



Circular No: 03 - 2019
From: LEADER Unit
To: All LAGs and Implementing Partners
Date Issued: 11 February 2019
Subject: Involvement of Local Authorities in the delivery of LEADER Co-operation projects

The Department has reviewed the role of Local Authorities in the delivery of LEADER Co-operation projects in response to queries received and a demand for greater clarification. This review has been undertaken with a view to encouraging greater uptake of such projects in light of limited demand for Co-operation projects to date. The Department is also mindful of the need to provide additional flexibility to LAGS to address emerging challenges through Co-operation projects.

As a result of the review, it is now confirmed that a Local Action Group can choose with the agreement of its Local Authority to allow the Local Authority in its area to deliver a Co-operation project on its behalf i.e. where the LAG is the project promoter. As with all projects, it must be demonstrated that the co-operation project:

- i. is derived from the LAGs Local Development Strategy and is in keeping with the principle of Community Led Local Development; and,
- ii. does not substitute for work which comes under the remit of the Local Authority i.e. the involvement of the Local Authority in delivering the Co-operation project must not in any way substitute for the Local Authority's core responsibilities.

The involvement of Local Authorities in delivering Co-operation projects in this way is **optional** and is **open to all LAGs**. It is important to note that this **only** applies:



1. to Co-operation projects (both Preparatory Technical Support and Full Co-operation projects): and;
2. where the project promoter is the LAG itself.

The following points apply in respect of these provisions:

1. Private Matching Funds

Section 10.2 of the LEADER 2014 – 2020 Operating Rules requires that at least 5% of the total project cost must be met by a private matching cash contribution (wherever sourced by the applicant), other than for training projects that are funded at 100%. A derogation is being provided to Section 10.2 of the LEADER 2014 – 2020 Operating Rules to permit the required 5% matching cash contribution to be made by the Local Authority where it is delivering a Co-operation project on behalf of a LAG.

It should be noted that where the Local Authority is providing the 5% private match contribution for Co-operation projects in line with this circular (i.e. from public funds), this amount should be inputted in the mandatory “private matching funds” field on the LEADER IT system.

2. Contribution in kind

Contribution in Kind/Voluntary Labour may not be provided by the Local Authority.

3. Work under the remit of the Local Authority

Per Section 3.3 of the LEADER 2014 – 2020 Operating Rules, works that normally come within the remit of Local Authorities, such as large infrastructure projects, are not eligible for LEADER funding, i.e. the involvement of the Local Authority in delivering the Co-operation project on behalf of the LAG must not substitute for the Local Authority’s normal responsibilities and works. The Local Authority must certify that the proposed LEADER Co-operation project does not



come within its remit and does not substitute for its normal responsibilities and works.

4. Procurement on behalf of the LAG

In instances where the Local Authority is carrying out procurement on behalf of the LAG, it should be made clear in the Request for Tender (RFT) that the Local Authority is carrying out the procurement process on behalf of the LAG for LEADER grant aid.

5. Entering a lease agreement on behalf of the LAG

In instances where the Local Authority is entering into a Lease Agreement on behalf of the LAG, it should be made clear in the Lease Agreement that the Local Authority is entering into the Lease Agreement on behalf of the LAG.

6. Invoices for the project

As for all projects, invoices for these projects **must** be in the name of the project promoter which in this case is the LAG and not the Local Authority.

The above arrangements are being introduced on a trial basis and will be kept under review by this Department.

It is advisable to discuss the proposed involvement of the Local Authority in the Co-operation project with this Department in advance of an application being made for project funding.

LEADER Unit