Comhairle um Fhorbairt Pobail Áitiúil Phort Láirge
Waterford Local Community Development Committee

Minutes of the Waterford LAG Meeting
Thursday November 14th 2019, Council Chamber, Civic Offices, Dungarvan at 11.00 a.m.

Present: Non Public Sector: Public Sector

1. Gabriel Foley	PPN / Environment	1. Cllr. Lola O'Sullivan Vice Chair	Elected Representative
2. Jimmy Taaffe	CEO – WLP CLG	2. Michael Walsh	CE, WC&CC
3. Richie Grant	CEO – Waterford Area Partnership	3. Julie Somers	CYPSC Coordinator
4. Heather Kiely	PPN/ Community & Voluntary	4. Richie Walsh	Head of LEO
5. Catherine Quinlan	I.C.M.S.A.	5. Liam Daly	Reg. Mgr. Dept Social Protection
6. Jenny Beresford	CEO Dungarvan & West Waterford Chamber	6. Cllr. Adam Wyse	Elected representative
7. Senan Cooke	PPN / Community &Voluntary		
Apologies:			
1. Maggie Flanagan	PPN / Community &Voluntary	1. Cllr. J. Pratt Chair	Mayor, Elected Rep
2. Richard Awosika	PPN / Community &Voluntary	2. Derval Howley	Head of Wellbeing HSE
3. Gerald Hurley	CEO Waterford City Chamber	3. Kevin Lewis	CEO WWETB

Staff Present: D. Tuohy Chief Officer, K Moynihan SO, Ivan Grimes, Director of Serv, E. Hickey SO, E Smyth A.SO, K. Moynihan S.O.

1.Total current Membership	19
2.Total attendees	13
3. Quorum % required (50% of 1 above)	Achieved – 68%
4. non-public/public ratio attendees % ratio non-public/public attendees	7 non-public : 6 public 54% non-public: 46% public

1. **Confirmation of Quorum:** Having reviewed the attendance record, Chief Officer D. Tuohy confirmed that a quorum was achieved. Non-public 7: Public 6; 13 members in attendance.

The Vice Chair Cllr Lola O'Sullivan opened the meeting.

2. Apologies

As per table above, apologies were noted.

3. Conflict of Interest

(i) The Chief Officer outlined the provisions of Section 5.4 of the LEADER Operating Rules (v2.0) and reminded members of their obligations therein. He reminded members to consider whether a conflict of interest could arise on receipt of the notice of meeting and agenda items. He requested members to contact him in advance of the meetings following reviewing the Agenda and associated documentation should a COI arise.

(ii) In relation to items on the meeting agenda, relevant documentation had been circulated. J. Taaffe declared his conflict of interest under Item 8(b) (i), (ii) and 8(d). It was agreed that one member from the Public Sector would abstain, namely; M. Walsh who volunteered in order to maintain the public / non-public balance required for valid decision making in respect of these items.

Agreed

4. Confirmation of Minutes of LCDC Meeting held on October 10th 2019.

Proposed: C. Quinlan	**Seconded by: H. Kiely**
Abstentions: N/A	
Quorum achieved: Yes	**APPROVED**

5. Matters arising: No matters arising - Noted

6. Circulars – No circulars received - Noted

7. Expressions of interest: - N/A

8. Rural Development Programme.

Projects for consideration (Evaluation committee decision sheets, as circulated on the extranet): Mr. J. Taaffe C.E.O. WLP summarised the main points and background of all projects detailed below for the members.

8(a) (i) 31LDRWAT110525 – Knockanore Farmhouse Cheese Co. Ltd
J. Taaffe confirmed that the funding for this project is from a separate national food budget allocation. He confirmed that the retendering process had concluded.

