



Comhpháirtíocht Leader Waterford Leader
Phort Láirge Partnership

Decision of Evaluation Committee

Project ID	31LDRWAT110650
Project Type:	Local Objective 2, Economic Development, Strategic Action 2.1
Project Name:	New Pipe Fabrication Facility
Promoters Name:	Queally Walsh Engineering Ltd
Address:	Ballygagin, Dungarvan, Co. Waterford, X35 AC61
Description:	Queally Walsh are constructing a new Pipe Fabrication Facility to increase the efficiency and productivity of their existing business that services the Dairy Industry.
Theme:	Local Objective 2, Economic Development
Sub-theme:	S.A. 2.1, Capital Investment in existing and start up technology, graduate orientated rural businesses
Link to LDS	L.O. 2, S.A. 2.1

Total Project Costs	€256,390		
Eligible Project Costs	€256,390		
Funding sought by promoter:	The cost of the project is €256,390.00 and the promoter has requested funding of €128,195.00 or 50 % of eligible expenditure, whichever is the lesser		
State one of the following: - First Review / Previously Deferred or Not Recommend	Deferred – Second review		
Funding recommended by Evaluation Committee:	A maximum of €102,556.00 or 40% of eligible expenditure, whichever is the lesser.		
Details of private funding:	Cash/Money in account €128,195		
Voluntary Labour: YES / NO (If yes provide detail)	No		
Synopsis of project:	New Pipe Fabrication Facility		
Detail exactly what WLP will be funding (List items from Project Assessment Report)	Detail	Total Cost (Expenditure)	Grant Aid recommend by the Evaluation Committee @40 %
	Steel Building	189613.00	75845.20
	2 X Bandsaw	19000.00	7600.00
	2 X Welding Plants	13447.00	5378.80
	1 X Air Compressor	2430.00	972.00

Total Funding	1 X 5 Tonne Forklift	31900	12760
		256390	102556
Was an assessment completed?: Date: _____	The Evaluation Committee agreed that the project assessment was completed on the 11 th Sept 2019.		
Are detailed costings provided for the project? Were the costs for the project considered reasonable and how was this measured?	Category 2 LEADER Specific Procurement guidelines were followed so costs were deemed reasonable.		
Where the procurement process resulted in less than 3 quotes, the EC must show the additional steps taken to ensure the reasonableness of costs:	N/A		
Innovative Element of the project:	Funding this project will allow for modular fabrication of pipework off-site which will lead to greater efficiency.		
Consideration of Deadweight:	Funding reduced to 40% to address deadweight concerns		
Consideration of Displacement:	The Evaluation Committee agreed that displacement is not an issue.		
Economic justification for project:	Funding will create an additional four and create a more efficient production process.		
Average Score for Project:	82/100		
% level of aid & ceiling:	A maximum of €102,556.00 or 40% of eligible expenditure, whichever is the lesser.		
E. C. Executive Summary/Rationale for Funding	The Evaluation Committee agreed to recommend funding this project for the following reasons:- 1. The project scored 82/100 2. This was considered a good use of Rural Development Funding as creating and sustaining employment is one of the main criteria of the programme. 3. The promoters were considered to have the skills and expertise to successfully implement the project and sustain the business into the future.		

Jobs Created	Jobs Sustained	Match Funding	Previous Grant Aid Received
4	30	Yes	No

Confirmation from the agencies / communities that there are no issues around duplication of funding for the proposed project.	Date of Confirmation	Signed By
Local enterprise Office	05/09/2019	Ms. B. Kirby

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Evaluation Meeting 26th September 2019: The main points raised in the discussion of this project were: -

- Mr Jimmy Taaffe advised that the promoter are proposing to build a new pipe fabrication building approx. 240 sq. metres floor space at Queally Walsh Engineering. They require additional space in order to specialise in pipework and skid fabrication to complement their workshop in Ballygagin. The main activities involved are groundworks, erection of new steel shed, electrical works and installation of equipment.
- This is an investment and succession project as the two partners are retiring, and their sons are taking over the business and trying to prepare for the future.
- The balance sheet looks very strong, but the Partners will be withdrawing their pensions from the company. It looks like the company has a lot of cash but it won't be there in six to eight months' time.
- The company employs about 30 people and provides income for many families locally.
- The promoters were both trained very well and are very methodical, shrewd and the application submitted is excellent.
- Mr Jimmy Taaffe said that the projections are realistic and that the promoters wish to evolve in a stable fashion.
- The expansion is an add on to their existing business and funding will help make them more efficient.
- The Evaluation Committee expressed the opinion that it is an excellent project as the promoter are creating and sustaining employment in the local area while reducing the travel requirements of their staff.
- It was noted that the Balance Sheet is very strong, and the Evaluation Committee questioned if the company should fund the project themselves. Mr Jimmy Taaffe said that it is the intention of the retiring owners to withdraw their pensions.
- A discussion ensued on the Debtors and if they were all recoverable. It was advised that the payment terms are typically 60 to 90 days and that this is the industry standard.
- The Evaluation Committee said it was very difficult to make a recommendation as they do not know how much the two principals are planning to take.
- It was agreed that the companies track record is excellent.
- It was agreed to defer the project until the details of the retirement plan are provided.

