

LEADER+ PROGRAMME FOR ENGLAND NOTES FOR GUIDANCE FOR THE SUBMISSION OF PROJECT APPLICATION FORMS

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Introduction

1. These guidance notes are designed to help potential applicants by providing detailed information on how to submit project applications under LEADER+:
 - Part 1 - explains what the LEADER+ is, what type of projects are eligible;
 - Part 2 - gives a brief outline of the application and approval process;
 - Part 3 - gives a general overview on how to manage your project (though you should also obtain a copy of Guidance Note 8 LEADER+ Project Manager's Guide which goes into more detail);
 - Part 4 - explains how to make an application (by going through the form); and
 - Part 5 - contains general information and annexes.

2. You should note that the information contained within this guide is not exhaustive and is intended as a guide to the Scheme. This booklet may also be updated during the lifetime of LEADER+ to take account of any developments in the light of experience, applicant feedback etc. You should therefore check with your local action group to ensure that you have the most up to date version.

3. You are advised not to commit yourself to any expenditure on which grant may be sought until your application has been approved and an offer letter has been issued, signed by you and returned.

4. Please read all of this guide very carefully before submitting your Application Form and Project Proposal. You should also look at your local action group's development plan and action/business plan or any guidance issued by the group on what they will be looking for in projects. LEADER+ Guidance Notes 3, 4 and 5 may also be useful to applicants.

PART ONE – BACKGROUND

This section explains what LEADER+ is, what types of projects are eligible and the application process.

What is LEADER+?

5. LEADER+ is a European Community Initiative. It complements the mainstream rural development programmes by supporting integrated rural development strategies developed and implemented by local action groups – active partnerships operating at the local level.

6. Local action groups are responsible for selecting projects to deliver their development strategy. Projects must contribute to the group's overall strategy as set out in their development plan. Projects will be small scale, innovative and address local rural development issues in socially, economically and environmentally sustainable ways.

7. All local action groups will issue application forms and assess projects using the group's specific project selection criteria. There are 2 approaches that a local action group can choose to operate:

- Under the Action Plan approach, local action groups will nominate an accountable body which will be responsible for delivering the Action Plan. The accountable body will, in particular, be responsible for the appraisal and approval of projects, up to £60,000 of EAGGF Grant and claims for payment, from project operators.
- Under the local strategic plan approach, the local action group will appraise the project applications (either for individual projects or groups of projects) and will recommend whether the project(s) should be approved. The application will then be sent to the regional LEADER+ secretariat in the Government Office for the region in which the group is located for endorsement and, where appropriate, the issue of an offer letter. The Government Office will pay claims to project operators for those groups operating the local strategic plan approach.

Eligibility

Who can apply?

8. Applicants can include individuals, partnership companies and other organisations and should normally be from within the local action group area.

Which projects are eligible?

9. Projects must be consistent with the local action group's development plan and contribute towards meeting the development plan's objectives and targets. Details of the types of activity that are eligible for LEADER+ funding can be found in LEADER+ Guidance note 4. Normally the project should take place within the local action group area. However co-operation projects will by their nature extend outside the area.

State Aid restrictions

10. There are a number of restrictions which apply to aid from government sources. LEADER+ Guidance Note 4 gives details of state aids.

How much money is available and when?

11. Each local action group area has a specific budget to support projects. Applicants should be aware that the level of funding available under LEADER+ is limited. If your application is successful you will receive a grant allocation. The grant can only be paid once money has actually been spent so any grant to a project is paid in arrears on receipt of a complete and accurate claim.

12. All EU funds have to be 'match funded' by UK government (i.e. public) money and/or private money, so you will need to consider where the match funding you need will come from. This will depend on the type of project you wish to undertake. The local action group may have some DEFRA funds available to provide match funding and you can apply for them on the application form.

13. Any offer of grant that you receive will be a percentage of the total eligible costs of your project. When you claim for grant, if you cannot match the EAGGF funding with UK public funding and/or private sector funding we will be unable to pay your claim.

PART TWO – APPLICATION, ASSESSMENT AND AGREEMENT PROCESS

How do I apply?

14. Some local action groups may have an expression of interest form for applicants to fill in prior to an application form. This is to enable them to check whether the project fits with the development plan and is eligible for funding.

15. In order to apply for grant support from EAGGF and DEFRA you must complete the application form LDR+ 6 or an application form provided by the local action group. You will also need to provide a Project Proposal. Local action groups may ask for additional information in your application, or use their own application form.

