



## LEADER GRANT APPLICATION GUIDANCE NOTE

This Guidance Note is intended to assist the applicant complete the LEADER Grant Application Form. **Please read all of this Note and the form before completing it.**

Some of the detail you provide, up to and including question 3.4, will also be used by the Scottish Government's Rural Payments Inspections Directorate (SGRPID) to allocate your project a unique Business Reference Number (BRN). The BRN is required to allow SGRPID to report LEADER expenditure to the EC under EC legislation.

### SECTION 1: PROJECT SUMMARY

#### 1.1 Organisation Name

The name of the group applying for LEADER funding. This should be the full name of the organisation/project sponsor that will be the lead applicant for the project. The project sponsor will be responsible for all matters associated with the LEADER grant including project implementation, acceptance of grant, submission of claims, cash-flow management, monitoring and verification visits and the retention of project documentation.

#### 1.2 Project Title

This should be the name by which your project is/will be commonly known. Titles should be concise and precise, descriptive of the project, unique and suitable to be continued as the permanent project name.

#### 1.3 Project Costs

Indicate the total amount of LEADER grant aid you are applying for. This should be the minimum required for the project to proceed. Intervention rates will not normally exceed 50% of your total project cost. The figures here must correspond with those at Section 12 (Project Costs).

#### 1.4 - 1.5 Project Start and Finish Dates

Indicate here the anticipated start and completion dates of your project. In order to ensure eligibility of expenditure, applicants should indicate a start date for their project no earlier than the meeting of the Local Action Group where the application will be considered for approval and within 3 months of approval (i.e. before the following assessment meeting). Once approved, expenditure incurred on the project can be invoiced and LEADER funding drawn down. Any expenditure incurred before the start date will not be eligible for grant funding.

#### 1.6 Land Management Projects

State whether your project is land based management or not e.g. access paths, community tree planting or environmental management of an area of ground. **If the area involved is more than 0.01 Ha** (100 square metres), **please speak to your LAG contact before proceeding** as you may also have to supply a detailed map of the area involved to meet SGRPID land registration and land use checks.

### SECTION 2: CONTACT DETAILS

The main contact must be someone from your group who can be contacted during office hours and who can talk about the application. This is the person to whom correspondence about the application will be sent. Please remember to provide a full postal address and a map of the location of this address for SGRPID use.

### SECTION 3: ORGANISATION DETAILS

#### 3.1 Organisation Name

As in 1.1

#### 3.2 - & 3.3 Organisation Status & date of formation

Provide the status of your organisation.

**3.4** If your organisation has already been supplied with a Business Reference Number (BRN) by SGRPID, please state the BRN.

**3.5** Please select Yes or No. If Yes, please provide the detail requested. This is required for SGRPID audit purposes to ensure there is no conflict on the funding involved. Please consider Q. 13.3 when answering.

**3.6 & 3.7** Please quote your charity number if applicable. State whether or not you are registered for VAT. If so, please provide the VAT number.

### **3.8 Equal Opportunities**

Applicants are required to demonstrate that they have considered discrimination, disability and equal opportunities issues at all stages of the project life cycle and that the project has been structured to ensure that equal opportunities will be mainstreamed throughout. Equal opportunity is about being as inclusive as possible in involving people in the development and implementation of projects and services. It could involve issues around age, gender, race, disability, religion or belief. Applicants should be aware of equal opportunities requirements even though they may not be directly relevant to your organisation. Small community groups do not need to have an equal opportunities policy but should demonstrate an awareness of equal opportunity issues. All projects need to demonstrate an awareness of equal opportunity issues. Further guidance can be found at [www.eoc.org.uk](http://www.eoc.org.uk)

### **3.9 Young People**

#### **3.10 Main Activities of your Organisation**

State in no more than 100 words the main activities of your **Organisation**. Please do not confuse this with your proposed **Project**. Tell us about your **Project** in Section 4.

