



Comptroller and Auditor General
Report on Value for Money Examination

Local Development Initiatives

October 1999

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The report was prepared on the basis of information, documentation and explanations obtained from the bodies referred to in the report

The draft report was sent to the Accounting Officers of the Department of Tourism, Sport and Recreation, the Department of Enterprise, Trade and Employment and the Department of Agriculture and Food and their comments were requested. Where appropriate, comments received were incorporated in the final version of the report.

Report of the Comptroller and Auditor General

Local Development Initiatives

I have, in accordance with the provisions of Section 9 of the Comptroller and Auditor General (Amendment) Act, 1993, carried out a value for money examination of local development initiatives.

I hereby submit my report of the above examination for presentation to Dáil Éireann pursuant to Section 11 of the said Act.

A handwritten signature in black ink, appearing to read 'John Purcell', with a large, stylized loop at the beginning.

John Purcell
Comptroller and Auditor General

29 October 1999

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Glossary

AAES	Area Allowance Enterprise Scheme, which is administered by Partnerships on behalf of DSCFA. From January 1999, this scheme is known as the Back to Work Enterprise Allowance
Animation	The role of animation is to improve the effectiveness of the community in local development
Beneficiary	Project promoter or community group in receipt of financial support
Bord na Móna	State sponsored body managing and developing peatlands
CEB	County Enterprise Board
Coillte	State sponsored body managing public forests and related activities
CSG	County Strategy Groups were established under OPLURD to facilitate co-ordination and minimise duplication in the delivery of programmes at county level between the different initiatives
Dúchas	The Heritage Service at the Department of Arts, Heritage, Gaeltacht and the Islands
DSCFA	Department of Social, Community and Family Affairs
EHB	Eastern Health Board
Enterprise Ireland	State sponsored body assisting Irish companies to increase their sales, exports and employment
ESB	Electricity Supply Board
EU	European Union
FÁS	National training and employment authority
Fisheries Boards	Statutory organisations charged with responsibility for the development and protection of inland fisheries
Forfás	Forfás is the policy advisory and co-ordination board for industrial development and science and technology

IDA Ireland	A State owned company which promotes inward investment
Integrated Services Project	The Integrated Services Project was established to co-ordinate the inputs of all state services in four pilot areas of disadvantage.
IPC	Interdepartmental Policy Committee for Local Development was established in June 1993 and its function is to oversee and make recommendations on local development
Interreg II	An EU Initiative to develop cross border co-operation and to help areas overcome problems associated with being on the Union's internal and external frontiers and to fill gaps in energy networks and provide interconnections with wider european networks
LEADER II	<i>Liaisons entre actions de développement de l'économie rurale</i> - a Community Initiative for rural development covering the period 1994 to 1999
LEADER groups	Companies established under LEADER to implement the programme objectives
LTU	Long-term unemployed
Mainstreaming	Process of transferring successful pilot projects of an innovative nature to mainline government departments and agencies
Mid-Term Evaluation	An independent evaluation required to be carried out on any EU programme which is five or more years in operation
Monitoring Committee	Established to oversee the operation of any EU programme. It contains representatives of the EU commission, government departments and programme implementors
OPLURD	Operational Programme for Local Urban and Rural Development 1994-1999
Partnerships	Area-Based Partnership Companies

Peace and Reconciliation	An EU Initiative to reinforce progress towards a peaceful and stable society by increasing economic development, urban and rural regeneration, developing cross-border links and combatting social exclusion
PESP	Programme for Economic and Social Progress
Post 2000 submission	Submissions requested from government departments, other state agencies and national partners on the future use of structural funds post 2000
Territorial Employment Pacts	An EU Initiative to help the unemployed find jobs in disadvantaged areas
Tourism Operational Programme	The operational programme for tourism development under the Community Support Framework 1994 - 1999
URBAN initiative	An EU Initiative, the purpose of which is to address, in an integrated way, urban social exclusion by building partnership arrangements between local authorities and other local structures

Summary

This value for money report is concerned with the operation during the period 1994-1999 of local development initiatives provided through County Enterprise Boards (CEBs), Area-Based Partnership Companies (Partnerships) and LEADER groups.

CEBs were established in every county for the purpose of promoting local enterprise and economic development. There are 35 CEBs which operate under agreements with the Department of Enterprise, Trade and Employment.

