Q & A Issue 20 23/07/19

No.	LAG	Question	Response
		Procurement	
1	**Dublin**	1. Can Change of Supplier Requests be approved by the LAG via email if the request is time sensitive? 2. If the tender is under the original cost amount, does the Promoter need to request approval from the LAG?	1. There is no requirement for a change of supplier to be approved at a LAG meeting. For audit trail purposes, details outlining the circumstances leading to the change of supplier should be documented by the Project Officer and placed on file. It should be noted that the promoter is required to follow the relevant procurement procedures if there is a change to the original preferred supplier. 2. There is no requirement for LAG approval if the cost is under the original amount approved.
2	**Tipperary**	A promoter has contacted 3 suppliers (supplier A, supplier B and Supplier C) with a written spec for an A&D. The promoter has received one response with a quote, but it is a quote where supplier B and supplier C have provided a joint quote independently coming together to provided same. I assume this is OK?	If a project contained two specific/separate elements and, during the procurement process, two suppliers having specialist knowledge in each specific/separate element decided to come together to provide a joint quote, then this is acceptable.
		Eligibility	
3	**Donegal**	Can you confirm if mentoring under a community training programme is eligible? (I am not referring anything to do with RDP Staff activity and implementation of the LDS)	Mentoring is not eligible as part of a training project. While the DRCD response to Donegal's query in Q&A 4 advised that mentoring is not eligible as a project, it also considers mentoring ineligible as part of a training project.
4	**Donegal**	Would fit-out of a mobile artisan food unit producing authentic Neapolitan pizzas, salads and toppings be eligible for LEADER funding? The promoter is aware that the purchase of the vehicle itself is not eligible so LEADER funding would be towards the purchase of equipment and van fit-out costs.	As stated *"the purchase of the vehicle itself is not eligible".* The cost of the equipment used to prepare the food would be eligible in principle. The project could fall under both normal business type projects and the LEADER Food Initiative. More information would need to be provided. The issue of displacement needs to be carefully considered.

5	**-**	Our query relates to an Expression of Interest that we have received recently regarding the re-thatching (i.e. replacement of thatch) of thatched cottages used for self-catering holiday lettings. The self-catering cottages are part of a cluster of Holiday cottages primarily catering to the Mainland European Market We note that private residential property is not eligible for LEADER funding but the property in question in this instance is used solely for holiday lettings. It is not residential the owner is permanently resides in another County The work is essentially replacing like with like. In the event that capital expenditure on holiday homes is eligible for LEADER funding, could you please advise whether re-thatching (cost approx. €10,000 per unit) would be considered as capital expenditure?	Section 3.3 (Rural Tourism) of LEADER operating rules states; ***"Examples of actions that may be supported include – activities that centre on the development and renovation of infrastructures, which contribute to historical and heritage based tourism".*** Thatching of self-catering holiday cottages primarily catering to the Mainland European Market, would tend towards the promotion of heritage based tourism, and is eligible in principle.
6	**Kildare**	We are in the process of designing an in-house application and request for tender for a training programme on climate change to be funded under the LEADER programme. The intended participants are people that are involved in local community and voluntary groups and clubs. We would like site visits/field trips to be part of the programme and I was wondering if transport to and from these types of visits is an eligible cost that can be included in the request for tender? We are also interested in having a competition element to the training programme and we like for a small amount of prizemoney (€1,000) to be made available as part of the programme. Would this be a cost that we can also include in the request for tender?	Where it is clearly evident in a training project that a certain element of the training cannot be completed in a classroom setting, and can only be completed by undertaking a site visit/field trip, then, in this situation the cost of transporting the participants/students from the classroom to the site visit/field trip location can be permitted. Question 7A Issue Number 5 (20th April 2017) addressed the issue of prizemoney and stated – *"funding for competition awards is not an eligible project for LEADER 2014 – 2020 funding"* Any approved LEADER project or element(s) of a project must conform to LEADER procurement specification as provided in Operating Rules and Department circulars.

