

Q & A Issue 19 31/05/19

No.	LAG	Question	Response
Promoters			
1	Cork	Is a parish considered eligible to apply for LEADER funding as a community applicant? The project targets the local community and they are committed to implementing an inclusion strategy to ensure use of the facility by the entire community.	In general a parish would represent a specific interest group, rather than one as a whole. In such cases, church bodies of any denomination might assign a lease or transfer property ownership to an overall community group who would then carry out developments or activities relating to the entire community. Each case would need to be considered in its own right.
Procurement			
2	Cork	RE : PROVISIONAL Approval The operational Rules state that full procurement must be completed within 6 months of the date of the LAG Meeting given provisional approval. Does that mean it must be given final approval by the LAG within that 6 months having gone through a 2nd article 48 check?	The LEADER Operating Rules (6.8.1) state that full procurement must be completed within 6 months of the date of the LAG meeting granting provisional approval. The actual final approval can take place outside of this 6 month period.
3	-	In a procurement process, when a decision has been made in relation to the successful tenderer/quotation, following the evaluation of tenders/quotes, when should the notification letters issue to the successful and unsuccessful tenders? Can these letters be withheld until the LEADER contract has been awarded and signed?	The purpose of successful and unsuccessful tender letters is to notify the participants of the outcome of the competition and, therefore, there should be no unnecessary delay in issuing them. The letters should not be withheld until a LEADER contract has been awarded and signed. LEADER contracts may take weeks/months to reach final approval stage, therefore It would be unfair and unreasonable to withhold the result of a tender competition under these circumstances. For LEADER projects, the letter to the successful tenderer would normally advise that any commitment to a contract will only exist if the promoter obtains approval for a LEADER grant. It should also be noted that under National Procurement Guidelines, both the successful and unsuccessful letters should be issued at the same time. See item (f) of Key Issues of Circular 02/2018 – Amendment to Procurement Requirements with regard to Expenditure – for guidance on this issue.

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			f) For tenders obtained through eTenders, Framework Agreements and Newspaper Advertisements, successful and unsuccessful tenderer(s) must be notified in writing of the result of the tender process; these notification letters must be placed on file. It is also recommended that, where feasible, all other unsuccessful suppliers/service providers & contractors who submit tenders/quotations are notified in writing of the outcome of the competition.
Project File			
4	Cork	I would be grateful if you could clarify my following query - Is the completion date on a contract considered to be the date that the promoter submits all the related project documentation by or is it the date that the grant has to be paid over to the promoter by?	The contract completion (expiry) date is the date by which all works must be completed, invoiced and paid. The claim documentation may be submitted after the contract expiry date, and the grant may be paid at any time afterwards, depending on Article 48 checks and potential selection for inspection by the Inspectorate. The main issue is that expenditure is not incurred outside of the contract period. LAGs are therefore advised to monitor all contract expiry dates and ensure that all necessary extensions are in place at the time of project expenditure. Operating Rule 8.4 Expiration of Contracts The LAG should monitor and review the progress of all projects and engage with promoters, as appropriate. Expenditure incurred outside the contract timeframe, i.e. incurred between the conclusion of a contract and the date the LAG approves the extension, is ineligible.
Eligibility			
5	Westmeath	We have an enquiry from a farmer who operates a licensed waste disposal, recycling and composting facility. He wishes to purchase a XXXXXX system which will turn food waste into compost. The particular machine is a XXXXXXXX which will take 20 tonnes of food waste per week, turning it into compost. The waste disposal activity is separate from the farming activities. He will not be wholesaling or retailing the compost.	If the promoter is manufacturing compost to fertilise their own land, then this is effectively subsidising their agricultural production costs and would therefore be ineligible for LEADER funding. Operating Rules 6.4 Project Assessment - Assessing the Eligibility of Projects - Ineligible Sectors and Activities Aid shall not be awarded or paid in respect of the following areas

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		It is spread on the land as a fertiliser and is also sold to local customers. We would be looking at it under Enterprise Development.	• Agriculture • Operational Costs of Project Promoters – salary/overheads etc.
6	Cork	Where a husband and wife operate as independently registered sole traders, each with separate tax numbers and sets of accounts etc., does public funding received by both partners need to be included in the assessment of de minimis or only public funding received by the applicant spouse?	It is the Department's view that in such instances, where the husband and wife's business are autonomous, then consideration of public funding would only apply to the applicant spouse.
7	Meath	Would a Bryce 180 Power shaft Post driver be eligible for LEADER funding?	This project would appear to be eligible in principle for LEADER funding if used on a commercial basis. When deciding on the project application for such funding, the LAG must consider, amongst other things, displacement, deadweight, the level of innovation associated with such an investment and whether it is in line with the relevant Theme and Sub-theme & LDS of the LAG. Where awarding funding the rationale used must be documented. The LAG should also be satisfied that funding this project does not result in double funding by CAP. The purchase of such equipment must be for use on a commercial basis and must not be primarily for the promoter's own use.
Claims			
8	Kilkenny	In relation to Q.13 on the CRM it reads as follows; "For phase payment, is there evidence of receipt of previous grant payment made to the promoter i.e. copy of promoter's related bank statement showing the lodgement?" For this question, we need the promoter's bank statement showing the lodgement as instructed in the question on the CRM. Agreed the above questions requests the promoter's bank statement to show the lodgement from the LAG to the	The Department has considered KLP's wish to use promoter confirmation of payment instead of a copy of the relevant bank statement showing the historic claim payment. As set out in Reg. 907/2014 Annex 1 2 (b), the paying agency shall adopt the necessary procedures to ensure that payments are made only to bank accounts belonging either to beneficiaries or to their assignees. On that basis, in cases where a beneficiary submits written confirmation of receipt of LEADER grant payment, this will

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		promoter. However this is not a requirement and never has been and is not in the Rules. I wonder should the question read e.g. instead of i.e. We write to the promoter and request them to sign and return a receipt of payment and this has always sufficed.	be sufficient. The question on CRM will be updated to reflect this at the earliest opportunity. By way of information, in the course of previous EU audits, the audit team sought evidence that the grant was paid to the beneficiary bank account. The LAG may wish to consider the implications this might have for only later obtaining bank statements from promoters in case of future audits.
Miscellaneous			
9	Kerry	Our Promoter was originally awarded the following as part of their project: A dining room table, and 6 dining room chairs. They have recently queried if they could instead be approved for a coffee table with stacking chairs to the same value, as these would be more practical for use in their community social room. Does this constitute a material change to the project or is this change request something we can take to the LAG for decision?	The Department's view is that although the original items are not exactly the same as originally approved, the proposed change is in order in this instance, as it is essentially substitution of like items i.e. a table for a table and chairs for chairs. The main issue is that the procurement process is not compromised. The relevant quotations must be obtained and put on file and the amount of aid awarded in respect of this element must not be increased.
10	-	I would like some guidance regarding the rate for mileage applicable to E-cars. Does the regular mileage rate apply or is there a special rate for this category?	Travel costs for electric/hybrid cars are reimbursed at the up to 1200 cc category.

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