The purpose of Partnerships is to combat unemployment and exclusion. There are 38 Partnerships operating in areas designated as disadvantaged and a further 33 local development groups in non-disadvantaged areas. These operate under an intermediary company which reports to the Department of Tourism, Sport and Recreation.

The LEADER groups were established under an EU Initiative to promote rural development by supporting local development groups. There are 34 LEADER groups, operating under agreements with the Department of Agriculture and Food.

From 1994 to 1998 public funding totalling £208 million was provided to these bodies, of which £127 million was provided by the EU Commission and £81 million by the Exchequer. CEBs and Partnerships are funded under the Operational Programme for Local, Urban and Rural Development 1994-1999 (OPLURD). The LEADER groups are funded under the LEADER Operational Programme 1994-1999.

The value for money examination looked at specific issues relating to the administrative and operational efficiency of the three types of bodies, the arrangements for co-ordination between the bodies and approaches to evaluation of their impact.

Administrative Efficiency

The diversity of activities and different stages of development of the bodies limit the extent to which cross comparisons of administrative efficiency can be made.

Administration expenditure by all the bodies totalled £28.9 million in the period 1995 to 1997. During this period the overall percentage of administration costs to total expenditure declined substantially from 28% to 22% principally because many of the bodies moved from a set up phase to being fully operational. Administration expenditure as a percentage of total expenditure also varied between individual bodies due to differences in the nature of the activities undertaken. For example, the level of administrative costs would be influenced by the extent to which individual bodies issue grant support or offer non-financial assistance. In general, Partnerships have higher administration costs relative to the other bodies for this reason.

The bodies are characterised by substantial voluntary inputs at board and sub-committee levels. This is in keeping with harnessing local knowledge and expertise to achieve common objectives. Key staff were invariably highly qualified and resourceful.

The development of management information systems has not been satisfactory in

that there is no automatic sharing of data among local development bodies and the scope for effectiveness analysis is limited. Throughout the period covered by the examination, information systems which include performance measures and indicators to monitor efficiency and effectiveness have been under development and progress is being made in addressing the deficiencies.

Co-ordination of Activities

The flexible approach to the implementation of local development policy results in considerable duplication of the enterprise services provided by the three types of bodies with respect to objectives, clients and activities. To a lesser extent there is duplication of activities concerned with countering serious economic and social disadvantage because Partnerships target specific client groups - the long-term unemployed and the socially excluded. In nine cases Partnerships and LEADER groups share a common management board.

Co-operation among the bodies and with other organisations (State, local government, community and voluntary sector and business) at local level to achieve agreed objectives contributes to the unique innovative role of the Local Development initiatives.

'Subsidy shopping' can occur, whereby clients can maximise the public funding they receive by applying for grants from different bodies to support different elements of their projects. This inevitably leads to duplication in administration. Formal interdepartmental agreements should be concluded to define the limits between the objectives, clients and activities of the three bodies and similar agreements should be concluded at local level. These agreements might look for ways of minimising the administration of multiple applications for funding in a project.

A cohesive approach to the integration of local government and local development was set out in 1998 by an interdepartmental Task Force. Implementation of this report is underway.

Operational Efficiency

The main activity and output targets are being met but the absence of baseline performance data means that it is not known how demanding the original targets were. Arising from work by the external evaluators to the Operational Programmes many of the targets have been raised by the Monitoring Committees which oversee the implementation of the Programmes.

While elements of expenditure (Partnerships and LEADER groups) were somewhat behind target at the end of 1998, it is expected by the Departments that spending targets will be met by the end of the Operational Programmes.

Studies indicate that the level of deadweight (the extent to which enterprises supported under the Operational Programmes would be established without grants) may be in the range 40% to 50%. Displacement (the extent to which supported enterprises divert sales and employment opportunities from other Irish enterprises) may be in the range 20% to 40%. From early 1998, CEBs and Partnerships have been empowered to assist enterprise projects by means of refundable aid and equity. Use

of these forms of aid should be expanded quickly in preference to non-repayable grants as they can help to reduce deadweight and displacement and, in addition, are a more economical use of public funds.

Some instances of displacement provide social benefits which may outweigh the costs involved. There is a need for more clarity regarding the circumstances in which displacement may be permitted.

Assessment of Impact

The development of systems to assess the impact of Local Development initiatives is not easy because of the diversity of objectives, the lack of measurability of some impacts, the absence of disaggregated data models relevant to local areas and the need for careful interpretation of results.

