



Comhpháirtíocht Leader Waterford Leader
Phort Láirge Partnership

Decision of Evaluation Committee

Project ID	31LDRWAT115887
Project Type:	(SA 2.1) Capital Investment in existing and start up technology, graduate orientated rural businesses
Project Name:	Construction of Shed's for Storage
Promoters Name:	O.K. Fuels Ltd
Address:	Deerpark, Lismore, Co. Waterford
Description:	OK Fuels Ltd is a young business (formed in 2012) that has developed strong market connections in kiln-dried wood for residential home use. Over the last 9 years, it has developed markets with several large multiples. Because of this success, it now has to expand its facilities so as to supply their key buyers. As a result they have to construct new storage facilities for the kiln dried firing along with new staff facilities, i.e., new canteen and toilet area. They have developed a product that will be in line with the new legislation on smokeless fuel and the banning of burning green wood, i.e., not kiln dried. The investment is significant for this young business.
Theme:	LO 2 Strategic & Collaborative Investment in Rural Enterprise Development to foster Rural Job Creation in local villages
Sub-theme:	SA 2.1) Capital Investment in existing and start up technology, graduate orientated rural businesses
Link to LDS	LO 2 Strategic & Collaborative Investment in Rural Enterprise Development to foster Rural Job Creation in local villages

Total Project Costs	The cost of this project is €505,000.00 and the promoter has requested funding of €166,455.79 or 32.96% of eligible costs whichever is the lesser.
Eligible Project Costs	€505,000.
Funding sought by promoter:	The promoter has requested funding of €166,455.79 or 32.96% of eligible costs whichever is the lesser.
State one of the following: - First Review / Previously Deferred or Not Recommend	First Review

Funding recommended by Evaluation Committee:	A maximum of €166,455.79 or 32.96% of eligible expenditure, whichever is the lesser		
Details of private funding:	€113,544.21 Cash €225,000.00 Borrowings		
Voluntary Labour: YES / NO (If yes provide detail)	No		
Synopsis of project:	Construction of a twin portal frame steel building for storage and staff facilities		
Detail exactly what WLP will be funding (List items from Project Assessment Report) Total Funding	Detail	Total Cost (Expenditure)	Grant Aid recommend by the Evaluation Committee @32.96 %
	Construction of a twin portal frame steel building for storage and staff facilities	505,000	€166,455.79
		€505,000	€166,455.79
Was an assessment completed?: Date:	The Evaluation Committee agreed that the project assessment was completed on the 10 th September 2021		
Are detailed costings provided for the project? Were the costs for the project considered reasonable and how was this measured?	The Evaluation Committee agreed that the promoters followed Category 2 – LEADER Specific Procurement Guidelines		
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:	Construction of a twin portal frame steel building for storage and staff facilities		
Consideration of Deadweight:	The Evaluation Committee agreed that this project would not proceed on the same level without funding.		
Consideration of Displacement:	Funding this project will not cause displacement as similar businesses in the area are not supplying this product.		
Economic justification for project:	The project fits the Local Development Strategy plan for enterprise support		
Average Score for Project:	- The project scored 81/100		
% level of aid & ceiling:	€166,455.79 or 32.96% 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:- 1. The project fits the Local Development Plan (LDS) for enterprise support. 2. The promoters provide employment in a rural area to those not geared to more technical pursuits.		

Jobs Created	Jobs Sustained	Match Funding	Previous Grant Aid Received
	11	Yes	€20,544.21-2018 €27,650-2017

Confirmation on the applicant's position re De-Minus and double from the relevant agencies.	Date of Confirmation	Signed By
Waterford Local Enterprise Office	28/09/2021	B. Kirby

