

## **MERSEY RURAL LEADER LAG EXECUTIVE MEETING**

**Monday 14<sup>th</sup> November 2016, 2:30pm**

**Location:** Premier Inn Hotel, Northern Perimeter Road, Aintree, Liverpool, L30 7PT.

**Chairperson:** David Shaw (University of Liverpool)

**In attendance:** Andrew Carey (Rural Leader Programme Officer)  
Ross Clark (Private business)  
Erica Edwards (Mersey Travel)  
Frank Egerton (Sefton Council)  
Olly Harrison (Private business)  
Ann-Louise Hartley (Private business)  
Jonathan Jackson (Rural Leader Programme Manager)  
Irene Johnson (Knowsley Council)  
Juggy Landay (Wirral Council)  
Louise O'Brien (Halton Council)  
John Quirk (St Helens Council)  
Richard Shacklady (Private business)  
Dorothy Sumner (Private business)  
Helen Sweeney (Private business)

**Apologies:** Michael Baker (Rural Payments Agency)  
Keith Hackett (Private business)  
Ian Lawrence (Private business)  
Carl Smethurst (Mersey Forest)  
Helen Wainwright (NFU)

### **Agenda:**

- Minutes of previous meeting
- Matters Arising
- Status of the LEADER Scheme
- Conflicts of Interest
- Outline Applications
- Full Applications
- Any other business
- Next LAG Exec meeting

### **Minutes of the last meeting**

AC sent out the minutes of the previous meeting held on 26<sup>th</sup> September 2016. The minutes were approved by the LAG Executive as a true record of this meeting.

### **Matters arising**

#### **Brexit and implications for the rural economy**

- Defra informed LEADER areas on 16<sup>th</sup> September that the Treasury would commit to funding projects that are approved prior to the Autumn Statement taking place on 23<sup>rd</sup> November. This was in order for the government to re-assess funding priorities following the EU

referendum. However, a press release from the Treasury on 3<sup>rd</sup> October announced that funding will now be guaranteed until the UK leaves the EU as long as they conform to the national priorities of jobs and growth.

- DS reiterates to the Executive the importance of the LEADER scheme to the rural economy in the Liverpool City Region and that we will continue to follow the Treasury's priorities of jobs and growth when appraising each project.
- JJ raised the concern about a lack of information or clarity on the status of the LEADER scheme nationally following the EU referendum and that a number of e-mails have been sent to Defra requesting further clarification without reply. DS suggests the possibility of organising a regional meeting with representatives from other LAG areas in the North-West of England and Defra in order to facilitate communication.

#### Forestry

- There has been no update from Mersey Forest since the last meeting on 26<sup>th</sup> September. DS announces that a Call for Proposals will be launched in the New Year specifically for forestry projects.

#### **Actions to be taken:**

- Contact other LAG areas to discuss a possible regional meeting with representatives from Defra to discuss future direction of the LEADER scheme – JJ

#### **Status update of the Mersey Rural LEADER Scheme**

- AC provided an update on the following projects approved at the last meeting:
  - 1) **Heyes & Sons:** This project was approved through written procedure so that the applicant would be able to complete in time for the harvesting season. This project has now been completed and the applicant is ready to submit their final claim.
  - 2) **E-Scap:** The Grant Funding Agreement was delayed as the applicant had some ongoing issues with the availability of the selected contractor. However, this has now been resolved and the GFA should be signed imminently.
  - 3) **Hope Farm:** The applicant resubmitted their Final Application addressing the concerns of the Executive. However, the application included estimates for the work involved instead of quotes from established suppliers. The applicant has therefore been asked to postpone submission until valid quotes have been obtained.
- JJ raises the possibility of requesting 100% intervention for community-led projects in Priority Areas under which we have few or no applications, namely Forestry, Culture & Heritage and Services. DS asks for Defra to be contacted to check if this can be considered as an option.
- DS also requests Defra be contacted to confirm if funds can be re-allocated among Priority Areas or if we can be given funds from other LAG areas that have underspent in their programmes.
- It needs to be determined the best way of measuring the success of tourism projects that have been funded under the LEADER programme in order to show the claimant has achieved the necessary outputs as outlined in the Grant Funding Agreement.

#### **Actions to be taken:**

- Defra to be contacted to discuss possibility of re-allocating funds across Priority Areas – JJ;
- Study ways in which tourism projects can be properly audited to ensure that they have met any proposed outputs – AC & JJ;
- Providing the LAG Executive with updates on previously approved projects to be added to the agenda – AC.

### **Conflicts of Interest**

DS asked all LAG members if there were any conflicts of interest regarding the applications to be discussed at the meeting. The following conflicts were recorded:

- Ann-Louise Hartley of Hartley's Farm Shop & Nurseries Ltd;
- Dorothy Sumner of One Ash Training Ltd.