## **SECTION 4: PROJECT DETAILS**

### **4.1 Project Title**

As in 1.2

### **4.2 Project Location**

This should state where your project would be based and may be different from 2.3

### **4.3 Project Area**

State the geographical area your project will cover. This should include the total area in km<sup>2</sup> eligible for the project. Also detail the names of villages, towns and related post codes. You must ensure that the geographic boundaries lie within the area designated by your Local Action Group.

### **4.4 Project Summary**

Summarise in less than 750 words the key elements of your project and the benefits it will bring to your community. Please outline the activities you are seeking funding for, and include any background information.

### **4.5 – 4.6 Potential Barriers**

Examples of potential barriers include physical access and difficulties in communicating with other groups.

### **4.7 Planning Permission/Regulatory Consents**

This section provides the applicant the opportunity to clarify whether the project requires planning permission or any other form of regulatory compliance or consent such as listed building consent or a building warrant. You do not need to have obtained approval before applying for an award, but early discussion with the local authority Planning/Building Control Officer is useful in determining if permission is required for the project. If planning permission has already been given, please provide details on the type of planning permission (full, outline, conditional, unconditional) obtained and the date it was granted. Similar details should be provided for listed building consent and building warrant.

### **4.8 Natural Heritage Sites**

State whether any of the designated sites would benefit from your project and what impact it might have on these designated areas.

### **4.9 Background**

Detail any work already undertaken in relation to your project, e.g. market research, community participation. You should address the issues of demand, need and opportunities associated with the project. Detail what evidence there is to substantiate the need for your project and what demand there is for it, e.g. include details of any surveys/consultation work undertaken.

### **4.10 Integration**

Does your project link to local, national and European priorities? The LEADER programme represents one element of funding and assistance in the rural area. It aims to support relevant small scale economic and community

development activities. As such, it should seek to complement other public sector programmes operating in the same area. Where possible, potential overlaps should be avoided. If in doubt, guidance should be sought from the Project Officer.

#### **4.11 New Job Creation**

Will your project create new jobs? If it does you should indicate which sector the jobs will be created in. The anticipated number of new jobs should also be recorded.

### **SECTION 5: PARTNERSHIP DETAILS**

#### **5.1 Cooperation Projects**

State whether this will be a cooperation project. An inter-territorial project is one undertaken with a group in another part of Scotland or the UK; a transnational project will involve a group from an EU or third country.

#### **5.2 Partnership Details**

You should include details of all partners involved in **managing the project**, and the form of partnership you have with them.

#### **5.3 Partnership Agreement**

A partnership agreement is required for any Action 2 (cooperation) projects.

### **SECTION 6: TENDERING AND RECRUITING ARRANGEMENTS**

#### **6.1 Procurement**

Your project officer will be able to advise on contracts of work.

### **SECTION 7: PROJECT TARGETS & OUTPUTS**

#### **7.1 Target Groups**

The LEADER Programme has highlighted women and young people as two groups who require specific targeting. Additional groups could include micro businesses (employing fewer than 10 people) and small businesses (employing fewer than 50 people). People who are under-employed and people with disabilities are also targeted. Extra target groups relevant to the individual Local Action Group can be entered under 'Other'. Please estimate how many people, within the groups listed, your project will assist.

#### **7.2 Project Outputs**

Project Outputs refer to the activities, services and products provided by an organisation. Please estimate how many of the outputs listed your project will deliver.

#### **7.3 Project Outcomes**

Outcomes are the benefits and changes resulting from the options, - the impact on, or consequences for, the community due to the activities.

### **SECTION 8: PROJECT MANAGEMENT AND MONITORING**

#### **8.1 Project Milestones**

List the key targets that you will need to achieve in order for the project to be completed e.g. setting up a trust, purchase of key equipment, implementation and delivery phases.

#### **8.2 Project Management**

Specify all those involved in the day to day management of your project, stating their role, and whether volunteer or employee. Any relevant previous experience in managing funded projects should be included.