16. Once you have completed your application and proposal document and have included all relevant documentation, you should send it to your local action group.

How will applications be considered?

17. Local action groups will assess your application against their project selection criteria, which the local action group can provide. For groups operating the local strategic plan approach, project applications will be sent to the Government Office for approval.

The Offer Letter

18. When your project is approved, an 'Offer Letter' will be despatched to you for acceptance and signature. This Offer Letter sets out the conditions attached to the offer of grant and the agreed performance targets (both in terms of delivery of your project, timing and level of grant) and outputs for the project.

19. The Offer Letter is a mutual undertaking between you and the local action group or Government Office. As a consequence you must comply with the targets and conditions contained in the offer letter, together with any details of eligible expenditure in order to receive the grant.

20. When you receive your Offer Letter you must check it carefully. You will have to sign one copy and return it to your local action group or Government Office, depending on whether the local action group or Government Office sent the Offer Letter, before you can start your project. You must do this by the date specified in the Offer Letter. After this period the offer will expire, although the local action group or Government Office may consider allowing an extension to this deadline.

21. You should give thought to your project's objectives and timetable for their achievement during preparation of your application and business plan, because EAGGF, and where appropriate DEFRA funding, maybe dependant on the targets and conditions being achieved.

22. Once your project has been approved the local action group or DEFRA may make public some details, in particular the name of the successful applicant, the amount of grant approved and the nature of the project for which grant has been awarded. Details contained within the Offer Letter may also be made public. Projects will be required actively to promote their activities and to acknowledge DEFRA and EU grant on literature and capital works.

Project variations

23. We recognise that circumstances may change and unforeseen factors may arise and it is possible to apply for variations to projects once the Offer Letter is signed, including the timing of expenditure. However, it is important to keep us informed and you must secure approval from your local action group or Government Office in writing before implementing any variation to your project. You should note that any changes to an approved project, without prior approval, may result in the revision or withdrawal of the grant award.

24. The local action group or Government Office must be advised of any increase or decrease in the cost of projects. If you think that this will apply to you at any stage once your project has been approved you should contact your local action group or Government Office as soon as possible to discuss the situation. Changes in costs of an existing agreed project are not automatically treated as eligible for grant.

PART THREE- PROJECT MANAGEMENT

This section gives a general overview on how to manage your project (though you should also obtain a copy of the Project Manager's Guide which goes into more detail).

Managing your project

25. Good project management is a vital factor in its success. Before you make your application you should consider in depth how you intend to manage the project. You will need to explain this in your project proposal and take into account the costs arising from project management. We will be looking for good value for money in the amount of funds spent on project management in relation to the whole project. You should however be realistic about what resources you will need to achieve your objectives.

26. Amongst other issues, some questions you will need to address are:

- how do you propose to recruit a manager/staff and what specific skills, experience or qualifications will you be looking for?

- do you need to make provision in your bid for administrative staff and legal and accounting help?
- who will oversee the recruitment and performance of staff and project operation?
- what financial systems will be put in place? (Remember that we will need to be able to confirm that any grant that is paid is spent on eligible activity) and
- how will you monitor the progress of the project in order to provide Progress Reports?

Managing a Delegated Grant Scheme ('Umbrella' Projects)

28. Delegated Grant Schemes or Umbrella Projects allow local partnerships (either private limited companies or public and semi-public partnerships) to develop and endorse projects under a common theme, such as farm tourism. If you are an individual who wishes to apply for funds for an investment, there may be an appropriate Umbrella scheme being run in your local action group area and you may wish to consider making an application to that scheme.

29. If you are intending to apply for funds to run a Delegated Grant Scheme or 'Umbrella' type project, you need to consider all of the project management issues above, and also some additional questions. If your project is going to provide delegated grants to a number of other beneficiaries (who are not partners in the project) you will need to consider how the cash flow will be financed, what internal scoring and monitoring systems you will use, and what kind of agreement you will have with the recipients of grant. You should also take into account that you will be responsible for monitoring the progress of participant beneficiaries towards the targets of the project, and for reporting these to the local action group. You will need to ensure that the resources which you allocate to this activity are reasonable in proportion to the scale of the project.

Monitoring of projects

30. It is important that your project progresses in accordance with your approved work plan. This is because funding is allocated to your project for specific years, and there may not be scope to carry forward any under-spend from one year to another.