Decision of Evaluation Committee

Project ID	**31LDRWAT110525**
Project Type:	Enterprise, Food
Project Name:	Knockanore Farmhouse Cheese Co. Ltd
Promoters Name:	Knockanore Farmhouse Cheese Co. Ltd
Address:	Ballyneety, Knockanore, Co. Waterford
Description:	The project involves the extension to the cheese making facility and the purchase of new machinery to increase production capacity in a cost effective and efficient manner.
Theme:	Local Objective 2, Enterprise,
Sub-theme:	Strategic Action 2.2 Food
Link to LDS	Local Objective 2, Enterprise

Total Project Costs	**€**400,355.00		
Eligible Project Costs	**€**400,355.00		
Funding sought by promoter:	**€***182,775 or 45.653%, whichever is the lesser amount*		
State one of the following: - First Review / Previously Deferred or Not Recommend	Second Review as the recommendation was deferred for Further Information on Employment Numbers and Salaries		
Funding recommended by Evaluation Committee:	€159,020 or 39.7197% of eligible expenditure whichever is the lesser		
Details of private funding:	€104,810 & €66,695.12 cash/money in bank €78,000 Loan/bridging finance		
Voluntary Labour: YES / NO (If yes provide detail)	**No**		
Synopsis of project:	Extend the range of cheese moving from an artisan producer to a commercial one.		
Detail exactly what WLP will be funding (List items from Project Assessment Report)	**Detail**	**Total Cost (Expenditure)**	**Grant Aid recommend by the Evaluation Committee @ 39.7197 %**
	Peg Mill	**24500**	**9731**
	Ice Builder	**47500**	**18867**
	Pasteuriser	**46000**	**18271**

	Vacuum Extruder(Not been purchased)	**(-77155)**	**(-35,227.20)**
	Bowl	**38500**	**15292**
	Taping Machine	**2650**	**1053**
	Automated Cheese Smoker	**79960**	**31760**
	Auto labeller	**73745**	**29291**
	Rebranding	**5000**	**1986**
	Construction	**82500**	**32769**
Total Funding		**400,355**	**159,020**
Was an assessment completed? Date: _________________	The Evaluation Committee agreed that the revised project assessment was completed on the 13th Sept 2019.		
Are detailed costings provided for the project? Were the costs for the project considered reasonable and how was this measured?	The promoter sought and received quotations for each item under Category 2 of the LEADER Rules. 5 Quotations for the Building. The Promoter retendered for the Cheese Smoker		
Where the procurement process resulted in less than 3 quotes, the EC must show the additional steps taken to ensure the reasonableness of costs:	Where this occurred, there is email evidence to demonstrate that reasonable efforts were made to obtain relevant quotations.		
Innovative Element of the project:	The investment will assist in increasing production capacity in a cost effective and efficient manner in a family owned alternative enterprise that has been built from scratch.		
Consideration of Deadweight:	The Evaluation Committee agreed that deadweight is not an issue as without funding this project will proceed at a much lesser level.		
Consideration of Displacement:	Displacement is not an issue as the number of commercial artisan manufacturing operating in the promoter's area of operation is limited.		
Economic justification for project:	The project fits in with the Co Waterford LCDC Plan for enterprise projects.		
Average Score for Project:	81/100		
% level of aid & ceiling:	€159,020 or 39.7197% 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 majority of the Evaluation Committee agreed that funding this project will help the promoter enhance the sustainability of the business and allow it to diversify its product range for new market opportunities.		

Jobs Created	Jobs Sustained	Match Funding	Previous Grant Aid Received
2 - 3	**6 Fulltime** **3 Part Time** **1 Seasonal**	**Yes**	**Yes – 2007 -2013 LEADER Programme**

Confirmation that agencies / communities are supportive of the proposed project.	Date of Confirmation	Signed By
Waterford LEO confirmed that there was no Duplication or issue with De Minimus	**22/05/2019**	**B. Kirby**

The following were the main points raised in the discussion of the project: -

- Mr Jimmy Taaffe advised that this project was already recommended and approved for funding. It is being looked at again as the promoter has requested to change one machine, a vacuum extruder for another machine an automated cheese smoker due to further detailed analysis.
- It was noted that the requested change will not change the overall % rate granted. The piece of equipment is about €2,000 cheaper
- The Evaluation Committee all agreed to recommend the proposed change as requested noting that the original scoring and rational for approval remains in place.

Previously the Evaluation Committee on the 14th June 2019 recommended the following: -

- Following an in-depth discussion around job creation and the possibility of removing elements of the proposal from funding it was agreed to reduce funding to 40% of eligible expenditure up to a maximum of €159,020, whichever is the lesser.