#### **8.3 Project Monitoring**

What systems will you put in place to ensure that your project is achieving the outputs listed in Section 7?

#### **8.4 - 8.5 Risk Assessment**

Have you carried out a risk assessment for your project? Please list any risks and any action you will take to address them.

## SECTION 9: ADDITIONALITY

The purpose of this section is to ensure that funds are only allocated to those projects that need grant aid to achieve their objectives and which cannot proceed without LEADER support. To ensure the maximum benefit for each rural area LEADER should not substitute existing or committed finance for an individual project or scheme. If the grant is essential for your project to go ahead, select from the list provided the impact(s) this funding will have on your project.

## SECTION 10: INNOVATION

Describe what makes your project innovative. The emphasis of LEADER is on assisting new and experimental approaches to local rural development and on testing new ideas that could be mainstreamed on a wider scale in the future. You may be providing a pilot service or facility that is new to the area or it may be the development of an existing service or facility.

## SECTION 11: SUSTAINABILITY AND CONTINUITY

All projects are required to demonstrate how the three facets of sustainable development (economic, social and environmental) will be taken into account throughout the life of the supported activity. The purpose of this section is to demonstrate that you have considered the long term sustainability of your project. These are defined as follows;

### 11.1 Economic Growth

Building a strong, stable and sustainable economy which provides prosperity and opportunities for all.

### 11.2 Social Cohesion

Meeting the diverse needs of all people in existing and future communities, promoting personal wellbeing, social inclusion and creating equal opportunities for all.

### 11.3 Protection of the Environment

Respecting the limits of the planet's environment, resources and biodiversity – to improve our environment and ensure that the natural resources needed for life are unimpaired and remain so for future generations.

### 11.4 How will the Project Continue after LEADER Funding has Ceased

Please provide details of what will happen after the Leader funding comes to an end.

## SECTION 12: PROJECT COSTS

### 12.1 – 12.3 VAT

Please confirm whether or not you are VAT registered and whether or not you will be reclaiming VAT.

### 12.4 Project Costs

LEADER will not necessarily co-finance all the elements of an individual project or scheme. Grant may only be awarded against activities or expenditure that are eligible under the LEADER guidelines. Where a project comprises expenditure or activities outwith these guidelines, these must be classified as ineligible for grant purposes.

Examples of items that are eligible and ineligible can be found at Annex 1. The lists are not exhaustive and merely indicate the broad types of expenditure. Applicants are responsible for correctly identifying eligible and ineligible activities and expenditures. The project officer should be contacted where further clarification is required.

Ensure that the project costs are based on real and accurate costs and represent value for money. You should list each item of expenditure and its cost, including VAT where relevant. Any project costs that are not eligible for funding should be included.

In general you should enclose 3 quotations for works costing less than £50,000, in certain cases 2 quotes will be acceptable for less than £5,000 if considered value for money. Exceptionally, for less than £10,000 the LAG may accept one supplier but this must also demonstrate value for money. Please also include costs that you intend to cover by way of 'in-kind' contribution (see 12.2 below).

Please note that all hours claimed must be project specific and additional to normal working hours. Detailed timesheets will be required (examples available from Project Officer).

Funding cannot be awarded retrospectively, i.e. expenditure incurred prior to a project receiving approval has to be classed as ineligible. This principle is designed to ensure that LEADER is not being used to substitute for finance that has already been committed to projects.

Applicants should ensure that this section is arithmetically correct as errors can caused delays.

### 12.5 Ineligible Costs

Examples of ineligible costs can be found at Annex 1.

### 12.6 Match Funding

List all sources of contributions that are being used to make up the total funding package for your project. Such contributions might come from public bodies, voluntary bodies, other grant making bodies, local fundraising, or local businesses. These contributions do not need to be in place before you apply for a grant but you should whenever possible have letters of intent from all of your other funders at the application stage. **MATCH-FUNDING MUST BE IN PLACE BY THE TIME YOUR APPLICATION IS CONSIDERED BY THE LAG.** Applicants should ensure that none of the contributions listed for the project incorporate any previously awarded European grant. Please note that LEADER grant cannot be drawn down until all your other funding is in place.