31. The targets and conditions contained in the Offer Letter are to help projects achieve the above. The targets you identify may cover issues such as jobs created/sustained, increased turnover, numbers of participants and/or other targets specific to your project.

32. As your project progresses, the local action group will need regular information on how things are going, and will assess your progress using your targets as the criteria. You will, therefore, need to complete a regular Progress Report. If you do not send in your Progress Reports this will delay or even stop payment of claims. Progress Reports are expected every 3 months and should normally accompany your claim form. However, arrangements can vary according to the type of project, and you should discuss this with your local action group. The local action group can provide you with a Progress Report Proforma and further information about what details you should provide. In addition the local action group will monitor projects through visits and meetings, especially where things do not progress as expected. This will enable them to discuss with you at an early stage what might be done, either to vary the project or to help get it back on track. A percentage of applicants will receive an in-depth monitoring check or visit. This will look at, amongst other things, management and financial systems, compliance with conditions and progress towards targets. In addition some projects may be visited by UK or EU auditors. You should therefore ensure that you maintain adequate and appropriate records and are able to make these available on request.

What happens if my project fails to meet the conditions and targets in the Offer Letter?

33. If your project fails to meet the conditions applied to an offer of grant, meet the agreed targets or produce the outputs required, that offer can be withdrawn and any grant which has been paid can be recovered with interest.

34. If you think that your project may have difficulties meeting the conditions in the Offer Letter, please contact your local action group immediately (see also paragraphs 23 and 24 in this guide).

Making claims

35. We would normally expect claims to be made on a regular quarterly basis and be accompanied by the Progress Report. If we have not received a Progress Report or the progress of your project is not satisfactory your claim may not be paid. The frequency with which you submit claims is something which you should consider and discuss with your local action group. Further information on how to make claims is included in Guidance Note 8.

36. When making your application/claim you should however consider:

- claims must only be submitted for expenditure already incurred;
- claims must relate to items and activities covered in your offer letter;
- contacting your local VAT Business Advice Centre for details of how you may be able to reclaim VAT incurred. The telephone number is listed under Customs and Excise in your local telephone directory; and
- that you must ensure that any supporting documentation is kept safely.

37. Experience tells us that payment of claims may be delayed if claims are incorrectly submitted or not complete. You should bear this in mind when forecasting cashflow.

38. Government Offices aim to authorise properly completed claims within 4 week's of receipt.. Local action groups should be able to let you know how quickly they will authorise claims.

PART FOUR – MAKING AN APPLICATION

HOW TO COMPLETE THE APPLICATION FORM (LDR+ 6) (NB You will find it easier to produce the Project Proposal first and then copy and paste top line information into the Application Form)

These notes should help you to complete the Application form. If you have any queries you should contact your local action group.

Q1. The name by which the project is to be commonly known.

Part A - Applicant's details

Q2. Please insert the name of the person, company or partnership formally making the application. The application should be made by whoever is planning to run/oversee the project.

Q3. The role of the applicant named in Question 2 should be given e.g. a partner; Director; Owner or Company Secretary.

Q4. Please specify which of these descriptions apply to the operators of the project. For individuals please specify the number of individuals in each category. This information is required by the European Commission to monitor the operation of LEADER+ across the EU.

Q5. Ensure that the business name, if different from the name of the applicant given in Question 1, corresponds with the name of your bank account.

- Q6. The business address, post code, telephone number and fax number and if available e-mail address to which correspondence should be addressed are required. If an agent's address is used for correspondence, the address should begin "c/o (agent's name)".
- Q7. If the main contact for the project is different from the applicant given in Question 2 please supply full details.

Part B - Location of the Project

- Q8. The address of the project.
- Q9. Please state whether the project will benefit the local group area. Projects which are located outside the local action group area, or cover a wider geographical area, may still be eligible for grant support if the project benefits those living and working within the local action group area.