Quantitative Assessment

Quantitative assessment of the impact of Local Development bodies can be carried out by examining changes in variables such as long-term unemployment and enterprise formation. Studies to date of these variables have yielded inconclusive results.

A report on the impact of OPLURD on long-term unemployment shows that from 1991 to 1996 unemployment in Partnership areas fell by roughly the same percentage as in non-Partnership areas.

Analysis of national Live Register data for the period 1994-1998 indicates a significant fall in the level of long-term unemployment which is a particular focus of Partnerships but the reduction may have more to do with the impact of strong economic growth than with the effect of Local Development initiatives.

A review of the number of manufacturing startups from 1987-1996 shows that the rapid economic growth from 1993 and the onset of the Local Development initiatives did not result in an increased rate of manufacturing startups.

Integration of enterprise support and performance data across the Local Development initiatives would be required in order to establish the underlying reasons for these trends.

Qualitative Assessment

Detailed Census of Population data (1991 and 1996) is available regarding indicators of disadvantage in Partnership areas. While there are limitations involved in interpreting the data, further analysis should facilitate assessment of the impact of the activities of Partnerships.

The extent of material specifically covering the evaluation of impact is very limited. Partnerships have carried out several case studies to explore the impact of their activities and to promote best practice. Case studies are underway also in many LEADER groups. However, there is a clear need for more data collection and the development of social policy models to provide a better insight into the impact of Local Development activities.

1 Introduction

Background to Local Development Initiatives

1.1 Since the early 1990s the Government, with the support of the European Union (EU), has introduced a number of policy initiatives in support of local socio-economic development. These initiatives stemmed from the perceived failure of existing policies to share the benefits of economic growth equitably across local communities and among the more disadvantaged sectors of Irish society. Central to the initiatives was the creation of local employment opportunities, together with measures to tackle educational disadvantage, environmental decay and social exclusion. The new policy also marked a reversal from the traditional hegemony of central government by recognising the role which local communities can play in the process of economic and social development.

1.2 A primary purpose of Local Development was to identify appropriate ways of stimulating all relevant local resources in support of enterprise development and tackling long-term unemployment. Though related, these are distinct objectives and the extent to which they could be associated in operational terms remained to be established at that time.

1.3 The main elements of the new approach were

- partnership between statutory, business and community sectors
- devolution to local bodies of needs identification, planning, co-ordination of programmes, delivery of innovative and certain other actions and monitoring of progress
- involvement of the entire community, especially disadvantaged groups
- adoption of a holistic approach, whereby economic and social development would occur concurrently.

1.3 The administration of Local Development in Ireland is dissimilar to that in other EU countries in that

- there are a number of distinct programmes
- there is strong central government and EU involvement
- new local administrative structures were devised, independent of existing local government structures.

Central government controls the bulk of public finances. At local level, local authorities' functions have been limited, covering matters such as roads, sanitation and housing. While theoretically local authorities could engage in many other local development activities, in practice they were restricted because of the centralised funding system and inability to pursue a significant local taxation system. A Task

Force¹ established by the Government made a number of recommendations in a report in August 1998 regarding the integration of local development with local government. These were approved by the Government in September 1998 (see paragraphs 3.30 to 3.31).

Organisational and Management Arrangements

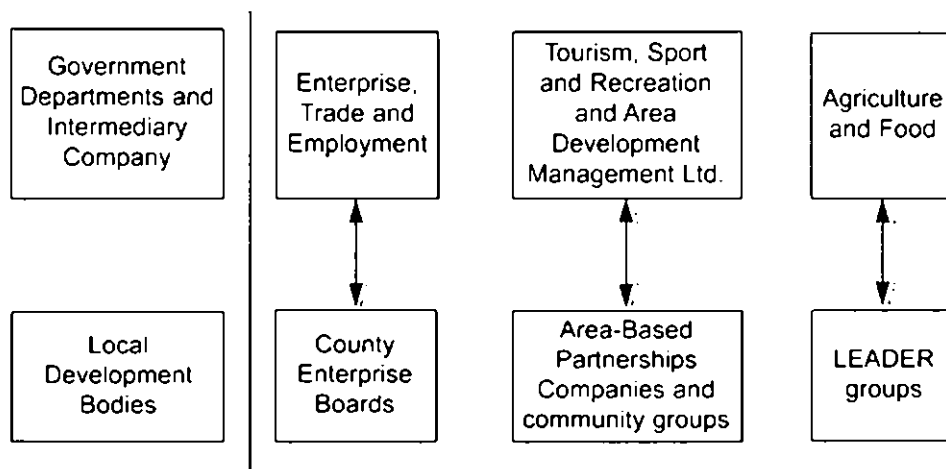
1.5 The two main EU funded programmes providing support for Local Development are the Operational Programme for Local, Urban and Rural Development (OPLURD) and the LEADER II Programme. These Operational Programmes were drafted by the Department of the Taoiseach and the Department of Agriculture and Food (Agriculture and Food) respectively within EU guidelines and agreed with the EU Commission.