7	**Kildare**	We have received an Expression of Interest for a compact tractor and finishing mower. The purpose of the equipment is for grass cutting at a sports ground. In this context, is a compact field tractor ineligible as a conventional motor vehicle?	Conventional motor vehicles are required to comply with the road traffic regulations when driven on a public road. To this end, if a compact tractor is driven on a public road, do the requirements of the road traffic regulations apply? If yes, it would be ineligible under section 6.4 of the LEADER Operating Rules 2014-2020.
8	**Donegal**	We have a promoter, a local football club, which prides itself on being a community amenity and as such has been utilized by various groups in the community. In order to continue use for the community into the future the club need to take steps to maintain the grounds by installing an irrigation system which is vital to the adequate growth of grass on a sandy pitch. There are a number of issues with grass growth over the years and this has resulted in the pitches being unavailable for prolonged periods. There is a significant cost involved in replacing turf in parts of the pitch each year. They are looking for grant aid to fund an irrigation system which will ensure that the community have all year round use of the facility. Can Leader fund an irrigation system for this project? The ground is owned by the County Council and long term leased to the XXXXX Football Club and Sports Committee. Stipulation in agreement that the pitch/grounds be available to all groups in the community – not just for use by the soccer club.	The proposed project would appear eligible in principle, as it seems to fit/satisfy LEADER Operating Rule (O.R) Section 6.4 on Sporting Facility, which states. *“Where LAGs are considering funding a facility on the grounds of a sporting organisation e.g. GAA or soccer club, the award of funding must be conditional on the promoter developing and implementing an inclusion strategy to ensure use of the facility by the entire community. It is not sufficient to state that the community centre is open to all. Active efforts should be made to market the centre to all segments of the community. It should include details of their activities under the inclusion strategy, as well as outlining the use of the centre. The Department will perform ex-post checks to verify adherence with this requirement”.* In keeping with requirement of OR Section 6.4, the Department encourages inclusion of a condition in any resulting LAG letter of offer/contract, along the lines off - *The LAG requires annual confirmation from the promoter that the facility is being used for the intended purpose – this may include a register of all public users.*
9	**Carlow**	We have an application for grant aid for an upgrade and diversification of a B&B. The B&B has a total of 8 bedrooms, 7 of which are used	Section 6.4 of LEADER Operating Rule provides that; *“Aid **shall not** be awarded or paid in respect of the following areas – Improvements/refurbishment of private residential property;”* It would appear that the majority of this

		for guests. There is both private and public space also including a guest sitting room, private sitting room, shared hallway, guest dining room and private kitchen. The project is mainly an upgrade of the guest quarters, however there is also one element which will benefit the entire house i.e. the heating system, We suggest reducing the grant in accordance with the ratio of private/guest bedrooms i.e. 7/8 of the 50% grant which is a 43.75% grant instead. Does this seem a reasonable approach to the Department?	promoter's private residence is being operated on a commercial basis. The LAG and Evaluation Committee will need to be satisfied that this is the case, that all 7 bedrooms will continue to be used on a commercial basis and that this is not improvements/refurbishment of private residential property. That being the case, the following might be considered in this instance. 1. You stated in your e-mail, *"one element which will benefit the entire house i.e. the heating system"*. It is only the tangible heating infrastructure and associated labour involved in the seven guest bedrooms that could be considered for LEADER funding. While the general heating works being undertaken may include common items e.g. boiler/oil tank etc. such common items that are of benefit to the entire house must not be included in any request for LEADER support. 2. The cost associated with the 7 bedrooms would need to be itemised and certified by the engineer or QS in charge of the works, and separately identifiable in the invoice from the builder in respect of the heating in the seven bedrooms. Aside from the above points, the Evaluation Committee and LAG should pay particular attention to the areas of funding need, Displacement, and Deadweight.
10	**Longford**	Can you please advise on the following query: In the Q&A Issue 4 dated 20th March 2017 the following was advised in relation to a coffee shop:	Section 6.4 of the LEADER 2014 – 2020 Operating Rules mentions, "conventional retail operations" (excluding community based shops and farm shops selling locally produced produce) are ineligible for LEADER grant aid. This

