LEADER 2014 – 2020 Operating Rules FAQ – Issue 5 – 20 April 2017

No.	LAG	Question	Response
1	**Monaghan**	In respect of the revised Procurement LEADER Operating Rules (10/02/17) four documents have been provided and are required for use by applicants where Public Procurement processes apply. One of the four documents, the Works Declaration LEADER (WDL) is required for use by all applicants for Works Contracts over €50,001 (Public Procurement or Direct Invitation or Newspaper notice). There is no indication whether the other three documents are required for use by those applicants who are NOT required to use Public Procurement. Can you please confirm whether non-Public Procurement applicants are required to use the other three documents listed below (2. To 4.) and if yes, do particular thresholds apply? **1. Works Declaration LEADER (WDL) -** 2. FTS6 Tender and Schedule for Works 3. Instructions to Tenderers 4. Short Public Works Contract	These additional documents are not mandatory for applicants who are not required to use Public Procurement. However they automatically flow from the WDL and are very useful in the procurement process. Although there is no binding requirement, promoters should be made aware of their availability and benefits
2	**Leitrim**	The email include a statement as follows *"Where regular purchases are made e.g. stationery/office supplies from a preferred supplier, the total value of anticipated purchases when selecting the preferred supplier should be used to determine the threshold. as opposed to the amount of the invoice claimed".* I would like some clarity on this as it is IMPOSSIBLE to know what the total value of anticipated purchases are if there is no time period or limit on this or if it actually	1. Is such a procurement threshold based on annual (or any other time limited) spend of total value of anticipated purchases? YES or No **Reply:** Procurement thresholds are determined by the value of the particular contract being awarded. A contract period covers an agreed start and end date for the supply of goods and services by the supplier to the party requesting quotes, namely the IP/LAG, in this case. Agreements vary according

		relates to the anticipated expenditure over the full duration of the programme. For instance we will be purchasing stationery and office supplies for the full duration of the RDP and most likely from the same or preferred supplier so is that the *total value of anticipated purchases*.? This really makes a difference because over a longer time period the value or cost of anticipated purchases could cross one of the required thresholds where a different procurement action is required and if we take total value of anticipated purchases over a shorter period we could be found in future audits to have been avoiding particular procurement actions etc an all that that entails. We have sought clarity on this already and have not received a clear answer. Maybe it is possible that we could get the answer now. A simple yes or no to the two questions below should do it. 1. Is such a procurement threshold based on annual (or any other time limited) spend of total value of anticipated purchases? YES or No 2. Is the procurement threshold determined by the total value of anticipated expenditure on the same or similar items under the RDP programme up to 2020? YES or NO	to the terms set out by the requester. Some may be annual, such as phone and IT services, while others may be one-off. If multi-annual, then the composite value of the contract constitutes the threshold. 2. Is the procurement threshold determined by the total value of anticipated expenditure on the same or similar items under the RDP programme up to 2020? YES or NO **Reply:** No. Procurement by LAG/IP does not relate to the LEADER programme duration.
3	**Louth**	We current have an EOI that is requesting funding for "Some non-cash competition awards". Would this be eligible?	Funding for competition awards is not an eligible project for LEADER 2014 – 2020 funding. A project that involves organising an awards event (or contributing to the cost of organising an awards event)

			which may also include sponsorship for an award as part of this bigger project may be eligible for LEADER 2014 – 2020 project funding. However, a project that's primary focus is to <u>sponsor</u> an award or awards competition is not eligible for LEADER 2014 – 2020 project funding. Such support may be provided from within the LAG's administration and animation budget insofar as it promotes the Local Development Strategy.
4	**Tipperary**	I have a query regarding Circular 05/2017 Ancillary Services for the Race and Sport Horse Industries. The circular states that all projects funded must be open to the public, but then goes on to list Livery Yards as a potentially eligible activity. Livery Yards would not normally be open to the public. I am reading that this circular means that the facilities should not be for private use i.e. for a promoter to rear / train their own stock, rather than be open to the public?	The facilities funded as per Circular 05/2017 must be "primarily intended for public use "i.e. primarily for non-private use.
5	**Cork**	*Can a Implementing Partner close all calls within their programme, I'm aware that there is a minimum requirement of 40% under the Guidelines but there is no maximum stated.*	It is a matter for each LAG [and not the Implementing Partner] to decide on the approach to be taken. This decision should be taken within the context of the Local Development Strategy developed for the region and the Operating Rules. There is no upper maximum level of funding that can be directed at targeted calls. The Department would advise that every effort should be made to ensure a consistent approach across the whole LAG area.