Part C - Project details

- Q10–12. You should specify which LEADER+ Measure and target group/s your project covers and how it covers them. The Measures that your local action group and target groups have chosen will be stated in the group's development plan. You should also specify which one of the categories of activities (Structural Funds Fields of Intervention) in Annex 1 is applicable to your project. Only the number is needed. Again this information is required by the European Commission to monitor the operation of LEADER+ (and the Structural Funds) across the EU.
- Q13. The commencement date is the date when the project is due to start. The estimated completion date is the date when all the work to carry out the project will have been completed and final accounts cleared. Applicants should note that the project assessment and approval process can take several months to complete. You should therefore set realistic starting dates. You should take account of the likely time it may take to obtain planning permission, quotes and set the project up. Final payment under the LEADER+ Programme must be completed by 31 December 2008. Final claims from applicants should therefore be submitted by 30 March 2009 unless otherwise stated in the Offer Letter, so you will need to take into account the fact that the project must be completed prior to this date, allowing sufficient time for the final audit of the project and preparation of the final claim.
- Q14. Please give a brief outline of the project which can be used by the local action group or DEFRA in scheme publicity material, if your application is successful. You will need to give a more detailed summary in your Project Proposal. For co-operation projects the name and location of project partners should be included in the outline.
- Q15-17. You should ensure that you list all consents which apply to the project. You will need to attach copies of any consents that you have obtained or copies of applications if consents are not yet agreed. Examples of consents required include: planning consent and building regulations, wildlife site and RAMSAR (Wetland sites of International Importance) sites, and landlord's consent in the case of a project being carried out on a holding which is tenanted. You will also need to notify us if an Environmental Impact Assessment (EIA) is required. You should give further explanation and detail in your proposal where appropriate.

Part D - Need for grant

- Q18. The purpose of this section is to ensure that funds are only allocated to those projects that need grant aid to achieve their objectives. Please indicate to what degree the project would proceed if your application for EAGGF funding is not successful.

Part E - Estimated project costs

- Q19. The expenditure details required here are the actual amounts that you expect to pay during the project, taking into account anticipated price levels or increases due to inflation.

Approved grant commitments will not normally be increased to cover raised costs. Costs should be entered at Question 19 by calendar year (i.e. commencing 1 January for EU accounting purposes). The total costs you give should cover both eligible and ineligible items of expenditure (projects may have some ineligible items). You should distinguish between these in your Project Proposal.

Costs incurred before approval of an application will not normally be regarded as eligible. However, some retrospective expenditure may be allowable in particular circumstances for projects submitted in 2002. You should discuss this with local action group staff if you feel that this may apply to you.

Please complete the table with the item in the left hand column and amounts for each item under each year that the activity will take place. Please complete the total column on the right hand side for each activity/item and the total cost for each year that the project is intended to run at the bottom of the table. Project costs should be divided between revenue costs and capital costs and fees.

- Revenue costs include items which are classed as non-capital expenditure (e.g. acquisition of marketing skills/business support, project management, leasing of premises).
- Capital costs and associated fees; LEADER+ is not intended as a capital programme however some small scale capital projects maybe supported, include such items as new building works and machinery; architects' and planning consultants' fees. Planning application fees payable to local authorities are not eligible.

When preparing your estimates of the funding required, you must obtain quotations for planned activity and, where appropriate, prepare, with professional guidance, financial forecasts of cashflow, trading accounts and balance sheets to ensure that there is adequate funding available to implement the project described in the project proposal. The offer letter is likely to profile this expenditure on a quarterly basis. We would expect projects to stick to the agreed expenditure profile.

Contributions in kind are allowable but you should be aware that you will be required to keep detailed records and must justify their use. Guidance on this is in Guidance Note 4. You will also need to consider whether you will need to make allowance for VAT if the project is not going to be VAT registered. Grant is claimed on receipts of expenditure incurred and you will need to make allowance for the preparation of claims and the time required for us to process them when profiling your cash flow.

If a project is approved, all financial records must be retained for a period of six years, beginning with the day on which the last payment of grant is received, and be available for inspection on request by officers of the Government Office Secretariat, EU Auditors etc.

Part F - Funding

Q20. Provide details for each year of the sources of funding for the project broken down into private (including Voluntary Sector), DEFRA, other public (e.g. Rural Development Agency, Countryside Agency, Local Authority etc.) and EAGGF. Please name the source of funding in the columns of the chart, enter the amount in £s from that source for each year that the project intends to run and complete the total column on the right hand side for each organisation and the total box for each year. Please provide the percentage of the total eligible funding in the right-hand column. Check that these tally to 100%.