Evaluation Meeting: 11th October 2019- Detail of Discussion:

- The Evaluation Committee discussed their concerns regarding deadweight in detail querying if they could recommend supporting given the healthy balance sheet. Removing the €600,000 reduces the surplus from €1.8m to €1.2m. It was noted that the Rural Development Fund is for applicants that are unable to help themselves and with the surplus involved you must question if they can afford to fund the project themselves.
- A Committee Member stated that it an excellent employer in a rural area employing over 30 staff on good terms and should be supported even if at a lesser extent.
- It was noted that the type of industry can fluctuate dramatically and that the company will need reserves to secure their staff through tough times.
- The Committee noted that they try to give funds to companies that need it while being careful of not propping up lame ducks.
- The company has been in business for 35 years and has built up a good resource and it was said that it should not be penalised for doing well.
- They employ 30 staff on a good standard of wages that are living and shopping locally. Funding will help sustain their employment and create new jobs for people that will be able to work and live in their own rural area.
- The lack of confidence being felt by businesses now and the fear of expanding due to BREXIT was also noted. The promoters are willing to expand to secure their business and should be assisted to do so.

- It was agreed that due to the fluctuations in the industry the company will require working capital and therefore the Evaluation Committee agreed to recommend funding at a reduced level of 40% to address any deadweight concerns.

The Evaluation agreed to recommend funding this project to the Waterford LCDC at 40% to address deadweight concerns: -

A maximum of €102,556.00 or 40% of eligible expenditure, whichever is the lesser.

Amount Recommended: €102,556.00 or 40% of eligible expenditure, whichever is the lesser.

40% of Eligible Project Funding: €102,556.00 or 40% of eligible expenditure, whichever is the lesser.

Signed: _____

Signed: _____

Chairperson of Evaluation Committee

Committee Member

Date: _____

Date: _____

Issues / Queries raised by Evaluation Committee	Project Officers Response
Deadweight	Obtained detailed Information showing succession planning

Signed: J Taaffe

Dated: 29/10/201

WLP Project Officer

Please insert photos below of reference purposes:

(for example a photo of the building to be renovated/machinery being purchased, etc)



Overall Evaluation Committee Scoring Record

Date: 11th Oct 2019

Time: 11.30am

Project Title: **Queally Engineering New Pipe Fabrication Facility**

Project Reference Number: **311DRWAT110650**

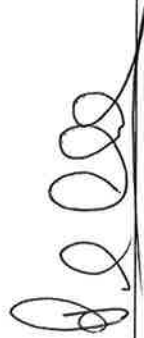
Assessment Criteria	Objective	Issues raised by Evaluation Committee	Weighting	Score
Compatibility with Local Development Strategy	Do the project proposals meet the criteria set out in the LAG business plan for the relevant measure?		Yes / No	
Innovation	Is the product innovative in its nature and does it displace existing enterprises? - Product / Service 9/19 _____ - Displacement 5/19 _____ - Job Creation 5/19 _____		19	16
Promoters experience	Does the promoter have the training/skills, track record or experience to deliver? - Standards of Operation 6/25 _____ - Track Record 6/25 _____ - Structure of Business 6/25 _____ - Necessary skills base 7/25 _____		25	20
Financial Viability	Are the project costs justifiable (reasonableness of costs) and / is funding available to co-fund the project? - Overall Costs 7/25 _____ - Co Funding 6/25 _____ - Financial Plan 6/25 _____		25	20

	Deadweight	6/25		
Sustainability	Is the project viable and will the service continue to be delivered?		13	11
Requirement	Does the proposal target a specific need or address a specific gap in the market?		18	15
Total			100	82

N.B. Project must receive a minimum score of 65% prior to being recommended for approval.

- Has the potential level of deadweight been assessed for this project? YES / NO
- i.e. would the project proceed without LEADER funding? YES / NO

Recommendations of the Evaluation Committee: Approval of 40% grant,

Signature: 

Signature of Evaluation Committee Chair

Date: 11. 09. 2018

Denise Walsh

From: pclerkin@cablesurf.com
Sent: Sunday 20 October 2019 14:27
To: Denise Walsh
Subject: Draft minutes of Evaluation Committee meeting on 11th October 2019.

Hi Denise,

I have reviewed the above draft minutes and I am in agreement with them.

Regards

Paul Clerkin

