their last application?
 RL - tried to tackle issues from last application. Trying to understand the market better. Tree House is a better product
 LF - Turnover, concerns if it will generate a profit?
 SC - Is there business plan focused as said they are trying to be niche. Concerns with two different markets on a small site
 LF - If LAG take forward, applicants will need to address issues raised
 RL - LAG need to judge project as similar projects before
 HS - Strategic fit - (EF) high end glamping is a high end priority
 PA - Shares concerns with members about break even

LAG Decision:

RL - Proposed LAG Executive members vote:

- 10 Vote - Yes
- 0 Vote - No
- 0 Vote - Abstain, Chair did not vote

LAG Executive Decision – EOI Progressed to Full Application

Strategic fit - 3

Process - Chair signed and dated Technical Appraisal Form

Special Conditions:

- Justify FTEs
- Understanding of market
- Further development for strategy of separation

b.1085 Ltd

DORA Ref:107881

LEADER Priority Theme 2 - Micro Enterprise

Total Project Cost - £65,210.99

LEADER Grant Request- £26,084.40

Summary - The project will take scrap electrical copper cable collected from local and national sources, process the material via a shredder and granulator to produce copper granules and PVC granules to sell on the open market. Granulating and adding value

RL – Chair welcomed Richard Faulkner on behalf of 1085 Ltd who gave a short presentation of the project

LAG Questions:

PA - Questioned EOI locality?

RF - Sourcing of supply to help traders in Alnwick. Take scrap copper products to local traders

JO - Can you ensure your materials are legally sourced?

RF - Scrap industry has a bad reputation. We keep scrap separate for 48 hours, take registrations and we expect to be inspected. We take every measure necessary

RL - Ethics of supply chain. Problematic to regulate, how will you manage?

RF - Price the bad practise out of the market

GRT - Cash flow, have you tried an overdraft?

RF - As a new business is not realistic. Using our capital to buy materials

RW - PVC side, only 2 options?

RF - More focus on the copper market as generates most money, but will look at PVC market

SC - Copper price?

RF - £4850 per ton

SC - Shareholder to a second company?

RF - Set up in 2008, property management company in total 9 properties

SC - Why 1085 Ltd name?

RF - It's the melting point for copper

RL - Informed applicant that the LAG celebrates success of projects. Thanked applicant for his presentation. Applicant left LAG meeting

LAG Discussions:

PA - On paper didn't like this as an EOI but can see difference from presentation.

Question; how noisy is the manufacturing process going to be?

LF - Nice for LAG to see a manufacturing application

HS - Good value for money

SC - Highly speculative. Applicant said buying in 25 tons, metal prices are bouncing up and down. Googled history

RL - Does not rule application out of LEADER but understands concerns

JL - Likes this application, low grant and creating jobs. See's value for money and would support

LAG Decision:

RL - Proposed LAG Executive members vote:

- 9 Vote - Yes
- 1 Vote - No
- 0 Vote - Abstain, Chair did not vote

LAG Executive Decision – EOI Progressed to Full Application

Strategic fit - 3

Process - Chair signed and dated Technical Appraisal Form

Special Conditions:

- Waste concerns with processes - appropriate licenses
- Sustainability of markets
- Potential impact of transport to and from site

c. Elite Fitness Gym & Health Club

DORA Ref:107882

LEADER Priority Theme 2 - Micro Enterprise

Total Project Cost - £60,000.00



LEADER Grant Request- £24,000.00

Summary - The project is to renovate a leased building to make it fit for purpose as a gym/fitness studio and to provide gym equipment which will allow the applicant to expand their existing fitness business

RL – Chair welcomed Ollly Dial on behalf of Elite Fitness Gym & Health Club who gave a short presentation of the project

LAG Questions:

LF - Have you any concerns with competition?

OD - No as I am trying to create a niche in Alnwick, will target more of the business type

GRT - Have you a building in mind?

OD - Yes, the Old Alnwick Timber Building

GRT - What is radius?

OD - I have had interest as far down as Morpeth, up to 200 interested individuals so far

PA - How many employees at present?

OD - I employ 1 FTE so far, future jobs will depend on growth of business

LF - What are costs for?

OD - A lot of renovation and new equipment, which will be high end

LF - Does anyone else in Alnwick offer the same equipment, a displacement issue

OD - A lot of people aren't members of an existing gym but I would expect to get some from other gyms

RL - Growth plan is ambitious, focus from gym work

OD - Took into account, my main part of the day is free to manage and I'm confident to manage people

GRT - What type of previous experience have you had?

OD - Various outlets, managing up to 15 staff

RL - How did you end up in Northumberland?

OD - Family connections and wife has her own business here

RL – Informed applicant that the LAG celebrates success of projects. Thanked applicant for his presentation. Applicant left LAG meeting

LAG Discussions:

LF - Building up business, sees displacement issues

RL - Slightly different from Willow Burn Centre

LF - If LAG progress applicant needs to prove offering something different

ACC - Review refit costs in FA, scale down job creation?