The Evaluation Committee agreed to recommend this project with the following conditions: -

- Funding reduced to a maximum of 39.7197% or €159,020.00 whichever is the lesser.
- Any change to the proposed equipment should not increase the above % or maximum funding received as previously recommended.

The Evaluation Committee recommended a maximum of 39.7197% or €159,020 of eligible expenditure whichever is the lesser.

Issues / Queries raised by Evaluation Committee	Project Officers Response
The 39.7197% is based on a full investment of the	**This will be put in the Letter of Offer**

€397550	
Salary Levels	**Funding reduced to 39.7197%**
Amount Recommended: A maximum of €159,020 or 39.7197% of eligible expenditure whichever is the lesser.	**39.7197% of Eligible Project Funding: €159,020 0f eligible expenditure, whichever is the lesser.**
Issues / Queries raised by LAG	**CEO WLP Response**
A member stated the photographs should be more explanatory in general terms in order to get a better appreciation of the project	Before and after photographs can be made available to the LAG following completion of the works

The LAG members noted the report and accepted the recommendation of the Evaluation Committee to fund the project.

Proposed: J. Beresford	**Seconded by: Cllr. A. Wyse**
Abstentions: None	
Quorum achieved: Yes	**Approved**

8(a) (ii)

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,

<table>
<tr><td></td><td colspan="3">whichever is the lesser</td></tr>
<tr><td>State one of the following: -
First Review / Previously Deferred or Not Recommend</td><td colspan="3">Deferred – Second review</td></tr>
<tr><td>Funding recommended by Evaluation Committee:</td><td colspan="3">A maximum of €102,556.00 or 40% of eligible expenditure, whichever is the lesser.</td></tr>
<tr><td>Details of private funding:</td><td colspan="3">Cash/Money in account €128,195</td></tr>
<tr><td>Voluntary Labour: YES / NO (If yes provide detail)</td><td colspan="3">No</td></tr>
<tr><td>Synopsis of project:</td><td colspan="3">New Pipe Fabrication Facility</td></tr>
<tr><td rowspan="7">Detail exactly what WLP will be funding (List items from Project Assessment Report)

Total Funding</td><td>Detail</td><td>Total Cost (Expenditure)</td><td>Grant Aid recommend by the Evaluation Committee @40 %</td></tr>
<tr><td>Steel Building</td><td>189613.00</td><td>75845.20</td></tr>
<tr><td>2 X Bandsaw</td><td>19000.00</td><td>7600.00</td></tr>
<tr><td>2 X Welding Plants</td><td>13447.00</td><td>5378.80</td></tr>
<tr><td>1 X Air Compressor</td><td>2430.00</td><td>972.00</td></tr>
<tr><td>1 X 5 Tonne Forklift</td><td>31900</td><td>12760</td></tr>
<tr><td></td><td>256390</td><td>102556</td></tr>
<tr><td>Was an assessment completed?:
Date: _________________</td><td colspan="3">The Evaluation Committee agreed that the project assessment was completed on the 11th Sept 2019.</td></tr>
<tr><td>Are detailed costings provided for the project? Were the costs for the project considered reasonable and how was this measured?</td><td colspan="3">Category 2 LEADER Specific Procurement guidelines were followed so costs were deemed reasonable.</td></tr>
<tr><td>Where the procurement process resulted in less than 3 quotes, the EC must show the additional steps taken to ensure the reasonableness of costs:</td><td colspan="3">N/A</td></tr>
<tr><td>Innovative Element of the project:</td><td colspan="3">Funding this project will allow for modular fabrication of pipework off-site which will lead to greater efficiency.</td></tr>
<tr><td>Consideration of Deadweight:</td><td colspan="3">Funding reduced to 40% to address deadweight concerns</td></tr>
<tr><td>Consideration of Displacement:</td><td colspan="3">The Evaluation Committee agreed that displacement is not an issue.</td></tr>
<tr><td>Economic justification for project:</td><td colspan="3">Funding will create an additional four jobs and create a more efficient production process.</td></tr>
<tr><td>Average Score for Project:</td><td colspan="3">82/100</td></tr>
</table>