6	**Cork**	The query relates to co-operation/trans national projects, apparently it was stated on the day that a LAG has to be the applicant for projects under this programme. The questions that arise are: 1. What happens if the lead partner is based in another country 2. If the lead partner is based in Ireland, who takes the lead as in Cork there are 3 LAGs, does the project require to go before each of the 3 LAGs?	Per Section 1 (page 2) of LEADER 2014 – 2020 Co-operation Projects *A Co-operation project is one which takes place as a joint action between two or more LAGs and which provides mutual benefit for each partner – there must be at least 2 partners in respect of any grant aided activity. While the co-operation project is a partnership between two or more LAGs, the beneficiary of funding (project promoter) can also be private or community based applicants (or an implementing partner) in the same manner as for general LEADER support that does not involve co-operation…* 1. What happens if the lead partner is based in another country *Per Section 7 (page 11) of LEADER 2014 – 2020 Co-operation Projects* *The designated LEAD LAG must provide a formal undertaking in writing that they will be responsible for co-ordinating the project. The Lead LAG should ensure that a consistent approach is adopted across all participating LAGS, including the use of the same terminology (e.g. name of project), the same project description, application details etc. Each participating LAG is responsible for the component of the project in their own area and each component is recorded as a unique project on the LEADER IT system, with the other components cross-referenced. Likewise, each LAG makes separate payment claims in respect of their own project component. Claims for payment, together with invoices, receipts and supporting documents, should in the first instance be submitted to the Lead LAG to*

			complete its administrative checks. The Lead LAG pays its portion of the grant aid to the beneficiary on the eligible expenditure established. All this documentation can then be copied to the partner LAGs to process their element of the grant aid. *The participant LAGs should evaluate the project separately and without reference to the evaluation minutes of other LAGs and must advise the LEAD LAG of their Boards' decisions. A formal letter of offer should issue from each LAG...* The process is the same in the case of the Lead LAG being located within Ireland or in another Member State. 2. If the lead partner is based in Ireland, who takes the lead as in Cork there are 3 LAGs, does the project require to go before each of the 3 LAGs? The partner LAGs will decide amongst themselves as to who would be the lead partner. The Co-operation project has to go before all the LAGs who are partners in the co-operation project.
7	**Cork**	We would be very grateful if you could please clarify the correct % rate of aid which should be applied where a local Chamber of Commerce submits an application for funding towards a marquee or equipment for use at community-led festivals and events within the area, where these events are held for the benefit of the local community.	As the Chamber of commerce is representing secondary actors who have economic interest, the max rate of aid in that instance is 50%. Please refer to Section 9.2 of the LEADER 2014 – 2020 Operating Rules.

8	**Donegal**	My query is in relation to the National Procurement Guidelines outlined in Section 15.4. If a promoter has to follow the national procurement guidelines, do they have to use the standard Public Works Short Form of Contract if the works contract is below €50K. It says in the first bullet point under Section 15.4 that projects involving construction work must use the standard Public Works Short Form of Contract. I was just wondering if this just applies to projects over €50K that have to go on e-tenders or does it also apply to works projects under €50k, where quotes are being sought by email.	The standard Public Works Short Form of Contract is not required for projects below €50,000 under 15.4 of the LEADER 2014 – 2020 Operating Rules.
9	**Monaghan**	I am requesting some clarification on procurement. **Circular 08/2016 (Administration Costs and Public Procurement)** stated that there was a requirement for (1) verbal quote for amounts between €0 - €5000. **Circular 02/2017 (Procurement requirements with regard to Project Expenditure)** states that you should obtain a minimum of 3 verbal quotations, but its Is there a distinction being made between the procurement requirements for Administration/Animation and Project Promoters?	There is a distinction. Only one verbal quote is required for administration costs for amounts of between €0 - €5000 under the National Procurement Guidelines. There is an additional requirement for projects – they require 3 verbal quotes for amounts of between €0 and €5000 to demonstrate the reasonableness of costs of the element(s) of the project being grant aided.
10	**Sligo**	Can you confirm that it is only land donated to the community group within the last two years are eligible for consideration under this rule. And that land owned by the community cannot be used as contribution in kind.	Land owned by the Community cannot be used as contribution in kind – it is only donated land that can be used as contribution in kind. Per Section 10.5 of the LEADER 2014 – 2020 Operating Rules ..*To be eligible, the land must have been donated no earlier than two years prior to the date of the funding application.*

