ABSTRACT: This report informs the committee on the development of Axis 4, Sustainable Development of Fishing Communities under the European Fisheries Fund. It seeks approval for Angus Council to assume the lead partner role for the development and implementation of Axis 4 in Angus, and to prepare and submit an expression of interest.

1. RECOMMENDATION

1.1 It is recommended that the Committee

(i) note the progress with the development of the European Fisheries Fund, Axis 4 for 2009 – 2013;

(ii) authorise the Head of Economic Development and Environmental & Consumer Protection to submit an expression of interest by Angus Council, by the 6 May 2011 deadline, to develop and lead on the development of a Fisheries Local Action Group (FLAG) to deliver Axis 4 of the European Fisheries Fund in Angus for the period 2009 – 2013; and

(iii) if successful with the Expression of Interest remit the Head of Economic Development and Environmental & Consumer Protection to prepare a full business plan and local fisheries development strategy for Committee approval together with any financial implications prior to submission by 9 September 2011.

2. BACKGROUND

2.1 The Committee is referred to Article 36 of the minute of the meeting of the Infrastructure Services Committee of 28th August 2007 agreeing to the submission of an indication of interest for a local action group to deliver LEADER in Tayside and if successful remitting officers to prepare and submit a business plan. The Committee is also referred to Article 23 of the minute of the meeting of the Infrastructure Services Committee of 22nd April 2008 agreeing to approve Angus Council assuming the lead partner role for the implementation of LEADER in Rural Tayside.

2.2 Angus Council is lead partner for the Rural Tayside LEADER Programme. The LEADER staff are based within the External Funding team of the Economic Development and Environmental & Consumer Protection division and employed by Angus Council and all governance, financial, monitoring and compliance issues are the responsibility of Angus Council.

2.3 On 17 March 2011 the Cabinet Secretary for Rural Affairs and the Environment, Richard Lochhead announced the launch of Axis 4 of the European Fisheries Fund in Scotland. The invitation to submit an expression of interest was received on 5 April 2011 (Appendix 1). Normally this report would have been reported to the Infrastructure Services Committee but given the short deadline and the need to progress this promptly the report has been brought to Strategic Policy Committee.

3. CURRENT POSITION

3.1 The European Fisheries Fund (EFF) aims to assist with capital investment in the aquaculture, fishing and fish processing industries. The programme also supports strategic trade initiatives, fisheries dependent communities and Scottish Government and European
Community Policy initiatives for the sustainable development of fisheries. Funding is targeted at the following measures:

1. Axis 1: measures for the adaptation of the community fishing fleet;
2. Axis 2: aquaculture, inland fishing, processing and marketing of fishery and aquaculture products;
3. Axis 3: measures of common interest;
4. Axis 4: sustainable development of fishing communities;
5. Axis 5: technical assistance.

3.2 Axis 4 – sustainable development of fishing communities has a budget of approximately £4.5 million for Scotland available until the end of 2013. Its aim is to tackle socio-economic problems and maintain economic prosperity and jobs in fisheries areas. This includes areas of low population density, fishing in decline and small fisheries communities.

3.3 Axis 4 funding can be used to add value to fisheries products or promote economic diversification into areas such as tourism, food & drink and renewable energy. It can support small scale infrastructure projects, or environmental protection initiatives or training and capacity building for local communities.

4. DEVELOPMENT AND IMPLEMENTATION OF AXIS 4 IN ANGUS

4.1 The Scottish Government has decided to use existing LEADER mechanisms and Local Action Groups to administer the fund in Scotland. The aim is to ensure coverage of those areas not already benefiting from LEADER funding and to ensure a similar bottom up approach to delivering the programme at a local level.

4.2 Unlike most other areas of Scotland, the coastal area of Angus is not eligible under the LEADER programme. In addition the Rural Tayside Leader Programme covers rural areas of both Angus and Perth & Kinross. On this basis the existing LEADER mechanisms cannot be used to deliver the European Fisheries Fund in Angus.