In preparing a funding package you must bear in mind the following:

- the amount of grant requested must be the minimum necessary for the project to proceed;
- the EAGGF grant rate available varies according to the type of project and the need;

- EAGGF funding must be matched with funding from a public sector body, e.g. local authority or central Government Department such as DEFRA and/or private funding; and
- you should note that the limits for commercial investment and capital expenditure for the England LEADER+ Programme are:
 - 50% or £50000 (whichever is the lower) EAGGF funding for commercial investment
 - 50% or £50000 (whichever is the lower) EAGGF funding for capital expenditure

Regional Programme Monitoring Committees can set lower limits on an individual project basis.

However in the following cases the lower rates from Council Regulation 1260/1999 as regards eligibility of expenditure of operations co-financed by the Structural Funds will apply:

- In the case of investment in businesses, where the project is generating substantial income (taken to be those generating an annual return in excess of 25% of the total investment) the rate of aid for EU funding may not exceed 35% of eligible costs in Objective 1 areas and 15% elsewhere.
- EU funding support for investment in infrastructure which generates substantial net revenue (higher than 25% of the total cost of the investment) must not exceed 40% of the total eligible costs in Objective 1 areas and 25% elsewhere.

Written confirmation of contributions from funding partners should be submitted with your project proposal. We will be unable to offer grant assistance without suitable documentary evidence that this funding is in place.

Part G - Supporting Documentation

Q21. When you submit your application form, you **MUST** include all relevant supporting documentation (such as planning consents, including any maps) with your Project Proposal.

Part H - Declaration

The form must be signed by the applicant or by a person authorised to sign on behalf of the applicant, e.g. Company Secretary/Managing Director/Partner/Owner.

Applicants are reminded that if the project is approved specific conditions will apply which will be set out in the offer letter. Any breach of these conditions may cause the withdrawal of EAGGF grant and/or prosecution. These conditions are strict because EU financial control regulations require that the UK government should recover money where there has been an 'irregularity'. This includes claims for ineligible items.

PROVIDING A PROJECT PROPOSAL *(NB You will find it easier to produce this first and then use the information to complete the Application form)*

A Project Proposal must be provided with your application form. These notes should help you to produce one. If you have any queries regarding what information to provide you should contact your local action group. The project Proposal should contain as much information as necessary to demonstrate the feasibility of the project. Should the local action group consider that insufficient information has been provided they may return your application or ask you to provide further details. This would delay the consideration of your application.

Your Project Proposal will vary in length and content depending on the type of project you are intending to run and the size of the project. If you think you have any other information or papers which are relevant, please include them.

This should be presented under the following headings (there is no pro forma):

- (a) **the project's overall aim** - this needs to state clearly what your project is aiming to achieve. You should take care to provide a full justification of all assertions that you make about your project;
- (b) **executive summary** - please summarise the main points of your project proposal, referring to key sections and cross-referencing. This should highlight the main issues which you are addressing and how you intend to achieve an impact;
- (c) **description of the project** - this should include how the project will operate and be carried out; please list all of the partners in your project (if you are making the application representing a group for co-operation projects under Measures 8 and 9 you should also read the separate guidance on co-operation projects (Guidance Note 9) if the project involves selling a service, details of how this will be priced and marketed should be provided; the relationship between the project and other similar activities in the Programme area should be described; any organisational structures also need to be described. You should also explain the roles and responsibilities within the project of all of the partners. If the project covers a distinct geographical area, this should be described or a map provided which shows the area covered by the project. If your project includes areas outside the local action group area, a certain proportion of project costs may not be eligible. You should explain how the project benefits those living and working inside and outside the local action group area;
- (d) **the market, social or environmental need for the project** - you should explain the rationale for your project, the issues your project will address and how it will affect the rural community of the area. Please provide an explanation of the problem to be addressed in qualitative and quantitative terms. Details of any market research or other preliminary work should be provided. If you have carried out market research or a feasibility study you should include the report. Also, if you have written evidence or comments of support from relevant organisations you should include them. You need to give a justification of why public funds are necessary for your project;
- (e) **breakdown of costs** - you will have given an outline of the project costs in the application form. This breakdown should be provided in a similar format but provide full detail preferably on a quarterly basis over the period of the project. It should cover all of the costs involved in full for each of the individual activities and/or items within the project; this should be linked to the timetable of the project, and include both grant eligible and ineligible expenditure, although you must clearly show the difference. Please provide cash flow forecasts; assumptions used to forecast earned income should be described; if overheads are included, a description of how they are calculated is required. We will be looking for as great a level of value for money as possible. You should consider and explain what criteria you will use to source goods and services and should submit with your application copies of tenders and quotations and any relevant plans (e.g. architect's drawings). Please also state whether the project or the organisation operating the project is VAT registered. Please indicate clearly if the costings you have provided are net or include VAT.