11	**Clare**	Can you advise what are the data retention requirements for the last programme (2007-13) please?	All documents and files relating to the LEADER 2007 – 2013 programme must be retained by the LAG until at least 31st December 2020. These documents must be made available to the EU Commission, the European Court of Auditors, the Department and the Department of Agriculture, Food and the Marine at any period during this time. These documents shall be kept either in the form of the originals, or certified true copies of the originals. The Department will advise LAGs of any changes to this date.
12	**Donegal**	Query relating to the eligibility of running costs / overheads for LEADER funding. For Project funding we understand that running costs / overheads such as wages, light / heat, telephone etc. are <u>ineligible</u> for LEADER project support but are seeking written confirmation of same for the avoidance of any doubt – i.e. something in writing specifically disallowing running costs / overheads such as wages, light / heat, telephone etc. We note that Insurance and Working Capital are specifically noted as Ineligible in the LEADER Operating Rules but the rules appear to be silent on other running costs?	Overheads such as wages, light / heat, telephone etc. are ineligible for LEADER project support.
13	**Donegal**	Donegal County Council as a LAG are considering putting forward a tourism based project under this measure, partnering with Sligo County Council, and possibly one other LAG. I note circular 03/2017 states	The LCDC is the LAG. The County Council is not the LAG. In accordance with Section 10.3 of the LEADER 2014 – 2020 Operating Rules - public bodies providing match

		that the promoter, the LAG in this instance must now complete an EOI and application form. The LCDC is the LAG for County Donegal. If this project does proceed the LAG will be both the promoter and the approver. Firstly I am just checking there is no conflict in this case. Secondly I also note that the application for Preparatory Technical Support must be reviewed and approved by both the LAG Evaluation Committee and the LAG Decision Making members in order to progress to Article 48 checking stage. In Donegal our LAG does not have an Evaluation Committee as the LEADER programme is administered by four Implementing Partners. Given the circumstances outlined above you might kindly advise as to how we should proceed for approval for this project if it does go ahead.	funding cannot be the beneficiary, thereby Donegal County Council cannot be the beneficiary. The LAG is permitted to be both Project promoter and Project approver. Guidance in respect of Conflict of Interest in Section 5.4 of the LEADER Operating Rules 2014 – 2020 must be adhered to. Per Section 5.5 of the LEADER 2014 – 2020 Operating Rules *The LAG must establish an Evaluation Committee to assess and evaluate all applications for LEADER funding...* It is the responsibility of the LAG to manage this process.
14	**Cavan**	In the operating rules the ineligible Sectors and Activities include Conventional Motor Vehicles including Cars, Industrial /farm/construction vehicles, vans and buses A query has come in regarding the inclusion or exclusion of Electric Cars ~ are they classed as Conventional Motor Vehicles	Electric cars are Conventional motor vehicles
15	**Roscommon**	A promoter is seeking funding towards the purchase of cooling unit to transport their own meat produce to a farmers market. The unit will be in the form of a refrigerated trailer which will be towed behind the	It is not the purpose of the OR1420@AHG.GOV.IE facility to address and answer eligibility queries on individual projects. Its function is to provide clarity on queries that may arise with regard to the Operating Rules. The LAG is

		promoters car. . RLP is satisfied that the project is eligible under the Co. Roscommon Local Development Strategy as follows: 4.3 AIMS OF THE PROGRAMME - Supporting and encouraging the development of the agri food sector and artisan foods Local Objective 2, Strategic Action 1: Development of the added-value food and agri sectors in Co. Roscommon Funding will be targeted at the development of the artisan and added-value food sector in Co. Roscommon through a range of measures which will assist new and existing enterprises with a particular focus on adding value to local produce. Proposals include: - Capital grants to foster new added-value food agri and farm diversification I would appreciate if you could clarify is this type of project is excluded under the LEADER Programme Operating Rules: Ineligible Sectors and Activities Aid shall not be awarded or paid in respect of the following areas – - Agriculture; (RLP Opinion – This project does not involve mainstream agriculture, but rather is value added food which is eligible for LEADER Programme 2014-2020 funding) - Conventional motor vehicles, including cars, industrial/farm/construction vehicles, vans and buses; (RLP Opinion - The unit itself is not a conventional motor vehicle	responsible for deciding on the eligibility of Projects for funding. The Operating Rules do not preclude support for the processing and marketing of food projects. A refrigerated trailer which must be towed by another vehicle would not be classified as a conventional motor vehicle.

		as it is not self-propelled and does not require road tax	
16	**Clare**	We note that as per p.59 OR, public bodies are not permitted to make a LEADER application. See extract from Operating Rules below, could you clarify if this definition relates to rate distinction solely or if it can be applied to defining the eligibility of a promoter? ***P. 55 Rates of Aid – Community Applicants*** Higher maximum rates of aid may be applied for community-based projects where there is no commercial basis for the project as follows – • community body or applicant – 75% • community body or applicant under the basic services targeted at hard to reach communities sub-theme – 90%. [The use of this aid rate will be carefully monitored and the interpretation of this sub-theme will be strictly applied] • community body or applicant undertaking analysis and development – 90% The LAG must ensure, before offering the higher rate of aid, that the community applicant is – • a non-profit distributing group; and • institutionally separate from the State; and • coming together, or has come together, to pursue a common cause or interest for the good of their community; and	This definition relates to rate distinction and not eligibility of a promoter for funding. In accordance with Section 10.3 the LAG must not award funding to Public Bodies.

