

# Rural Basic Services Scheme

Access to Basic Services Scheme will support capital investments which will provide access to basic services or improvements in social infrastructure (including activities to reduce isolation and/or poverty) to improve the welfare and access to basic services of those living in rural areas and which are an integral part of and in line with the Council Community Plan and emerging priorities.

## Description of the Operation

Projects must relate to the main theme of Innovative Service Delivery, such as the creation of health hubs to deliver multiple services or community hubs where the capital infrastructure is put in place to allow a number of services to be delivered to the community. Infrastructure projects will be limited to small-scale capital developments.

- Developing facilities to provide access to absent or otherwise difficult to access basic services for the local rural community (includes kitchens).
- Developing the capital infrastructure for community enterprises to enable them to provide basic services for rural communities where there is a clear demonstrable need e.g. childcare, eldercare, health where part of a larger community hub.
- Capital build to allow demonstration or pilot projects to enhance existing service provision.
- Recreational, cultural and leisure activities which address negative trends in local economic and social development, any projects relating to sport must fit with respective Councils Sport and Leisure Facilities Strategy.
- Feasibility studies as stand-alone projects to determine the potential viability of translating a basic service delivery idea into a sustainable project that would be eligible to receive grant aid under the scheme.
- Bespoke Training is defined as training commissioned to a particular specification, for example training that is necessary for the implementation of the funded project. Training that is available generally, either in the market place or through another Govt Dept/Council/Agency (such as a FE college, Invest Northern Ireland, Local Enterprise Agency), is not eligible within Priority 6'.

## Type of support

Support will be provided through grant aid and advance payments may be available for Community, Voluntary and Social Economy Enterprise projects who would not otherwise be able to access the capital to commence implementation of their project:

- Advances are subject to a 100% guarantee provided by a bank or other equivalent financial institution established in the Member State;
- Advances will not exceed 20% of the total amount of the aid to be granted to a beneficiary for a given operation.

## Eligible Costs

The following costs are eligible for support;

- A** The construction, acquisition, including through leasing, or improvement of immovable property, any sport or leisure related project (including community halls) must comply with respective Sports and Leisure Facilities strategy for sport and must be subject to a design review by the Admin Unit before progressing to assessment stage; (for purchase of buildings see note under 'Eligibility Conditions' below);
- B** The purchase of new machinery and equipment which is an integral part of the finished project, up to the market value of the asset;
- C** General costs linked to the expenditure such as architects, engineers and consultation fees, fees relating to advice on environmental and economic sustainability, including feasibility studies, the acquisition of patent rights and licences, up to a total maximum of 10% of the eligible project grant amount. Feasibility studies are eligible expenditure even if there is no expenditure under points (A) and (B) as long as the activity was capable of being supported;
- D** Intangible investments such as acquisition or development of computer software and acquisitions of patents, licenses, copyrights, trademarks.
- E** Marketing support as part of a larger capital project.
- F** The LAG may agree to fund some pre development costs by pre arrangement.

## Ineligible Costs

The following costs are **not** eligible for support under LEADER;

- A** Costs connected with the leasing contract, such as lessor's margin, interest refinancing costs, overheads and insurance charges or anything deemed to be a running cost;
- B** Investments which are considered by the LAG to have an unacceptable negative effect on the environment (or proposed investment fails to meet environmental regulations);
- C** The purchase of land, including through leasing of property as part of a project;
- D** Replacement investments i.e. like for like and maintenance costs for existing buildings, plant or equipment;
- E** Investments in new build self-catering accommodation, hotel accommodation, guest houses or hostels or additional bed space in existing ones;