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

- Mr Jimmy Taaffe advised that the promoters followed Category 2 Leader specific procurement guidelines and obtained 5 quotations along with advertising in the local papers. They awarded the contract to Norris Bros as they were the lowest value supplier that met the criteria. Another supplier at the same price but did not fully match the awarding criteria.
- The Evaluation Committee noted that Norris Bros were one of the biggest shed suppliers in the Southeast and are known for being very efficient and cost-effective. They have in-house drafts and engineering people.
- Mr Jimmy Taaffe briefly outlined the background of the promoters advising that they have received funding previously. The promoters supply both kindling and firewood but the demand for Kiln-dried wood is increasing. They aim to add one new corporate customer per annum and are currently dealing with Aldi, Lidl and Dairygold.
- From this year on the burning of green wood will not be allowed. This business falls into the new agenda for the green economy by providing kiln-dried wood and the circular economy by providing homegrown trees to create the product. It fits both the EU and Government agenda.
- Mr Jimmy Taaffe advised that the accounts for O'Keeffe Sawmills were also circulated as both companies are related, and the Committee needs to see the overall financial picture.
- It was noted that while profitable the debtors appear quite high. Mr Jimmy Taaffe advised that they are aware of this and are working on it. Over the years the business is progressing becoming more professional and this project is an extension of that. The debtors were reduced from 2019 to 2020.
- A Committee Member commented that he was concerned about the loan and queried why the cost of repaying the loan was not factored into the projections? Mr Jimmy Taaffe replied that the promoters receive 5 loads per week from Coilte and create the products year-round but store them until required by the customer. They rent storage facilities all over, including warehouses, unused chicken houses, etc. The savings on rent and transport costs will cover the loan repayments.
- Mr Jimmy Taaffe clarified that the promoters laid the hardcore for the project in advance but received retention for the works carried out. The planning permission for the steel sheds will be issued in November.
- It was advised that the bridging loan is required as under LEADER rules the promoter must pay the suppliers before making a claim. The programme only pays on receipted costs.
- The Evaluation Committee considered this a good use of EURI funding as the product is addressing climate change and will become the main source of firewood under the new fuel legislation.

- The Evaluation Committee agreed to recommend funding this project under the European Union Recovery Fund (EURI).

A maximum of €166,455.79 or 32.96% of eligible expenditure, whichever is the lesser with the following condition: -

Full planning permission must be obtained before the Letter of offer is issued.

Amount Recommended: A maximum of €166,455.79 or 32.96% of eligible expenditure, whichever is the lesser

32.96% of Eligible Project Funding: €166,455.79

Signed: _____

Signed: _____

Chairperson of Evaluation Committee

Committee Member

Date: _____

Date: _____

Issues / Queries raised by Evaluation Committee	Project Officers Response
Full Planning to be in Place	The Planning Permission for the Sheds issued on the 15 th of October

Signed: JTaaffe

Dated: 19/10/2021

WLP Project Officer

Please insert photos below of reference purposes:

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

Evaluation Committee Scoring Record

Date: 13/10/2021

Time: 11:00 am

Project Title: Construction of Shop's for Storage

Project Reference Number: 31402WAT115887

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 <u>7</u> - Displacement 5/19 <u>5</u> - Job Creation 5/19 <u>4</u>		19	16
Promoters experience	Does the promoter have the training/skills, track record or experience to deliver? - Standards of Operation 6/25 <u>5</u> - Track Record 6/25 <u>5</u> - Structure of Business 6/25 <u>5</u> - Necessary skills base 7/25 <u>5</u>		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 <u>5</u> - Co Funding 6/25 <u>5</u>		25	20

	Financial Plan	6/25	5			
	Deadweight	6/25	5			
Sustainability	Is the project viable and will the service continue to be delivered?			13		10
Requirement	Does the proposal target a specific need or address a specific gap in the market?			18		15
Total				100		81

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: Approved

Signature: Paul O'Leary

Signature of Evaluation Committee Chair

Date: 14th October, 2021

Denise Walsh

From: pclerkin@cablesurf.com
Sent: Friday 15 October 2021 12:14
To: Denise Walsh
Subject: Minutes of Evaluation Committee Meeting held on 13th October 2021.

Dear Denise,

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

Regards

Paul Clerkin.
Chairperson
WLP Evaluation Committee