		• autonomous and engaged in voluntary activity; and • promoting the interests of the wider community rather than the commercial interests of its members; and • a group, or project, whose membership does not consist of any secondary economic beneficiaries e.g. local business people coming together as a 'community body' to apply for Page 56 funding to bring tourists into an area – business people acting in a private capacity on a community body are not considered secondary economic beneficiaries. Could you also provide a working definition of 'institutionally separate'?	Institutionally separate from the State means: In the main, this would include public bodies. This definition is the same as applied in the 2007-2013 programme.
17	**Clare**	Do you have a definition of public body?	Local Action Groups and their Implementing Partners are not considered as Public Bodies for the LEADER 2014 – 2020 Programme. LAGs should be guided by the definition of a Public Body as outlined in the Freedom of Information Act 2014 when deciding whether a project applicant is precluded from receiving LEADER 2014 – 2020 funding by virtue of them being a Public Body as stated in Section 10.3 of the Operating Rules (i.e. *The LAG must not award funding to Public Bodies.)* and

			The exempted agencies outlined in the FOI Act are also ineligible for LEADER Funding by virtue of being Public Bodies.
18	**Donegal**	Explain what the reduced rate is. Is it the rate that applies after 4000 miles?	The reduced rate is where travel arises for reasons connected with official business but not the actual discharge of official business e.g. attendance at conference, interview or educational courses (training), attendance should be conditional on applying public transport rates or reduced rates of mileage (Department of Finance Circular E105/3/87). Please refer to DAHRR&GA Circulars 10/2016 and 07/2017. Up to 31 March 2017 please see *Department of Finance Circular 07/2009: Motor Travel and Subsistence Rates* for Motor Travel rates. From 01 April 2017 Circular 07/2017 as issued on 07 April 2017 comes into being. Please see DPER Circular 05/2017 Motor Travel Rates
19	**Carlow**	Members have queried if the LAG can approve project applications on QS costs rather than full procured costs in the first instance as this will alleviate the need to incur full procurements costs before the applicant knows whether they will receive a grant or not. It appears to be unfair to Community groups that they would have to incur full procurement costs in the first instance and the application may not proceed or subsequently not approved. This would not be consistent with Community led principles where the LAG will work with and enlist the energy and resources of people, agencies and the	No, the LAG cannot approve applications on QS costs. Full Procurement must take place. Following on from the LEADER seminar in Athlone on 24th January, an email issued to all LAGs on 10th February which explained the rationale for the approach to procurement. LAGs that were dissatisfied with the approach were invited, in that email, to come together to review the current arrangement as regards the timing of the procurement process with a view to (i) exploring how an alternative process would work and (ii) providing the Department with

		community of County Carlow through local empowerment and engagement to deliver quality services and projects that promote economic, social, cultural and sustainable development and protection for present and future generations. On a separate issue in the event that EOI’s received which exceed the value of the advertised budget and possibly the entire programme budget what is the position with regard to rigidity of the annual budgets detailed submitted on the LEADER LDS. I also understand the Department do not want a two tier time frame within which EOI’s can be processed and as such I believe the Department have verbally indicated that the LAG should only be advised on all EOI’s at regular intervals i.e the rolling call process applies to all EOI’s at the next scheduled LAG meeting.	written suggestions taking account of the flow of the application and the Article 48 checks. The Department has not received any submisisons in this regard. The Annual Budgets as submitted in the LDS must be adhered to and it is for each LAG to manage their budgets accordingly. Having said that, the approval of projects should take account of when the funding is likely to be drawn down by the project e.g. part of the 2018 budget could be allocated in 2017 for capital or other projects that are expected to draw down the funding in 2018. Please refer to Circular 04/2017 which issued on 28 February 2017 ..*To ensure equal treatment for all applicants, EOI's that are considered ineligible must be periodically notified to the LAG members. Accordingly, a list of all EOIs received in the relevant period and considered ineligible by a member of staff must be submitted to the LAG meeting at least on a quarterly basis, together with a short description of each EOI and the reason why it is considered to be ineligible...*
20	**Tipperary**	Can you confirm when are LEADER funds determined to be allocated in accordance with ORs e.g when funding decision made at LCDC meeting or letter of offer issued or on receipt of a signed contract from the promoter	LEADER funds are determined to be allocated when funding decision is made at the LAG meeting.