### **Outline Applications**

There were five Outline Applications to be appraised.

#### **Outline Application: Ley Farm Milking System Expansion (Mrs Claire Gregory)**

##### **Priority Area 1: Increasing Farm Productivity**

Ley Farm on the Wirral is looking to expand their existing robotic milking facility at Ley Farm by adding a further two second-hand robots at a cost of £100,000. Therefore, the requested grant amount is £40,000 and it is expected that this would help create one further FTE position. The business currently has 6 FTE employees.

The Executive had the following concerns:

- JQ asked why the applicant is planning to buy second-hand equipment. JJ replied that this to ensure value for money.
- Members raised the issue of the poor return of jobs in relation to the maximum grant requested. However, this was countered by arguments that this would increase agricultural productivity and also make their processing more efficient. This could lead to securing jobs in other parts of the business while helping to sustain the local dairy industry.

**Conclusion:** The Executive unanimously supported the proposal and invited the applicant to submit a Full Application based on the following conditions:

- the applicant must ensure that any equipment purchased wasn't originally done so through grant funding;
- the applicant must ensure that any equipment purchased must be in excellent working order to remain in situ for at least 5 years after the end of the project.

#### **Outline Application: Hartley's Farm Shop and Café Improvements (Mrs Ann-Louise Hartley)**

##### **Priority Area 2: Support for SMEs (non-agricultural) and farm diversification**

- **Ann-Louise Hartley declared a conflict of interest and left the meeting room while the project was appraised.**

Hartley's Farm Shop & Nurseries Ltd would like to install a large chilled flower room which clients can access through electronic doors. This would improve the retailing of the flowers as they would keep longer at lower temperatures. The applicant would also like to install an air conditioning system in the café area in order to better control temperatures during the summer months as it can get quite hot due to the surrounding glasshouse. A total of £16,727.51 has been requested. There are currently 24 FTE employees and it is hoped a further three will be created as a result of this project.

**Conclusion:** The Executive unanimously agreed that this projects offers good value for money and will review the applicants Full Application which has also been submitted for appraisal.

### **Outline Application: Seafield's Livery Eco-pods (Mrs Karen Hutchinson)**

#### **Priority Area 3: Rural Tourism**

This project (entitled Peninsula Retreats) aims to offer 3 luxury yet environmentally friendly units as holiday accommodation. 4 FTE positions will be created and it is hoped it will contribute to the Visitor Economy offer on the Wirral. A grant of £40,000 has been requested.

The Executive raised the following concerns:

- The information on the application forms appears to be a little contradictory and would need further clarification in a Full Application. The applicant claims that 4 FTE jobs will be created but in another section states that these positions will be 'casual'. Detailed job descriptions would also need to be provided.
- LAG members recall that this project was discussed towards the end of the last LEADER programme and therefore would like to know if any other funding schemes have been explored in the interim period.
- Planning permission was approved in 2014 for the construction of 8 'pods'. However, this has now been reduced to just 3. The Executive would also like to know if there is an expiry date on the planning approval.
- The applicant does not seem to demonstrate much experience in managing luxury accommodation. However, it is noted that the project is in a good location and JL confirmed that a market does exist for this type of luxury accommodation.

**Conclusion:** The Executive tentatively supported the proposal to continue to Full Application stage as long as the above concerns are addressed. The applicant must be more realistic regarding job creation or a lower grant will be offered. A marketing and business plan will also need to be submitted that identify potential competitors in the area as well as wider economic benefits.

### **Outline Application: One Ash Training Facilities Expansion (Mrs Dorothy Sumner)**

#### **Priority Area 4: Rural Services**

- **Dorothy Sumner declared a conflict of interest and left the meeting room while the project was appraised.**

One Ash Training Ltd would like to expand their site to include an extra training room in order to increase capacity. Their proposal also includes installing a fitted kitchen and an extra hallway. The applicant aims to employ 3 extra staff part time (1.5 FTE) and increase its turnover by 20% by mid-2018. A grant of £14,897.52 has been requested.

**Conclusion:** The Executive unanimously agreed that this projects offers good value for money and will review the applicants Full Application which has also been submitted for appraisal.

### **Outline Application: Cronton Nurseries Coffee Shop (Mr Stephen Doyle)**

#### **Priority Area 2: Support for SMEs (non-agricultural) and farm diversification**

This project involves the construction of a building within the garden centre to house a coffee shop that will include a kitchen area and toilet facilities. The applicant aims to create 3 FTE positions once the coffee shop is open. A grant of £40,000 has been requested. The following issues were discussed:

- JJ informed the Executive that the applicant may be dissuaded from submitting a Full Application as they have encountered difficulties in the planning process. Knowsley council

has concluded that the site is on green belt land and as a result, the applicant has been informed that planning permission is highly unlikely.