LAG Decision:

RL - Proposed LAG Executive members vote:

- 9 Vote - Yes
- 0 Vote - No
- 1 Vote - Abstain, Chair did not vote

LAG Executive Decision – EOI Progressed to Full Application

Strategic fit - 3

Process - Chair signed and dated Technical Appraisal Form

Special Condition:

- Address potential for displacement issue in Alnwick

7. FA's for consideration by Executive:

a.Maden Eco

DORA Ref:106510

LEADER Priority Theme 2 - Micro Enterprise

Total Project Cost - £115,300.83

LEADER Grant Request- £46,120.33

Summary - The aim of the project is to increase the timber handling/processing capacity to grow the firewood supply aspect of the business. The intended customer base includes local householders and also a network of garden centres in Northumberland and the Scottish Borders.

Grant is sought to purchase of a JCB 3CX and JCB Loadall which will increase the timber materials handling capacity of the business and to enable 1.5 new FTE jobs to be created directly in the timber business and a further 1 FTE indirectly created in their construction department

LAG Discussions:

IH - This application is a similar project to GMC HQ. The Technical Appraiser has put forward as Priority 2 - Micro Enterprise and not Forestry

RL - LAG gave applicant advice at EOI stage

IH - Readout letter of LAG suggestions to applicant. Informed LAG that the applicant had tried to source 1 piece of equipment as LAG had requested

LF - When not cutting timber will use machinery in construction business

HS - As now sitting in Priority 2 - Micro Enterprise, is acceptable

RL - Originally presented under Forestry. Have concerns raised at EOI been addressed?

LF - Equipment is too big for the wood. Don't think they need the second machine



RW - Unclear if they are using hard or soft wood. Three other suppliers in 5 mile area.
Called Eco but no mention of stoves?

Mention of heavy (25 ton) loads, lot of travelling. Planting does not come into their remit as they just buy timber

LF - Does both kinds of timber

HS - The information about competitors is in the technical appraisal

LF - Different to others as stacks in crates, space savers

GRT - Does he do agency work?

RL - Business has not changed, still Construction and Forestry

SC - Demand for logs but was concerned at EOI stage of value for money at 1 FTE. In

FA jobs have gone up, scaled back loan and 1.5 FTEs seems value for money has improved. Feels more merit to approve

RL - Can LAG count other FTE?

IH - Yes, LAG can count 2.5 FTEs

SC - Would prefer to keep application in Forestry

RL - Won't affect budget, just readjust

ACC - Are both parts of business?

LF - Someone already in post

IH - Can't count as an uplift if hours increase

LAG Decision:

RL - Proposed LAG Executive members vote:

- 7 Vote - Yes
- 2 Vote - No
- 1 Vote - Abstain, Chair did not vote

LAG Executive Decision – Full Application Approved

Process - Chair signed and dated Technical Appraisal Form

Special Conditions:

- Asset register of current material handlers within business to be provided

b. Organic Egg Laying Unit

DORA Ref:105955

LEADER Priority Theme1 - Farm Productivity

Total Project Cost - £158,296.77

LEADER Grant Request- £41,157.16

Summary - The project is to purchase and install a high welfare poultry housing system (including LED lighting) in a new 12,000 organic poultry unit which is being developed by the applicant business.

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The applicant states that purchase of the high welfare housing system will increase well being of the birds and that the enhanced productivity for the business will allow the creation of 1.5 FTE job for a staff to manage the running of the unit and look after the laying flock

IH - Full Application was considered by Written Deposition

LAG Decision:

10 Vote - Yes

1 Vote - No

0 Vote - Abstain

3 No Vote, Chair did not vote

Full Application - Approved. Chair dated and signed Technical Appraisal

LAG Note - LAG members shared area is an important tool for online question and answer process

8. Evaluation Working Group:

SC - LAG have 10 closed projects and we have had 9 evaluation visits, a rolling process.

Today we visited GMC HQ and Coffee Roaster Expansion (Northern Edge Coffee) both based in Berwick-upon-Tweed and thanked LAG members Richard and Guy for also attending. There is an Evaluation Report for all projects evaluated.

RL - Thanked all LAG members for their time and work on visits.

ACTIONS:

CS to arrange visit to Alnmouth Pantry

CS to forward copy of Evaluation report to Chair

9. Communications Working Group:

RL - The communications group have done a good job of LAG promotional information which has appeared in local press and a E-flyer was circulated to CAN and various networks, well done to Robert and the team

CS - The LEADER team have received phone calls from interested applicants after circulation of various media articles

10. A.O.B:

None

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A handwritten signature in black ink, consisting of several loops and a long vertical stroke ending in a small hook.

**Ross Lowrie, Chair closed the Northumberland Coast & Lowlands LAG meeting
at 20:08**