% 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:-** 2. The project scored 82/100 3. This was considered a good use of Rural Development Funding as creating and sustaining employment is one of the main criteria of the programme. **4.** 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**

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

- Mr Jimmy Taaffe advised that the promoter is proposing to build a new pipe fabrication building approx. 240 sq. meters 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 promoters 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.
Issues / Queries raised by Evaluation Committee	**Project Officer's Response**
Deadweight	**Obtained detailed Information showing succession planning**
Issues / Queries raised by LAG members	**CEP WLP response**
(i) Deadweight / Displacement	**Not an issue**
(ii) Is there a Cap on how much turnover a company must have to apply for funding	**CAP is €2m**

The members accepted the recommendation of the Evaluation Committee to fund the project.

Proposed: G. Foley	**Seconded by: J. Beresford**
Abstentions: N/A	
Quorum achieved: Yes	**Approved**

8(a) (iii)Update on appeal: LAG decision of 11th July 2019, deferred on 12th September and 10th October The Warehouse – 2B Climbing Limited 31LDRWAT109889

J. Taaffe explained that initially the Evaluation Committee did not recommend that the project be funded. Following review of the appeal documentation, the applicants satisfied the Evaluation Committee's concerns, primarily relating to Finance, Sustainability and Insurance. He confirmed the only caveat remaining is that the promoters submit confirmation that they are in a position to obtain insurance.

Decision of Evaluation Committee

Project ID	31LDRWAT109889
Project Type:	Capital
Project Name:	The Warehouse
Promoters Name:	2B Climbing Ltd
Address:	32 Carn Glas Way, Gracedieu Rd, Tramore, Co. Waterford.
Description:	To create a new climbing gym in Tramore. The Warehouse will be the only centre in the South East to offer a first calls training facility for all climbers in the region. This will also be the only facility offering competition standard bouldering. Funding is sought for the design and manufacture of the climbing wall and associated equipment
Theme:	Rural Tourism LO1
Sub-theme:	Activity Tourism SA1.1

Link to LDS	Yes

Total Project Costs	€200,185.45
Eligible Project Costs	€163,017.45
Funding sought by promoter:	€81,508
State one of the following: - First Review / Previously Deferred or Not Recommend	Previously deferred
Funding recommended by Evaluation Committee:	**Recommendation: A maximum of €81,508.00 or 50% of eligible expenditure, whichever is the lesser with the following conditions: -** - **Formal agreements in place for investments** - **Confirmation of provision of extra working capital if needed.** - **Confirmation of bank loan.**
Details of private funding:	€60,000 personal investment by promoters €31,509 AIB Bank Loan €40,000 interest free loan from a parent & bridging provided by same
Voluntary Labour: YES / NO (If yes provide detail)	**No**
Synopsis of project:	Funding is sought for the design and manufacture of a climbing wall and associated equipment in a unit in the Riverstown Industrial Estate, Tramore to provide a suite of classes, membership and a party venue. The promoters are level 1 climbing coaches and qualified route setters who can change the settings for the climbing wall on a regular basis to create new challenges.

Detail exactly what WLP will be funding (List items from Project Assessment Report)	**Detail**	**Total Cost (Expenditure)**	**Grant Aid recommend by the Evaluation Committee @ 50%**
	Shoes, harnesses, ropes, belay equipment, chalk	€4,011.59	€2,005.79
	Laptop	€447.14	€223.57
	Printer, vacuum cleaner	€534.96	€267.48
	Microwave, coffee machine	€551.22	€275.61
	Cleaning & maintenance equip	€975.26	€487.63
	Kitchen & WC equip	€1,564.20	€782.10
	Training equip	€719.27	€359.63
	External signage	€180	€90
	Marketing materials & uniform	€912	€456
	Flyers & membership cards	€130.09	€65.04
	CCTV & alarm equip	€3,431.72	€1,715.86
	Design/construction/installation of	€149,560	€74,780