- Members claimed that strict planning procedures from Knowsley Councils planning department are hindering local business growth and that businesses are losing out to competitors in Halton as a result. IJ said that she will revert to the planning department with feedback from this meeting.

**Conclusion:** The Executive unanimously agreed to invite the applicant to submit a Full Application for this project providing the applicant can obtain planning approval for the construction of the building. The Executive believed the proposal would help diversify the business and that the plans for job creation were realistic.

**Actions to be taken:**

- Knowsley Council's planning department to be contacted for update on Cronton Nurseries proposal – IJ.
- Appraisal forms to be signed on behalf of the LAG Executive – DS
- Applicants to be notified of the LAG Executive's decision – AC

**Full Applications**

There were four Full Applications to be appraised.

**Full Application: Peel Hey Function Suite (Mr Ken Graves)**

**Priority Area 3: Rural Tourism**

The proposal involves the creation of a sun room annex suitable to seat 60 people and will have two associated toilets. The project is designed to increase the profitability of the business by providing a permanent addition to the current facilities rather than simply a temporary structure used at the moment, thereby offering the local area a year-round facility for events. Planning permission has been obtained and the grant request is £39,328 with the aim of creating an extra 4 FTE positions. Work is due to begin on this project in early 2017 and will be completed by June 2017.

**Conclusion:** The Executive agreed that the project should be allowed funding of up to £39,328 based on all the proposed outputs.

**Full Application: Hartley's Farm Shop and Café Improvements (Mrs Ann-Louise Hartley)**

**Priority Area 2: Support for SMEs (non-agricultural) and farm diversification**

- **Ann-Louise Hartley declared a conflict of interest and left the meeting room while the project was appraised.**

Hartley's Farm Shop & Nurseries Ltd would like to install a large chilled flower room which clients can access through electronic doors. This would improve the retailing of the flowers as they would keep longer at lower temperatures. The applicant would also like to install an air conditioning system in the café area in order to better control temperatures during the summer months as it can get quite hot due to the surrounding glasshouse. A total of £16,727.51 has been requested. There are currently 24 FTE employees and it is hoped a further three will be created as a result of this project. The applicant would like to start the project as soon as possible in order to complete work in time for the summer season.

**Conclusion:** The Executive agreed that the project should be allowed funding of up to £16,727.51 based on the projection that the 3 FTE jobs will be created.

**Full Application: One Ash Training Facilities Expansion (Mrs Dorothy Sumner)**

**Priority Area 4: Rural Services**

- **Dorothy Sumner declared a conflict of interest and left the meeting room while the project was appraised.**

One Ash Training Ltd would like to expand their site to include an extra training room in order to increase capacity. Their proposal also includes installing a fitted kitchen and an extra hallway. The applicant aims to employ 3 extra staff part time (1.5 FTE) and increase its turnover by 20% by mid-2018. A grant of £14,897.52 has been requested. No planning permission is required.

**Conclusion:** The Executive agreed that the project should be allowed funding of up to £14,897.52 based on all the proposed outputs. However, there must be assurances that the 3 part-time positions created will be employed by One Ash Training Ltd and not through a sub-contractor.

**Full Application: Sunnyfields Butchery (Mr Peter Tumilty)**

**Priority Area 2: Support for SMEs (non-agricultural) and farm diversification**

This company is currently a successful retailer selling plant/flower baskets and would like to diversify their business by opening a butchery on site. All current staff members are already heavily occupied with other aspects of the business and therefore jobs will have to be created in order for the business to expand. The applicant has requested a grant of £33,175.91 that will fund infrastructure improvements including the fitting out of the butchery and electricity supply.

**Conclusion:** The Executive agreed that the project should be allowed funding of up to £33,175.91 on the strict condition that the jobs are created in accordance with the proposed timeline set out within the application. The Executive raised the possibility of separating the grant between two Priority Areas; £8,728.40 to be allocated under PA4 (Rural Services) for the electrical works and the rest under PA2 (SME diversification).

**Actions to be taken:**

- Appraisal forms to be signed on behalf of the LAG Executive – DS
- Applicants to be notified of the LAG Executive's decision and Grant Funding Agreements prepared – AC

**AOB**

**Rural Growth Fund:** The total amount available from this fund is approx. £350,000. A call for this has been prepared but will wait until the Autumn Statement for a final decision on when this will be issued. The aim for this scheme will be to create high skilled jobs in the rural economy. Any interested applicants would send their Outline application to the ESIF Committee for approval with the RPA making the final decision on funding.

**Next Meeting**

The next meeting of the LAG Executive is planned for Monday 27<sup>th</sup> February 2017 at a venue TBC.

**Actions to be taken:**

- Venue to be identified for the next LAG Exec meeting in November – AC.