In-kind support can be used to make up the balance of funding. The supply of land, property, long term equipment, raw materials and unpaid work provided by volunteers as part of the direct delivery of a LEADER project may be considered as in-kind support. Contributions which are in-kind must be able to be assigned a monetary value (e.g. based on standard hourly labour costs) and must involve a logical audit trail. Applicants should provide a detailed justification for proposals involving in-kind contributions. It should be noted that the level of EC financial assistance towards in-kind costs should not exceed the level of expenditure actually incurred. In other words, applicants cannot receive a LEADER contribution greater than the value of the actual costs incurred.

### 12.7 Estimated Expenditure

Detail the estimated amount of expenditure by quarter, along with the LEADER grant award and date of proposed claim. Please note that your final claim must be submitted as soon as possible and within at least 2 months of completion of the project. You should also note that **the final 25% of LEADER award will only be paid out once all invoices have been paid.**

### 12.8 Project Income

Projects which generate income, such as entrance fees, sales etc are acceptable for LEADER support, provided that any "profit" element raised would be held by the community and either recycled back into the community through other projects, upkeep of community assets, or used to sustain the project in its longer lifetime.

## SECTION 13: PREVIOUS FUNDING

### 13.1 – 13.3 Previous European Funding and Any Current Applications

You should state whether your organisation has received any form of European funding over the past three years, and also whether you have any current outstanding applications for funding. Under EC regulation 1998/2006 (de minimis aid regulation) there is a ceiling of €200,000 for all de minimis aid awarded over a 3 year fiscal period. Any de minimis funding previously awarded to your organisation will have been notified in the funder's award letter to you. These letters must be retained for 3 years from the date on the letter.

## SECTION 14: PUBLICITY

It is a compliance requirement and a condition of grant to ensure appropriate acknowledgement of LEADER (EU) funding in all projects. Project sponsors should note that failure to comply with the publicity regulation could result in the freezing of grant payments and/or the **repayment of monies already paid.**

Please indicate how you intend to publicise support for your project.

## SECTION 15: SIGNATURE

The person named as main contact for this application should sign the document, along with the chairperson or equivalent, if this is not the same person.

## **ANNEX 1**

### **Eligible costs for LEADER funding**

#### Capital Projects

- Site/building acquisition
- Professional fees
- Site Preparation
- External and internal services
- Physical building works
- Essential fixtures and fittings
- Environmental improvements
- Provision/improvement of community visitor/cultural facilities
- Feasibility studies

#### Revenue Projects

- Staffing costs
- Professional/consultancy fees
- Travel costs
- Lease/rental of premises relating to delivery of project
- Purchase/leasing of equipment
- Financing of capital costs
- Insurance costs relating to delivery of project
- Operating costs of premises
- Marketing
- Direct overheads
- Childcare costs
- Non-recoverable VAT
- In-kind contributions

### **Ineligible costs for LEADER funding**

- Bank charges on accounts
- Recoverable VAT
- Staff costs that are not directly attributable to project delivery
- Training that is mandatory under statutory provision
- Redundancy payments
- Payments for unfunded pensions
- Maternity or sick pay
- Expenditure defrayed outwith the eligible programme period, including site acquisition.
- Related research or studies carried out in respect of the project prior to the official project start date
- Volunteer costs unless an 'in-kind' contribution which may be considered eligible
- Gifts and competition prizes
- Statutory responsibilities of housing, health, social work, school (main curriculum) and higher education
- Routine repairs and maintenance
- Projects which merely replace an existing facility or scheme
- Works which are required to meet statutory UK/Scottish legislation or EU directives
- Social welfare facilities, although there is scope to improve access to childcare