You should also describe any in-kind contributions that you have included and explain the basis of any monetary value that has been assigned to them. A schedule of standard in-kind rates per hour for certain types of work is in the Guidance Note 4, Annex B. The purchase costs of second hand equipment are eligible for grant aid provided that the seller of the equipment provides a declaration stating its origin and confirming that at no point in the previous seven years has it been purchased with the aid of UK government or EU grants; the price of the equipment does not exceed its market value and must cost less than similar new equipment; and the equipment must have the technical characteristics necessary for the operation and comply with applicable norms and standards.

For further information on the eligibility rules which govern EU structural funds you should consult LEADER+ Guidance Note 4 which is available from your local action group;

- (f) **breakdown of funding** - you will have given a summary of the funding sources of activities covered by the project on the application form. This part of the proposal should give in greater detail any sources of funding that you have already secured with amounts and timescale. You should remember that other organisations may stipulate other conditions on which funding is dependent so you should outline details of these where they are known. Please include any documentation relating to these other sources of funds. If you have applied for funds, but have not yet received a commitment, you should outline the contents of your application and the current situation. You should also explain whether you have considered all other available sources of funding such as a bank loan.
- If the proposed project for which EAGGF aid is being sought is a part of a wider project (in terms of activity and/or geography involving the ERDF, ESF, FIFG or England Rural Development Programme funds) then details should be given. Provide details of any related projects which may have been or may be part funded by the European Union, other than those falling within this Programme. Please also indicate if the business is the subject of grants or subsidies (other than CAP schemes) or has applied for grants and subsidies from other EU or UK sources, e.g. DEFRA: Countryside Agency; Forestry Commission: WGS; English Nature: Management of SSSI etc. Costs identified under a project will not be eligible if they are already being funded through another public source;
- (g) **complementarity** - this concerns how the project complements and adds value to other rural development programmes, in particular those identified in the relevant regional Appendix to the LEADER+ Programme. You should show:
- how the project complements and is coherent with other rural development programmes planned or underway in the area concerned (including, among others, Objectives 1, 2 and 3; Interreg; Equal; the England Rural Development Programme etc);
 - that the project adds value to other approaches available and implemented locally (NB approaches and activities must not merely replicate those pursued or proposed for the mainstream programmes);
 - that the project could not go ahead without LEADER+ financing (i.e. additionality) or would go ahead in a significantly reduced or inferior way without LEADER+ funding.
- (h) **innovation** - you should set out how the project is innovative. The quality of the innovation of the project could be demonstrated in terms of the criteria set out below:
- its newness in relation to previous practice in the area concerned;
 - its newness in relation to approaches under way or planned in other programmes or schemes in the local action group area;
 - the emergence of new products or services distinctive of the local area;
 - new approaches combining the area's human, natural and/or financial resources, resulting in the better use of local potential;

- the combination of and links between economic sectors which are traditionally separate; and
 - original forms of organisation and involvement of the local population in implementing the project.
- (i) **sustainability** - explain how the project is sustainable. In particular you should outline the extent to which the project will:
- support and increase the social, economic and environmental sustainability of the local area;
 - ensure that resources will be used in such a way that options available to future generations are not impaired: strategies and projects supported must demonstrate that they do not have any significant, negative environmental impact or must give a description of any possible, negative impact together with mitigating measures;
 - encourage the long-term viability of the area through supporting economic, social and environmental diversity; social equity and cohesion; and competitiveness;
 - demonstrate the longer-term viability of the activities proposed beyond LEADER+ (e.g. through self-sustaining projects and moving pilot approaches and schemes to the mainstream); and
 - integrate the three aspects of sustainability in the delivery of the project.
- (j) **project objectives, outputs and results** - we need to have a clear description of what you are proposing to do and when including significant milestones. Objectives, outputs and results need to be specific and closely associated to the project activities and timetable and they must also be realistic and achievable. They must contribute to the output and results that the local action group has chosen and can be found in their development plan. At the end of your business plan you will need to produce a summary table.
More detail on objectives, outputs and results can be found in LEADER+ Guidance Note 5. The physical details and purpose of the project and any main phases of implementation should be described; if the application covers more than one phase, the timing and physical works involved in each phase should be explained precisely and shown clearly and separately. You must consider carefully targets and timescale as these are the criteria against which the project will be monitored, and will form an important part of any offer of grant.
- (k) **how the project will be managed and monitored, and by whom** - a description of the applicant's experience of running similar projects is required (if applicable). Who will be the project manager and/or how do you intend to appoint them? What skills will they be required to demonstrate? You should also describe the skills which may be required by anyone who supplies the project with goods and services as well as those providing an in kind contribution. If you and your staff need training you should consider how you intend to provide it. You should outline the intended remuneration packages for project staff and explain the reasoning that you have used. You will need to consider the overall running costs of project management in relation to the financial value of the rest of your project. This will vary depending on sector and activity. However, you will need to explain your costings because we will be looking for value for money in project management relative to the value and outputs of the overall project.
- (l) **financial management arrangements** - we need to be certain that projects are financially viable and be assured of the underlying viability of any existing business. Please provide where relevant accounts for the business/project for the previous three financial years, or however long you have been operating should this be less than three years. Please give a detailed description of financial management arrangements which you intend to put in place. You will need to have a system that can provide auditable accounts and