4.3 Angus Council is currently lead partner for the Rural Tayside LEADER Programme. The LEADER administrator and co-ordinator are employed by Angus Council and currently form part of the External Funding Team within the Economic Development and Environmental & Consumer Protection Division. The processes and systems for LEADER are now well established. Angus Council is therefore well placed to develop a similar model for a Fisheries Local Action Group (FLAG) and to implement Axis 4 for the coastal communities of Angus.

4.4 It is therefore proposed to bid to develop Axis 4 in Angus to cover all of the coastal communities of Angus, in particular those not currently eligible for LEADER funding. The proposed areas are (based on 2001 wards):

- Arbirlot & Hospitalfield
- Arbroath North
- Brothock
- Carnoustie West
- Carnoustie Central
- Carnoustie East
- Carnoustie West
- Cliffburn
- Hayshead & Lunan
- Harbour
- Keptie
- Letham & Friockheim
- Montrose Ferryden
- Montrose Central
- Montrose West
- Montrose Hillside
- Monifieth West
- Monifieth Central

5. NEXT STEPS
5.1 Angus Council has been invited to submit an Expression of Interest for Axis 4 Funding by 6 May 2011. This brief application comprises information on:
- Proposed area of coverage
- Proposed Fisheries Local Action Plan Group partners
- Description of proposed area including challenges faced
- Outputs and outcomes
- Indicative budget

5.2 If the Expression of Interest is successful, we will then be invited to submit a local fisheries development strategy for 9 September 2011.

5.3 If successful, funding will be awarded and the programme is expected to commence late 2011/early 2012.

6. FINANCIAL IMPLICATIONS

6.1 The Scottish Government have invited areas to bid for funding based on % coverage of Travel to Work Areas of fisheries communities and indicatively allocated funding based on these percentages i.e. Angus could bid for 1.82% of the available £4.5m i.e. £101,000.

6.2 Unlike the LEADER programme however there is no Scottish Government match funding available and any bid for funding must show 50:50 match by public sector to the EFF monies. Discussions are currently underway with public sector partners to identify any potential match funding. If successful this could mean a pot of approximately £200,000 for coastal communities in Angus for the period from early December 2011 – 2013.

6.3 Grant rates for applicants will vary depending on the nature of the group and the level of benefit to the community from the project. Angus Council will be eligible to apply for funding.

6.4 The cost of making an Expression of Interest (and if successful) thereafter developing a full business plan is mainly officer time and will accordingly be contained within the 2011/12 Economic Development revenue budget. Accordingly, agreement to submission of an Expression of Interest does not commit the Council to incurring any additional expenditure at this time. The possible financial implications for Angus Council in contributing to the Axis 4 FLAG will be examined in more detail if successful at stage 1 and reported to Committee prior to the business plan being submitted in September. The staffing resource requirements will also be identified. 10% of the available budget can be used for Administrative purposes.

7. HUMAN RIGHTS IMPLICATIONS

7.1 There are no Human Rights implications arising from this report.

8. EQUALITIES IMPLICATIONS

8.1 The issues dealt with in this report have been the subject of consideration from an equalities perspective. An equalities impact assessment is not required.

9. SINGLE OUTCOME AGREEMENT

9.1 This report contributes to the following local outcome contained within the Single Outcome Agreement for Angus
- Good quality of life is enjoyed by all in Angus.

10. CONSULTATION

The Chief Executive, Director of Corporate Services, Head of Finance and Head of Law and Administration have been consulted in the preparation of this report.
11. CONCLUSION

11.1 Angus Council will assume the lead role in the implementation of Axis 4 in Angus and has a significant interest in identifying projects and supporting projects in Angus in coastal communities which are not currently eligible for LEADER funding.

ERIC S LOWSON
DIRECTOR OF INFRASTRUCTURE SERVICES

NOTE: No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

ECDEV/DV/AJS/FM
13 April 2011