Total Funding	wall		
		€163,017.45	€81,508
Was an assessment completed?: Date: _03/05/2019____________	Yes		
Are detailed costings provided for the project? Were the costs for the project considered reasonable and how was this measured?	Yes, direct tendering was used for the smaller associated items while e tendering was used to procure the climbing wall and the most economic advantageous tender process used to select the chosen suppliers		
Where the procurement process resulted in less than 3 quotes, the EC must show the additional steps taken to ensure the reasonableness of costs:	Not applicable		
Innovative Element of the project:	This is the first climbing gym of its kind in the South East offering competition standard bouldering		
Consideration of Deadweight:	Promoters are reliant on funding to set up this project		
Consideration of Displacement:	The nearest comparable facility would be in Dublin		
Economic justification for project:	The project will provide employment on a full time/part time/seasonal basis as well as adding value to the tourism offering in Tramore which has a strong reputation in land and water activities. Links will be forged with local schools, clubs and other tourism activity providers		
Average Score for Project:	**73/100**		
% level of aid & ceiling:	A maximum of €81,508 or 50% of eligible costs whichever is the lesser.		
E. C. Executive Summary/Rationale for Funding	**The Evaluation Committee agreed to recommend funding this project for the following reasons:-** **5. The project scored 73/100** **6. The projects fits the LCDC Development Plan for providing activity tourism projects in Co Waterford.** **A maximum of €81,508 or 50% of eligible costs whichever is the lesser.**		

Jobs Created	**Jobs Sustained**	**Match Funding**	**Previous Grant Aid Received**
		€130,509	€0

Confirmation that agencies / communities are supportive of the proposed project.	**Date of Confirmation**	**Signed By**

Failte Ireland	08/05/19	Eimear Whittle
Local Employment Office	09/05/19	Brid Kirby

Evaluation Meeting: 26th September 2019: Appeal: The Warehouse 31LDRWAT109889

Ms Claire Connors advised that the promoters wrote to the LCDC appealing the decision not to fund the project due to concerns on the financial viability of the project. The LCDC agreed that the appeal documentation would be referred to the Evaluation Committee for consideration and recommendation.

Mr Jimmy Taaffe advised that the LCDC are very dependent on the Evaluation Committee and their recommendations as they understand how thoroughly the projects are reviewed. To date the LCDC has accepted all the Evaluation Committee's recommendations.

Ms Claire Connors advised the Evaluation Committee that the promoter felt that they did not fully understand the project and were making comparisons to activity centres whereas this will cater for individuals up to an Olympian standard. They already have an existing clientele from Activate 8 and will be ready to go once funded. These users are committed and are regularly travelling to Dublin to take part in events and competitions.

Both Promoters are fully committed and passionate about this project and are confident of its success. They have already given up their employment with Activate8 and have researched similar facilities in Dublin and one in Cork.

Mountaineering Ireland are supportive of the project as it will be the only such centre in the South East of the country. They will use it for training events, competitions and individually. It will operate like a gym with membership fees and they will also run classes. Once an individual achieves a certain level, they will be able to use the facilities without supervision.

The Committee noted that the amount of working capital was a major concern as it is very rare for a business to be up and running from day one. The projections were not considered achievable and the salaries of €23,000 for them both was considered extremely low to sustain for a long period. It was noted that they have a very limited marketing budget.

In the original application there was funding given by the mother of one of the promoters. It was unclear if this was a loan or a gift. There were no repayments included in the projections to cover this. Ms Connor confirmed that an email has been received to clarify that this is a gift and that they are willing to provide a bridging facility. In the meantime, the other partner has received confirmation of funding of €40,000.

The Evaluation Committee expressed concerns that the project is very much dependent on family support and said that to ensure transparency formal arrangements should be in place. It was also stated that all cases whereby a family member is gifting, loaning or investing, it should be clearly outlined to the family members concerned that if the project is not successful then it's not only their savings that are gone, but that the LEADER grant aid must be repaid by the promoters. The Evaluation Committee noted that it is unclear if the additional funding is a loan, a gift or an investment.

It was said that the promoters don't seem to have an appreciation that new businesses may have tough times.