clear traceability of grant from the project operator to payees. You should also explain any divisions of financial responsibility which will be put in place within the project and should be aware **for projects with an EAGGF grant of more than £5,000 that a final audit of the project's entire expenditure will be required before we will be able to pay the final 5% of grant aid.** You will find details of the issues which we require you to address in the booklet 'Guidance Note 8 Project Managers' Guide, which is available from your local LEADER+ Secretariat;

- (m) **project promotion and publicity** - publicising and promoting your project to partners, participants and customers will be vital to your project's success. How you choose to go about this will depend on who you are trying to reach and what the purpose is. Describe which methods you will use and who the target audience will be.
You also need to remember that you will be required to publicise the DEFRA and EU funds the project has received. This may include press coverage. In order to meet the requirements of the Structural Fund Regulations, recipients of EAGGF grant should ensure that adequate publicity is given to the project with a view to:
- I making potential beneficiaries and trade organisations aware of the opportunities afforded by it; and
 - I making the general public aware of the role played by the European Union in relation to the project.
- The EU requirements on publicity will be included in the offer letter.
- (n) **equal opportunities** - annex B of LEADER+ Guidance Note 1 explains equal opportunities under the LEADER+ programme. Your local action group will have an equal opportunities strategy. Please state how you propose to reflect equal opportunities in your project. All projects must comply with current equal opportunities legislation.
- (o) **planning and other consents, and statutory requirements** - please describe the situation with regard to building and planning consents, if applicable.
- (p) **risk assessments** - please identify the major areas of risk within your project and the impact these could have on the success of the project. Identify what you will do to minimise the impact of these risks.

PART FIVE – GENERAL INFORMATION

Further Information

The following are available from your local action group

- Development Plan
- Business or Action Plan
- LEADER+ Guidance Notes 1 – 5
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LEADER+ forms are also available on the DEFRA internet site at:
www.defra.gov.uk/corporate/regulat/forms/index.asp.

Annex 1 - CATEGORIES OF ACTIVITY (STRUCTURAL FUNDS: FIELDS OF INTERVENTION)

Note: this is a list of the fields of intervention for all of the EU structural funds, the shaded fields of intervention should not apply to LEADER+ projects

1. PRODUCTIVE ENVIRONMENT

Agriculture

- 111 Investments in agricultural holdings
- 112 Setting up of young farmers
- 113 Agriculture-specific vocational training
- 114 Improvement of processing and marketing of agricultural products

Forestry

- 121 Investments in forest holdings
- 122 Improving the harvesting, processing and marketing of forestry products
- 123 Promoting new outlets for use and marketing of forestry products
- 124 Establishment of associations of forest holders
- 125 Restoring forestry production potential damaged by natural disasters and introducing prevention instruments
- 126 Planting of non-farm land
- 127 Improving and maintaining ecological stability of protected woodlands
- 128 Forestry-specific vocational training

Promoting the adaptation and the development of rural areas

- 1301 Land improvement
- 1302 Re-parcelling
- 1303 Setting up of farm relief and farm management services
- 1304 Marketing of quality agricultural products
- 1305 Basic services for the rural economy and population
- 1306 Renovation and development of villages and protection and conservation of the rural heritage
- 1307 Diversification of agricultural activities and activities close to agriculture, to provide multiple activities or alternative incomes
- 1308 Agricultural water resources management
- 1309 Development and improvement of infrastructure connected with the development of agriculture
- 1310 Encouragement for tourist activities
- 1311 Encouragement for craft activities related to farms
- 1312 Protection of the environment in connection with land, forestry and landscape conservation as well as with the improvement of animal welfare
- 1313 Restoring agricultural production potential damaged by natural disasters and introducing appropriate prevention instruments
- 1314 Financial engineering