1.6 Each sub-programme of OPLURD and LEADER II is administered locally by distinct Local Development bodies. This examination is concerned with Local Development activities administered by County Enterprise Boards and Area-Based Partnership Companies under OPLURD and by LEADER groups under LEADER II. Responsibility for these bodies comes under the remit of three separate Government Departments (see Figure 1.1).

County Enterprise Boards

1.7 County Enterprise Boards (CEBs) were established in October 1993 with the aim of fostering and facilitating the economic development of local areas. Each CEB was required to draw up a County Enterprise Plan and its actions and proposals are

Figure 1.1 Main Departments and Local Development bodies



¹ *The Task Force Report on the Integration of Local Government and Local Development Systems, August 1998*

based on this plan. There are 35 CEBs in total covering county and urban local authority areas. Each CEB has 14 members including representatives of local government, public sector agencies, business, farming, trade union and community interests.

1.8 The CEBs provide a range of enterprise support services at local level, e.g. advice and counselling, business information, financial assistance and management development. The target groups are businesses, community groups, individual entrepreneurs and small enterprises. CEBs took over responsibility from the former Industrial Development Authority (IDA) for the development of manufacturing and international services firms with less than ten employees. In addition, they assumed the new role of promoting an enterprise culture.

1.9 From the outset the Department of Enterprise, Trade and Employment (Enterprise, Trade and Employment) has been responsible for co-ordinating and supervising the CEBs. Initially, decisions on grant payments to individual projects were vetted by the Department. However, CEBs were constituted as limited liability companies during 1995 and, since 1 January 1996, have made grant decisions.

1.10 Staffing, accommodation and other expenses were initially provided by the local authorities on a recoupment basis and, although the CEBs are now incorporated, many have continued with this arrangement.

1.11 Funding for CEBs is co-financed by EU structural funds via sub-programme 1 of OPLURD and by the Exchequer.

Area-Based Partnership Companies

1.12 Area-Based Partnership Companies (Partnerships) were originally established in 12 areas on a pilot basis in 1991 to implement an area-based response to long-term unemployment under the Programme for Economic and Social Progress (PESP). 38 Partnerships have been established (20 urban and 18 rural) to operate in 35 areas designated by the Government as being disadvantaged. In addition, there are 33 community development groups in non-designated areas which carry out functions similar to those of the Partnerships. The Boards of Directors of the companies are drawn from (i) the social partners (ii) State agencies and (iii) community and voluntary organisations.

1.13 The functions of the Partnerships are to prepare local development plans, in consultation with other local groups and bodies, to counter disadvantage in their areas and then to have these plans implemented. The plan outlines the range of social and economic issues to be addressed in the target area and the objectives to be pursued based on the results of a socio-economic analysis of the area. The intention is to accelerate local economic development, increase employment and

tackle exclusion and marginalisation resulting from long-term unemployment. A very wide range of activities is undertaken, including job placement, adult education, training, community development, environmental projects and youth initiatives.

1.14 An independent intermediary company was established in 1992, initially under the aegis of the Department of the Taoiseach and, subsequently, from mid-1997, the Department of Tourism, Sport and Recreation (Tourism, Sport and Recreation) to oversee the Partnerships and local development groups. The company, Area Development Management Ltd (ADM), is required to evaluate plans from Partnerships, community groups and selected organisations, to allocate resources in accordance with the evaluation results and to monitor expenditure and performance by beneficiaries. Over 80% of funding is spent by the Partnerships and the remainder is spent by community groups and national organisations.