It was queried what % of fees were toward the gym use? Ms Connors replied that they do not provide that breakdown as they have broken down the projections into classes. They plan to run 7 classes with 8 children per class for a period of 40 weeks. There will be four different levels of classes. The Evaluation Committee noted that the general membership is projected at being €17k out of the total cash projection of €73k. That's a lot of cash to bring in weekly with no firm commitments from anyone. Ms Connors replied that they provided testimonials from parents who say they will use the service and have a letter of support from Mountaineering Ireland. The Evaluation Committee said that letters of support are not confirmed commitments.

The main concern is that if the business does not take off, they do not have funds to carry it. All new businesses take time to establish. A lot flounder in the first year. They need to reach each of their projections from day one to survive. They have rent and a loan to the AIB as well as having to earn a living for themselves. Normally it takes up to three years to successfully establish a business. How are they going to cover it for three years?

The Evaluation Committee stated that it could be a tremendous asset to the South East but agreed that it would have a much better chance of success if attached to an existing business.

The Committee noted that from what they have seen so far, they have not changed their minds on the viability of the project. 50% of the proposed income is untapped income with no commitment whatsoever.

The Committee reviewed the documentation circulated and noted the following queries:-

- Formalised agreements from all parties providing funding clearly identifying if it is a gift, a loan or an investment. If a loan or investment, please include the repayment terms.
- Typically, it takes 3 years to get a new start-up to a profit situation. How will it be financed in the meantime?
- Provide any firm commitments for usage and the terms of the agreement.
- Address the low-income issue.

Evaluation Meeting Friday 11th October 2019: The following were the main points raised in the discussion of the project: -

- Ms Claire Connors advised that the additional information requested was circulated to the Evaluation Committee for review. In fairness, everything that was requested of the promoter they have replied on.
- The promoters have the match finance and some of the working capital required. Ms Carmel Smith has confirmed that she is gifting the match money of €25,000 to her daughter and providing the bridging finance of €81,508.00 along with €40,000 in working capital. The Evaluation Committee agree that it is clear from the emails received that the mother is prepared to back her daughter to the hilt and that she is aware of the risk she is taking.
- They have provided letters confirming investors loans subject to the project being funded by

LEADER; one for €10,000 and two for €15,000 each.
- It was noted that Ms Rachel Smith was the Manager in Activate and has the experience and credentials behind her.
- Both promoters are very confident in the project and in their skills to run it said Ms Connors. They have obtained letters of support and investors and cannot understand the fears expressed by the Committee as they believe it will be a success from day one.
- A Committee Member queried if after leaving Activate8 do they have a non-compete clause in their contracts. Ms Connors said that she didn't believe so as Activate8 are only offering taster courses as part of an overall entertainment package whereas the promoters will be offering a different service altogether up to competitive level.
- Currently they are travelling to Dublin with their clients but have not confirmed the numbers travelling. They plan on running 7 different levels of classes with fees ranging from €8.50 to €12.50 per class. The ones from now until the end of the year are all sold out.
- They will also have fees from memberships from people qualified to use the facilities without supervision.
- Mr Jimmy Taaffe said that times have changed with most entertainment now being purchased. Families spend more on organised activities now than in previous years. Before it would have been normal for children to play outside on their own, but the trend now is for activities to take place is suitable safe environment.
- The Committee noted that it is niche project and that its difficult to know if it will be successful or not, giving the seaweed baths as another niche project that was successful, as an example.
- Mr Jimmy Taaffe said that on a bad weather day there is very little activity offerings in Co Waterford.
- It was noted that school tours are always looking for new attractions and would be another source of income. Ms. Connors advised that it is planned that the classes will run during the year except in summer. In the summer months they will target school tours and visitors to Tramore.
- The belief and confidence both promoters have in the project and their tenacious pursuit of approval was considered a good sign by the Evaluation Committee.
- The promoters have confirmed that the low income is not an issue for them.
- The Evaluation Committee agreed to recommend funding providing that all the finances are tied down and copper fastened with legal agreements.

The Evaluation Committee agreed to recommend funding this project with the following conditions: -

- Formal agreements in place for investments
- Confirmation of provision of extra working capital if needed.
- Confirmation of bank loan.

Recommendation: A maximum of €81,508 or 50% of eligible costs whichever is the lesser.