		33 Carlow ***Can the Operating Rules Group give a definition of what is perceived as 'Conventional Retail operations' listed as an ineligible item on page 35 of the LEADER operating Rules?*** ***Does a rural coffee shop based in a currently disused lock house servicing walkers, cyclists, anglers and other tourists on the River constitute a conventional retail operation?*** **DRCD Reply:** No, this would not be considered to be a conventional retail operation. In the latest draft Q&A Issue 18 dated 29/01/2019 the following is advised: **4. Limerick** - ***We have received a query from a potential new artisan food promoter regarding funding to establish a bagel business. The bagels he proposes to produce are artisanal style Montreal (Canadian) bagels not currently being produced in Ireland.*** ***At present the promoter is considering developing the business in the form of a bakery/café where people can see the bagels being made from scratch that they can then purchase and eat on site as well as take part in classes in how to make bagels.*** ***If this initial phase of the business proves successful, it is his intention to move to wholesale and sell bagels through other retail outlets.*** ***Can you please confirm if the initial phase of the business would be eligible for funding or if it would fall under the definition of conventional retail operations***	is particularly the case given the risk of displacing existing businesses that would not be in receipt of public funding. Projects which would fall outside the definition of "conventional" retail are those which include a particularly novel aspect and which fit with a particular objective of the Local Development Strategy. As such, in Q& A Issue 4, we responded to say that a rural coffee shop based in a currently disused lock house servicing walkers, cyclists, anglers and other tourists on the River was not a conventional retail operation as it was a particularly novel initiative using a piece of heritage in a remote area and with a clear tourism focus. Separately in Q & A 18 we indicated that a café making and selling bagels was not eligible as, based on the information provided, this was deemed to be a conventional retail operation with no strong novel impact such as the coffee shop in the disused lock house. As regards the conversion of a shop into a coffee shop in XXXX, it is not apparent that there is any particularly novel features to the operation that would not deem it to be a conventional operation. If you would like to forward more supporting information we are happy to consider further. In addition, when deciding on the project application for such funding, the LAG must consider, amongst other things, displacement, deadweight, the novel 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.

		similar to other cafes? **DRCD Reply:** It is the Department's view that the initial phase of the proposed project (the development of the business) will be a conventional retail operation, as the customers can purchase the product in the bakery/café. Operating Rules 6.4 therefore applies - Project Assessment - Ineligible Sectors and Activities. I have received a query from a potential promoter who is interested in renovating an old shop located in the heritage village of XXXXX and turning it into a coffee shop and with the opening of Centre Parcs aims to leverage the tourism and visitor numbers that will be coming to the area. She will provide a free Wi-Fi hub in the coffee shop so that customers can have free internet access. As this will be located in a rural community also servicing walkers, cyclists, tourists and other visitors to the area can you advise if as per Q&A issue 4 this does would not be considered conventional retail?	
11	**Wicklow**	Have had a query from a promoter looking for grant aid however while it falls into the childcare area it does not involve childcare directly in terms of the hands activity of ' minding the child' . The promoters provide support to the sector in terms of - • Business supports for those providing childcare in rural stay at home childminding services • Training • Monitor the quality of childminding • Hold a register of those providing childminding	As Per Section 6.4 Aid shall not be awarded or paid in respect of the following areas – Childcare. This project is <u>in the area</u> <u>of childcare</u>, and would therefore not be eligible.

		services in 'children's homes' services and put parents and childminders together especially in rural locations. • Provide a Garda vetting service There are according to the promoters, changes coming with regard to accessing Childcare with an estimated 88,000 children not being in a position to access the new National childcare Scheme. The promoters are working to set up supports to allow for children to be minded in their own homes but with registered 'at home childminding 'people'. They are a community group with charitable status and were looking for marketing grant aid to promote their service both in Wicklow but nationally.	
		Food	
12	**Wexford**	I am enquiring as to whether funding under the LEADER Food Initiative would be available to a Local Community Group that are putting in a Community Food Hub. This facility I am referring to will provide a first step for emerging and expanding food companies in the South East area. This is a unique way of providing aspiring food entrepreneurs with short term or daily use of state of the art facilities without the prohibitive cost of building their own commercial kitchen. In addition there will be a training room which could be used for training or demonstration purposes.	At present there is sufficient funding still available under the €15m LEADER Food Initiative fund, and the theme of the project described would appear eligible in principle under that Initiative.
13	**_**	Are Medium category enterprises (50-250 employees) eligible to apply for funding under the LEADER Food Initiative?	For LEADER Food Initiative projects, only Micro and Small enterprises are eligible for funding. Medium enterprises are not eligible under this initiative.