Fisheries

- 141 Adjustment of fishing effort
- 142 Renewal and modernisation of the fishing fleet
- 143 Processing, marketing and promoting of fisheries products

- 144 Aquaculture
- 145 Fishing port facilities and protection and development of aquatic resources
- 146 Socio-economic measures and aids for temporary cessation of activities and other financial compensation
- 147 Operations by members of the trade, small-scale coastal fishing and inland fishing
- 148 Measures financed by other Structural Funds (ERDF,ESF)

Support for large firms

- 151 Investment in physical capital (plant and equipment, co-financing of state aid)
- 152 Environment-friendly technologies, clean and economical energy technologies
- 153 Business advisory services (including internationalisation, exporting and environmental management, purchase of technology)
- 154 Services to stakeholders (health and safety, providing care for dependants)
- 155 Financial engineering

Support for SMEs and craft businesses

- 161 Investment in physical capital (plant and equipment, co-financing of state aid)
- 162 Environment-friendly technologies, clean and economical energy technologies
- 163 Business advisory services (information, business planning, consultancy services, marketing, management, design, internationalisation, exporting, environmental management, purchase of technology)
- 164 Shared business services (business estates, incubator units, stimulation, promotional services, networking, conferences, trade fairs)
- 165 Financial engineering
- 166 Services in voluntary/third sector (providing care for dependants, health and safety, cultural activities)
- 167 SME-and craft-specific vocational training

Tourism

- 171 Physical investment (information centres, tourist accommodation, catering, facilities)
- 172 Non-physical investment (development and provision of tourist services, sporting, cultural and leisure activities, heritage)
- 173 Shared services for the tourism industry (including promotional activities, networking, conferences and trade fairs)
- 174 Tourism-specific vocational training

Research, technological development and innovation (RTDI)

- 181 Research projects based in universities and research institutes
- 182 Innovation and technology transfers, establishment of networks and partnerships between businesses and/or research institutes
- 183 RTDI Infrastructure
- 184 Training for researchers

2. HUMAN RESOURCES

- 21 Labour market policy
- 22 Social inclusion
- 23 Developing educational and vocational training not linked to a specific sector (persons, firms)
- 24 Workforce flexibility, entrepreneurial activity, innovation, information and communication technologies (persons, firms)
- 25 Positive labour market actions for women

3. INFRASTRUCTURE

Transport infrastructure

- 311 Rail
- 312 Roads
 - 3121 National roads
 - 3122 Regional/local roads
 - 3123 Cycle tracks
- 313 Motorways
- 314 Airports
- 315 Ports
- 316 Waterways
- 317 Urban transport
- 318 Multimodal transport
- 319 Intelligent transport systems

Telecommunications infrastructure and information society

- 321 Infrastructure
- 322 Information and communication technology (including security and safe transmission measures)
- 323 Services and applications for the citizen (health, administration, education)
- 324 Services and applications for SMEs (electronic commerce and transactions, education and training, networking)

Energy infrastructures (production, delivery)

- 331 Electricity, gas, petroleum products, solid fuel
- 332 Renewable sources of energy (solar power, wind power, hydroelectricity, biomass)
- 333 Energy efficiency, cogeneration, energy control

Environmental infrastructure (including water)

- 341 Air
- 342 Noise
- 343 Urban and industrial waste (including hospital and dangerous waste)
- 344 Drinking water (collection, storage, treatment and distribution)
- 345 Sewerage and purification
- 35 Spatial planning and rehabilitation
 - 351 Upgrading and rehabilitation of industrial and military sites
 - 352 Rehabilitation of urban areas
- 353 Protection, improvement and regeneration of the natural environment
- 354 Maintenance and restoration of the cultural heritage
- 36 Social and public health infrastructure

4. MISCELLANEOUS

Technical assistance and innovative actions (ERDF,ESF,EAGGF,FIFG)

- 411 Preparation, implementation, monitoring, publicity
- 412 Evaluation
- 413 Studies
- 414 Innovative actions
- 415 Information to the public