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- F** Lease purchase/hire purchase of new machinery and equipment;
- G** Purchase and installation of renewable energy technologies;
- H** The purchase of cars, vans, motorcycles, bicycles and any other form of personal transport<sup>1</sup> [for whatever purpose];
- I** The purchase of vehicles<sup>2</sup> for transportation (such as lorries, buses, vans, minibuses or any other kind of vehicle used to transport or move goods or people);
- J** Tractors and Agricultural machinery
- K** Expenditure incurred or work commenced/goods purchased before the letter of offer project start date or after the letter of offer project end date;
- L** Payments for gifts and donations or personal entertainments (including alcohol);
- M** Training i.e. any training currently provided by a statutory body such as colleges, Invest Northern Ireland, Local Enterprise Agencies or other Council funded scheme;
- N** Reprinting of marketing materials;
- O** No aspect of an activity being funded should be party political in intention, use or presentation, or likely to be perceived as discriminatory on grounds of religion, colour, race, gender or disability;
- P** Statutory fines and penalties, criminal fines and damages;
- Q** Legal expenses in respect of litigation;
- R** Any cost associated with meeting a legislative or statutory requirement for the business;
- S** Reclaimable VAT;
- T** Feasibility studies for renewable energy;
- U** Projects which are not an integral part of the Local Authority Community Plan and not financially supported by the Local Authority with a minimum 5% financial contribution of the DAERA grant towards the project.
- V** Running costs and consumables.

<sup>1</sup> Used to transport people for any reason

<sup>2</sup> Vehicle is something used as an instrument of conveyance. It can include any conveyance used for transporting passengers or things by land, water, or air.

## Beneficiaries

The following beneficiaries are eligible:

- Community Voluntary Sector (Inc. Social Economy Enterprises engaged in non-economic activity)
- Local Council
- Strategic Public Body e.g. Health Authority
- Local Council /Private Partnership (where the Local Council is the grant recipient)
- Local Council / Community Voluntary Sector partnership (where the Local Council is the grant recipient)

## Eligibility conditions

Actions must be non-profit taking led by organisations operating within the Community & Voluntary / Third sector or Public sector. Proposals must be coherent with and relate directly to local Council Community Plans.

Applicants failing to achieve LOO targets and outputs in previous applications to Priority 6 may be debarred from applying until achieved.

Any project involving capital works will have to agree the appropriate legal charge / debenture in favour of the Department.

Any project involving the purchase of buildings will have the purchase price of the building capped at 10% of the total eligible project costs.

## Amounts and support rates

Minimum grant £5,000 up to maximum grant of £200,000 at 75% level of support available to Local Authorities and Community groups.

Basic Services Scheme			
Capital Grant	£5,000	£200,000**	75% for Local Authority and community / third sector
Technical support and bespoke training	£500	£5,000***	

\*\* This is the maximum grant level per project (including technical support)

\*\*\* Stand alone marketing projects including those seeking to develop websites are not eligible under Basic Services.

Promoter must contribute at least 5% own cash to the eligible project costs.

Community/Voluntary Group and Council applicants who receive a Letter of Offer may include project pre-development costs equivalent to up to 10% of the total grant towards match funding as an in-kind contribution.

Council must contribute at least 5% cash.

## State aid

All aid under this Scheme will comply with EU rules on State Aid. State aid falling within the following aid categories will be paid in accordance with block exemption Regulation (EU) 651/2014 as follows:

- Aid for culture and heritage conservation will comply with Article 53.
- Aid for sport for multi-functional recreational infrastructure will comply with Article 55.
- Aid to local infrastructure will comply with Article 56.

Alternatively the measure can utilise de minimis Regulation (EU) 1407/2013.

## Payments

All grant payments will be made retrospectively by claim and advances will be available.

Projects can avail of phased payments with no more than five. These must be linked to tangible outputs on the Letter of Offer schedule of eligible expenditure.

Where the total project cost is greater than £10K Community/Voluntary groups must be registered as Community Interest Company, Limited Liability Partnership or Company limited by guarantee. Where the total project cost is £10K or less the Community/Voluntary group must have a constitution in place. In all cases a lease must be in place to cover the duration of the project (1 year, 2 years etc).

For those groups which function under the conditions of a parent body and therefore cannot amend their constitution to become a company limited by guarantee and who wish to avail of funding in excess of £7,500 a letter must be submitted to the cluster from the parent body.