

Memorandum of Understanding

Between South Ayrshire Council and the Ayrshire Rural and Islands Ambition (ARIA) Fund Local Action Group (LAG)

This Memorandum of Understanding (MoU) sets out the terms that govern the management and delivery of the Scottish Government (SG) Community Led Local Development (CLLD) fund from 2026 in the rural and islands Ayrshire area. This is being delivered as the Ayrshire Rural and Islands Ambition (ARIA) Fund.

1. Background

This MoU has been developed to outline the relationship between (a) the ARIA Fund LAG, which is responsible for the management and delivery of SG's CLLD fund from 2026, and (b) South Ayrshire Council (SAC) which, as Lead Partner, takes legal and financial responsibility for the CLLD fund programme under the conditions set out in the SG CLLD annual grant award letter.

2. Purpose

This MoU provides the framework under which the LAG manages the decision-making process and disbursement of CLLD funding in the rural and islands Ayrshire area.

- a. The LAG is an autonomous decision-making group for ARIA Fund, separate from existing local structures.
- b. LAG members will abide by the ARIA LAG Group Protocol which governs procedure.
- c. The LAG will operate in accordance with SG guidance on the use of CLLD funds.
- d. A nominated representative from Lead Partner SAC will attend LAG meetings and advise the group on audit and compliance issues.
- e. SAC, as Lead Partner may take advice from SG on eligibility and compliance issues before implementing LAG decisions.
- f. SAC, as Lead Partner, will provide internal audit services to the LAG as required under the grant award letter.
- g. ARIA Fund staff (the Secretariat) will report to the LAG through its Chair.
- h. SAC, as Lead Partner, will provide the employment and line management structure for the Secretariat, plus appropriate office space and IT facilities.
- i. On behalf of the LAG, the Secretariat will be responsible for managing the administration of funding applications, monitoring ongoing projects and the financial claims process.

3. Reporting

- a) The Secretariat will prepare annual and interim reports on all aspects of programme delivery for the LAG. Reporting will align with SG requirements.
- b) The ARIA Fund programme will be supported by the most appropriate Community Planning Partnership structures for South Ayrshire, North Ayrshire and East Ayrshire.

4. Financial

- a. The LAG will take decisions about ARIA Fund funding.
- b. SAC as Lead Partner will take responsibility for the management of ARIA Fund monies on behalf of the LAG, including disbursement of grant funds to projects and reimbursement from SG.

c. On behalf of the LAG, the Secretariat will prepare the LAG's financial and other reports to SG

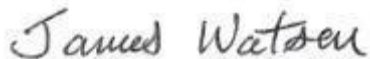
5. Duration

This MoU may only be modified by mutual consent of both parties, and with approval from SG's Rural Communities Team. It will become effective when signed and dated by the Lead Partner representative and Chair of the LAG, and will remain in effect until the end of the SG CLLD funding programme.

6. Contact Information

Partner name: ARIA Fund LAG
Partner representative: Jim Watson
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Partner name: South Ayrshire Council
Partner representative: Jamie Tait
Position: Service Lead for Thriving Communities
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Date: 5th May 2026

(Partner signature)
(Chair, ARIA Fund LAG)



Date: 5th May 2026

(Partner signature)
(Lead Partner SAC Representative)