

**NORTH LANARKSHIRE COUNCIL
REPORT**

To: POLICY & RESOURCES (REGENERATION & INFRASTRUCTURE) SUB COMMITTEE		Subject: Scottish LEADER Programme 2014-2020
From: HEAD OF PLANNING & REGENERATION		
Date: 20 February 2014	Ref: 1757/PK	

1. Purpose of Report

1.1 The purpose of this report is update Committee on the progress of discussions aimed at securing LEADER funds for North Lanarkshire from the SRDP (Scottish Rural Development Programme) 2014-2020.

2. Background

2.1 The SRDP for 2014-2020 proposed by the Scottish Government is a £1.2 billion fund which combines EU Agricultural Funds with Scottish Government funds. The majority of SRDP supports measures which fund agricultural industries. LEADER is a strand of SRDP which broadly supports local economic development projects in rural areas and in 2014-2020 the Scottish Government proposes to allocate £66 million to this, a similar figure to that of the 2007-2013 programme. The future programme will not have funding available until 2015 due to delays in EU budget approval and the timescales necessary for forming LEADER areas.

2.2 LEADER funding is allocated to Local Action Groups (LAGs) which cover specified geographic rural areas around Scotland. LAGs include a broad range of interests including communities, businesses, third sector, individuals and public bodies and are tasked with developing a Local Development Strategy (LDS) for their rural area together with a Business Plan to deliver their strategy. In 2007-2013 there were 20 LAGs around Scotland allocated LEADER funds to distribute. Financial allocations to each LAG are dependent on factors such as population density and rurality.

2.3 Given that most of the population of North Lanarkshire is situated in or around urban settlements which would not be eligible for rural development funds the scope for gaining coverage for North Lanarkshire is limited. However, the Kelvin Valley area (population 25,000), shared between North Lanarkshire and East Dunbartonshire Councils, successfully applied for LEADER coverage within the 2007-2013 programme and the LAG was awarded £750,000 to distribute, with North Lanarkshire Council acting as Lead Partner for the administrative functions of the LAG. 33 projects were co-funded with LEADER across the Kelvin Valley which had total project costs of over £1.6 million.

2.4 During the transition period between the 2007-2013 ending and the next tranche of funding becoming available, the Scottish Government has indicated that it will offer up to £25,000 to North Lanarkshire Council for the period 2014/15 as a contribution to the administrative costs associated with the current programme.

3. 2014-2020 LEADER North Lanarkshire

- 3.1 Scottish Government are looking for future LEADER areas such as the Kelvin Valley and other small scale LEADER areas to form larger LAG areas which can offer increased economies of scale. This is the first stage of an iterative process leading up to the establishment of LAGs and the development and approval of the LDS in 2014/15.
- 3.2 Discussions have therefore been held with neighbouring LEADER areas to assess which would have best fit with the Kelvin Valley and other parts of North Lanarkshire which do not yet have LEADER coverage, but which may meet the eligibility criteria. The result of these discussions is that rural Falkirk is proposing to leave its current LAG area of Forth Valley to join with the Kelvin Valley to create a new, as yet unnamed, LAG area which will have a proposed population of around 75,000. This would give continued LEADER coverage to all of Ward 1, Kilsyth; with a population of around 12,000.
- 3.3 The rationale for this proposal is on the basis that Falkirk and the Kelvin Valley share similarities in terms of the rural-urban nature of their areas as well as key linear assets such as the Forth & Clyde Canal, Antonine Wall and John Muir Way. Both sets of LAG members have indicated a willingness to pursue this course with the assistance of the three local authorities involved and it has the support of the Scottish Government. No decision on which local authority would assume the lead partner role in the future arrangement has been made and an assessment of the implications of taking on such a responsibility will be undertaken as further guidance and information is issued by the Scottish Government. At this point the Scottish Government have indicated a willingness to fund some of the development costs for a new LAG such as commissioning a Local Development Strategy for the new LEADER area with a maximum of £25,000 available.
- 3.4 During discussions with the Scottish Government the case has been made that, in addition to the Kelvin Valley, the part of North Lanarkshire which is bordered by LEADER areas in West Lothian and South Lanarkshire should also be eligible for LEADER funds. This central Scotland uplands area takes in the settlements of Shotts, Harthill/ Eastfield, Allanton, Caldercruix, Longriggend, and Salsburgh. The area takes in all of Ward 12, Fortissat and part of Ward 7, Airdrie North and has a population of around 20,000.
- 3.5 The Scottish Government have thus far accepted, in principle, the case for this area's inclusion in a future LEADER programme and has suggested that this area join with a neighbouring larger area. Therefore, informal discussions have been held with the South Lanarkshire LEADER area (population 77,000), which was awarded £1.9 million in the 2007-2013 programme, with a view to there being a wider Lanarkshire LEADER area in 2014-2020. This would incorporate the current South Lanarkshire LEADER area and the part of North Lanarkshire which has thus far not had access to rural development funding. This has the support of the Scottish Government and is being positively considered by South Lanarkshire, with them assuming the Lead Partner role. While the area submitted is as wide an area for coverage as possible, this is a fund for rural development and there is always a challenge in areas such as North Lanarkshire in justifying inclusion, given the strategic transport links in the area, when compared to the more remote parts of Scotland.
- 3.6 Both of these developments for LEADER coverage in North Lanarkshire would have positive benefits. Continued LEADER coverage for the Kelvin Valley and co-operation with rural Falkirk will mean a larger allocation of funding to the LAG with economies of scale in terms of distribution of grants in relation to administration costs. In relation to the central Scotland uplands area of North Lanarkshire this would offer access to LEADER funds for the first time alongside a partnership with a neighbouring area which has similar challenges and experience of utilising LEADER funding to meet these. This is an opportunity to maximise external funding which will play a positive role in assisting local economic development in these areas.

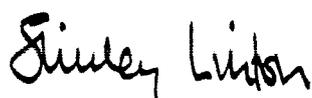
4. LEADER Areas Development – next steps

- 4.1 While the development of future LEADER areas is under the control of the LAG members, in practical terms much of this process needs the support of the Council to ensure effective progress. This involves supporting continued liaison between the Scottish Government and the potential LEADER area representatives as well as ensuring they can access appropriate financial support from the Scottish Government to develop the next Local Development Strategies.
- 4.2 Scottish Government is seeking an early draft of these by end of March 2014 with revisions expected over summer 2014. Budget allocations to LEADER areas will then be announced in November 2014.
- 4.3 In addition, for the new Kelvin Valley and rural Falkirk area establishing which local authority will play the role of Lead Partner in 2014-2020 is an issue that will need further examination and assessment as the process develops and the implications are known.

5. Recommendations

5.1 It is recommended that Committee:

- (i) Note the progress of discussions aimed at securing LEADER funds for the North Lanarkshire area from the SRDP (Scottish Rural Development Programme) 2014-2020.



Shirley Linton
Head of Planning & Regeneration

Local Government Access to Information Act: for further information please contact Paul Kane, Planning and Regeneration Services at Tel 01236 632852