De-Minimis			
14	**Cork**	I wonder would it be possible to clarify if the following Scheme is governed under the De Minimis Rule **Afforestation Grant and Premium Scheme 2014-2020** In the booklet it outlines the following: The scheme is 100% Exchequer funded under the following legal framework; i. European Union guidelines for State aid in the agriculture and forestry sector and in rural areas 2014 – 2020; ii. Commission Regulation (EU) No 1407/2013 on the application of article 107 and 108 of the Treaty on the functioning of the European Union to de minimis aid (Official Journal reference number L:2013:352). This scheme is not listed on the list in the LEADER Operating Rules Appendices 24.1. Can this be clarified?	The Afforestation Grant and Premium Scheme is grant aided under the EU Guidelines for state aid in the agriculture and forestry sectors. It is not grant aided under de minimis and is therefore not classed as de minimis aid.
Evaluation & Decision Making			
15	**Donegal**	Could you please confirm if it would be acceptable to allow members of Evaluation Committees to participate in meetings via tele/video conference and if so they could be counted for the quorum?	The LEADER Operating Rules 2014-202 do not permit members of Evaluation Committees to participate in their evaluation meetings via tele/video conferencing.
16	**Galway**	I have a query on provisional Approval. The LAG provisionally approved a project for funding of XXX pending procurement in Dec, 2018. The project showed that the overall costs were in access of XXX. The match funding was made up of 3 investors (friends and work colleagues) providing XXX or over 70% with 5% of the funds coming from applicant's own resources. This was agreed provisionally by the LAG but insisted on investor contracts to be provided at final approval stage. The applicant has since asked if an applicant bank loan	Section 10.4 of LEADER Operating Rule that states; *"The LAG must obtain evidence, <u>prior to issue of the funding offer</u>, that the project applicant has the necessary matching funding (private or public). The LAG must also ensure that the applicant has adequate resources (or bridging finance) in place to deliver the project. The LAG must ensure, where a phased payment approach has been agreed, that the applicant has a minimum of 20% of the total project costs to hand, and has the capacity to deliver all phases of the project. The LAG will be required to recover all monies paid if the applicant fails to complete the project. LAGs that do*

		could also be provided to make up any short fall from the investors. This of course would be highlighted to the LAG at final approval stage. Can the above (changes be made) and be approved at final approval stage? Final approval has not yet been considered.	*not verify the bridging finance and matching funds at approval stage, may be required to reimburse the Department if the project is not completed"* The case presented appears to be in line with Section 10.4 of the LEADER operating Rules 2014-2020, so, on this basis the requested change is permitted. The investor contract and the bank loan approval letter must be in place prior to letter of offer/contract stage.
		Co-Operation	
17	**Cork**	We have a potential transnational project with a LAG in Scotland, however, another group from Newfoundland in Canada has also expressed an interest in becoming a project partner. Is it possible to undertake a project with a partner not in the EU?	Yes. Section 1 of Version 2 of LEADER Co-operation operating rules issued March 20th 2019 provides; *"Funding will be available for co-operation projects involving partners within Ireland, in other LAG areas, EU Member States, EU candidate states and EEA states. Projects <u>outside of these areas</u> may also be eligible for funding subject to prior approval by the Department".* In addition, please note that section 2.1 of Co-operation Operating Rule provides the following explanatory text: Note: Co-operation projects can also take place between a LEADER LAG and: • a group of local public and private partners in a rural territory that is implementing a local development strategy within or outside the Union; or, • a group of local public and private partners in a non-rural territory that is implementing a local development strategy. Departmental approval <u>must</u> be obtained from the outset where the Direct Partner of a LAG in a Co-operation project is not another LAG.

State Aid/De Minimis			
18	-	Following receipt of a project (enterprise-related), we pointed out that it appears that the €200,000 ceiling over the last 3 years has been breached if payment of the grant was received in 2016. However, the Project Officer in question is of the view that De Minimis applies from the date granted and so is not an issue for this particular project. Having reviewed the OR, I cannot find the quote inserted by the Officer in his e-mail, but you might confirm if he is correct and so we might approve the project? The excerpt from the declaration included in the OR is as follows: 'In accordance with the 'de minimis' rule (Commission Regulations (EC) 1407/2013) which applies to both the project and the promoter, the overall limit of 'de minimis' aid shall not exceed €200,000 over any three year period. Therefore, has this promoter received grant funding from your organisation in the last 3 years? ……………………………and so we had interpreted the ruling as applying from date of last payment of grant.	Yes this is correct. When a company enters into a legally binding contract with a provider of grant aid/state aid; that is the date that starts the three year de-minimis clock ticking, and not the date they received the grant aid/state aid. Section 11.1 of the LEADER Operating Rules provides the following line: "The key date for calculating the three-year period is the date of the LAG decision to offer funding, and not date of the payment" Section 11.1 also states; "The LAG must recalculate the amount of de minimis aid with each new application approved for a promoter". The quote inserted by the Officer is taken from Section 11.1 of the LEADER Operating Rules 2014-2020. Please see this section for examples of calculation of de minimis.