Amount Recommended: €81,508	**50% of Eligible Project Funding: €163,017.45**
Issues / Matters raised by LAG	**CEO WLP's Response**
A member referred to the postal address	Confirmed the business is based in the County

Proposed: H. Kiely	**Seconded by: J. Somers**
Abstentions: N/A	
Quorum achieved: Yes	**Approved**

8(a) (iv) Appeal update: Redevelopment and improvement works to Ballysaggart Community Hall 31LDRWAT110668

Chief Officer D. Tuohy confirmed no appeal had been received to date and the deadline for submitting an appeal has not expired.

8(b) (i) Approval of advance administration funding in the sum of €63,667.00 to WLP for the period 01.11.19 – 31.12.19

Mr. J. Taaffe, CEO of Waterford Leader Partnership stepped out of the meeting having earlier declared a C.O.I. (No.3 (ii) above refers)

D. Tuohy confirmed this amount which is paid quarterly to WLP. No queries arose.

Proposed: G. Foley	**Seconded by: G. Beresford**
Abstentions: Two: J. Taaffe CEO WLP (non-public); M. Walsh CE WCCC (public)	**Revised Non-Public 6 : Public 5**
Quorum achieved: Yes	**Approved**

Item (b) (ii) WLP returns – July – September 2019 income and expenditure

Chief Officer D. Tuohy outlined to the members that the documents presented outline in a transparent manner how the WLP element of LEADER funding is managed and accounted for. No further questions arose.

NOTED

Mr. Taaffe returned to the meeting.

8(c) Project extension request: Cistercian Monastic Community of Nuns – Visitors Centre 31LDRWAT107976

J. Taaffe recommended an extension to 28th February 2020 to ensure that all eligible invoices come within the timeframe of the contract as per the LEADER programme operating rules.

No questions arose.

Proposed: G. Foley	**Seconded by: J. Beresford**
Abstentions: N/A	
Quorum achieved: Yes	**APPROVED**

8(d) Confirmation of DRCD provision of performance related additional €500,000 under the LEADER programme.

J. Taaffe stepped out of the meeting for discussion and decision on No (ii) below.

Chief Officer D. Tuohy briefed the members on the provisions outlined in the DRCD announcement dated 21 October. The matter for LAG consideration was confirmed, namely:-

(i) Confirmation of the Waterford LAG's approval to accept the additional funding of €500,000.
(ii) The percentage of this additional €500,000 the LAG wishes to allocate for Administration and Animation Costs. Mr. Tuohy confirmed the maximum amount is 13% and recommended this amount be allocated to WLP.

No questions arose. The Members congratulated Mr. Taaffe and his team on their work under their programme given the additional funding was performance related and national recognition re same. Mr. Taaffe acknowledged the support and excellent working environment of the LCDC members and staff.

Proposed: R. Walsh	**Seconded by: J. Somers**
Abstentions: Two – J. Taaffe WLP (non-Public) M. Walsh CE /WCCC (Public)	**Revised: Non Public 6 : Public 5**
Quorum achieved: Yes	**APPROVED**

Mr. Taaffe returned to the meeting.

10 **Reports from sub-committees**: -

R. Walsh briefed the meetin:

- WCCC was successful in the application for funding of €3,726,000 for the development of Mt. Congreve house and gardens. The funding will ensure Mt. Congreve is a world class tourism destination with an enhanced visitor experience allowing for the redevelopment and restoration of the estate. The enhanced visitor amenities will include repair of the historic greenhouse, improved access to grounds and pathways and provision of family friendly facilities. The matching funding however is a challenge going forward for the next number of years, with over €1.25 million in match funds required, with Waterford City and County Council and Fáilte Ireland being the main funding agencies
- It was confirmed the Blackwater valley application was unsuccessful.
- An announcement is due on outdoor recreation schemes

NOTED

11 **Correspondence** –

No further correspondence. All items of correspondence were dealt with as part of Agenda items above.

12 **A.O.B**. - None

13 **Date and venue of next meeting:** Thursday 12th December 2019 at 11.00a.m. Council Chamber, City Hall, Waterford

Meeting Closed

Signed_________________ _________________

CHAIRPERSON DATE