19	**Galway**	Could we get some clarity around the number and sequence of site visits that are required pre letter of offer/contract in the project lifecycle? Circular 05/2018 combined with the Operating Rules is not clear in this regard. The Operating Rules section 8.2 state that- "The LAG must verify that the applicant has not commenced work prior to date of acceptance of the grant offer. To this end, the LAG must obtain a declaration from the applicant that activity has not commenced and must record the steps taken to verify this e.g. a site visit for construction works." Section 12.1 states that- "a Project Assessment Report (including a preliminary site visit) carried out by the appropriate LAG or Implementing Partner staff;" and "a copy of the site visit inspection report verifying that work had not commenced prior to the acceptance of the funding offer for investment type operations, where appropriate;" Circular 05/2018 says that- "In accordance with verification requirements set out in Article 60(2) of Council Regulation 1305/2013, a detailed signed and dated Site Visit Report (see Appendix 1) is required prior to signing the Contract/letter of offer. This report must be uploaded to the IT System on completion	Section 10.2 of the LEADER Operating Rules 2014-2020: Project Assessment, Project File and Claims Documentation. At a minimum, each project file, prior to issue of the funding offer, must include and/or document – • a Project Assessment Report (including a preliminary site visit) **carried out by the appropriate LAG or Implementing Partner staff**; • a copy of the site visit inspection report verifying that work had not commenced <u>prior to the acceptance of the funding offer</u> for investment type operations, where appropriate; (Department's underscore for emphasis in respect of this reply) While a preliminary site visit will no longer be obligatory, the LAG may opt to carry out such visits on a case by case basis, as part of the normal engagement with the promoter. However, promoters must continue to provide a declaration that activity has not commenced at Application Stage. It would be reasonable to expect that the site visit would occur within the 5 working days prior to issue of the letter of offer. However, if it is subsequently found that work commenced prior to the date of acceptance of the Letter of Offer, then this expenditure will be deemed ineligible. Question 9 of Project Checklist Questions for Standard Projects - *09. Site Inspection* - ***Has the Development Officer completed an initial site inspection to confirm that that work has not commenced on the proposed project?*** - will be removed and the Operating Rules updated accordingly.

		in response to Article 48 Claim Stage Checklist - Letter of Offer - Question 09: Has the promoter provided a declaration that work did not commence before acceptance of the offer of grant aid and has this been confirmed by a site visit by the IP/LAG?" Are two site visits really necessary given what is laid out above, would one site visit prior to letter of offer/contract not suffice at either Application or Letter of Offer stage or a declaration from the promoter at the other. Or if the initial site visit is within a certain timeframe could it not suffice (i.e. initial site visit is within 30 days of the date of Letter of Offer). The requirement for 2 site visits places an unnecessary administrative burden and cost on the programme. Two site visits seem to be overkill in this regard when the risk to the programme is low but the cost to the programme is high. It is simply not practical in a lot of instances i.e. travelling to the off shore Islands for one letter of offer etc. I would appreciate if you could look at this again and issue some clarity.	The site visit item is addressed in question no. 9 of the Claim Stage Article 48 Checklist. ***Letter of Offer - Has the promoter provided a declaration that work did not commence before acceptance of the offer of grant aid and has this been confirmed by a site visit by the IP/LAG)?***
Administration			
20	**-**	Are mortgage repayments an eligible cost for LEADER administration funding?	The Department has sought clarification from the EU Commission regarding the eligibility for LEADER funding of Mortgage repayments being made by a LAG/IP for a building it has purchased. The Commission has confirmed that mortgage payments are not running costs: "*According to Article 35.1 (d) of R. 1303/2013, running costs have to be linked to the management of the implementation of the community-led local development strategy. Mortgage*

			repayments linked to the purchase of a building is an investment and not a running cost." Therefore, mortgage repayments are not classed as a running cost, and are therefore not eligible for LEADER administration funding.
21	**Louth**	We have a promoter who is obtaining their match funding from Community Finance Ireland (CFI). As part of the promoter's agreement with CFI, CFI have requested that when LEADER funds are paid to the promoter they are paid directly into CFI's account. The account is not in the name of the promoter. Is this allowed?	The Operating Rules only say that payments to promoters must be by EFT and to accounts designated by the promoter only (excluding supplier/contractor accounts). Based on this wording, the promoter designates the bank account into which payment will be transferred, so if they confirm same, this will suffice. To have ultimate confirmation for audit trail and file completeness, the promoter could obtain a letter of confirmation from CFI/UCIT.
22	**Cork**	Could you clarify something for me please regarding signage in 2.2 below extracted from the Operating Rules. Does the requirement for bilingual signage ONLY apply to public support in excess of €50,000? It is our understanding of the rules that the bilingual requirement does not apply to projects in the 'exceeding €10,000' category (but under €50,000). 22.2 Information and Publicity requirements for LEADER Funded Projects The LAG must ensure all applicants and promoters comply with the Programme's information and publicity requirements. The LAG must retain evidence (e.g. photographs) on the relevant project file of compliance with the information and publicity requirements. The following logos must be included on all posters,	COMMISSION IMPLEMENTING REGULATION (EU) No 808/2014 provides from Publicity requirements, and in brief, provides the following. • Where support to a project exceeds €10,000.00 the beneficiary is to erect a poster. • Where support to a project exceeds €50,000.00 the beneficiary is to erect a Plaque. • Where support to a project exceeds €500,000.00, then the beneficiary is to erect a Billboard. In line with the LEADER Operating Rules, and in particular section 22.2, as copied in your e-mail, it states; *"That information must be bilingual and cover at least 25% of the poster, plaque or webpage".* This applies to both plaques [projects exceeding €50,000 in

		plaques – • “The European Agricultural Fund for Rural Development: Europe investing in rural areas” logo; • The Union emblem and LEADER logo; and • The Department’s logo.	grant aid] and posters [projects exceeding €10,000 in grant aid.
23	**Monaghan**	I write to get clarification on the type of material to be used in plaques for projects to be erected by groups funded under the LEADER programme – examples of these projects are Astro turf pitches, Walking Tracks, Community Centre renovations etc. Some of these groups were awarded funding for their projects exceeding €50,000, there is very little guidance for groups/ourselves other than guidance on the logos and size of plaques to be erected. This is causing us some problems as groups with projects exceeding €100,000 are erecting plaques made out of hard plastic, secured by ties, which we believe are not durable enough and will not last for any time. I have checked the LEADER Operating Rules 22.2 and this does not specify the material to be used. I would be grateful for your advice in relation to this.	You are correct in saying that the Operating Rules do not specify the materials to be used. Some plaques are brass or other metal plates, and others are made of durable plastic. The main issue is that the plaques are durable and secure. Although the Operating Rules do not specify a duration for which plaques or signage must endure, it is expected that this would be for the five-year project durability period, in case of post-payment audit.
24	**Cavan**	At our last LAG meeting there was a discussion in relation to displacement in the context of a community project which would not generate any economic activity and its proximity to another similar facility (a walking track in this instance, both of which would be open to the public and both would be free of charge). I’m off the view that displacement does not arise in this instance as there is no economic activity taking place – am I correct in this interpretation? Linked to this is the	While displacement may not always arise in circumstances such a community type projects, it must be evaluated and the rationale for the decision made must be recorded in the LAG and Evaluation Committee minutes. (Section 6.4 of the LEADER Operating Rules). As the two community bodies do not charge for use of the facilities, then there is no economic activity to which displacement might apply. An assessment would involve, inter alia, examination of the promoter’s financial statements and its constitution. The main focus of

		question of how do you measure displacement in a community project where there is no economic activity?	displacement is ultimately the need for the investment when there are similar investments already in place. In this case, the LAG should consider the need for a further facility of a similar nature in close proximity to an existing one.