1.15 Funding for Partnerships, community groups and eligible spending by selected national organisations is co-financed by EU structural funds and by the Exchequer. EU funding is provided via sub-programme 2 of OPLURD.

LEADER

1.16 This EU Initiative for rural development was originally launched in 1991 (LEADER I). The objective of the programme was to establish local development action groups which would be responsible for the implementation of business plans for their areas. LEADER I was the subject of my first value for money examination completed in December 1994. The initiative was continued under the Operational Programme for LEADER II covering the period 1994 to 1999. There are 34 approved LEADER groups (as opposed to 16 groups in the original programme). These are autonomous legal entities, each controlled by a board and operating under an agreement with the Department of Agriculture and Food (Agriculture and Food). The Department required that the boards have a tripartite structure representative of the community and voluntary sector, local State agencies and the private / commercial sector.

1.17 Unlike the other Initiatives covered in this examination (which are essentially national policy initiatives), LEADER is an EU Initiative which was designed and launched by the European Commission. This means that the implementation of LEADER, its timing and operating rules are determined largely within the EU Commission. Funding for the LEADER II Programme is co-financed from EU structural funds via the LEADER Operational Programme 1994-1999 and by the Exchequer.

Sources of Finance

1.18 The EU Commission and the Exchequer provided funding for the initiatives in the period 1994-1998 as follows

	EU	Exchequer	Total
	£m	£m	£m
CEBs	46.5	51.6	98.1
Partnerships	53.0	18.1	71.1
LEADER groups	<u>27.2</u>	<u>11.6</u>	<u>38.8</u>
	<u>126.7</u>	<u>81.3</u>	<u>208.0</u>

Scope and objectives of the examination

1.19 The examination was concerned only with initiatives to promote local development through County Enterprise Boards, Partnerships and LEADER groups². There are many other initiatives for local development, such as URBAN, Territorial Employment Pacts, Peace and Reconciliation and Interreg II which are outside the scope of this examination.

1.20 Neither ADM nor the Partnerships are covered by my statutory value for money remit. In the interest of producing a cohesive report on Local Development initiatives, they agreed that the examination should be extended to them. Their co-operation in this respect is acknowledged.

1.21 The overall objectives of the examination were

- to evaluate the administrative efficiency of the bodies (Chapter 2)
- to assess the extent of duplication and co-ordination arrangements (Chapter 3)
- to evaluate the operational efficiency of the bodies (Chapter 4)
- to consider how the impact of the bodies can be assessed (Chapter 5).

² For the purpose of this examination CEBs, Partnerships and Leader groups will be referred to as Local Development bodies

1.22 The main issues considered are

Issue	Evaluation Criteria
Administrative efficiency	<ul style="list-style-type: none">● Administration costs● Human resources● Adequacy of management information systems
Co-ordination of activities	<ul style="list-style-type: none">● Duplication● Co-ordination
Operational efficiency	<ul style="list-style-type: none">● Targets and performance● Resource allocation and outturn● Deadweight and displacement
Impact assessment	<ul style="list-style-type: none">● Quantitative assessments● Qualitative assessments

Methodology

1.23 Officials in the Department of Agriculture and Food, the Department of Tourism, Sport and Recreation, the Department of Enterprise, Trade and Employment and ADM were interviewed. Data and papers relating to targets, costs and performance were examined. Analysis was carried out of cost and performance data. Variation in performance data was used as a basis for selecting individual Local Development bodies for further examination.

1.24 Selected CEBs, LEADER groups and Partnerships were visited¹. Relevant personnel were interviewed and individual projects were visited. Several case studies were identified during the course of this work and these are used in this report to illustrate key issues. They should not be regarded as representative of the type of projects supported by the bodies.

1.25 Meetings were held with officials from the Department of the Environment and Local Government and the Combat Poverty Agency. Interviews took place with the following organisations: PLANET (the network of Area-Based Partnerships), Comhar LEADER na hÉireann (the network of LEADER groups), the Association of Chief Executives of County Enterprise Boards (representing County Enterprise Boards), the Irish National Organisation for the Unemployed (INOUE), the

¹ Kerry, Cork North and South Dublin CEBs; Trá Lí, Donegal Inishowen and Northside Partnership; Wexford Organisation for Rural Development and Laois LEADER Rural Development Co. Ltd (LEADER groups); Longford Community Resources Ltd and South Kerry Development Partnership Ltd (combined LEADER/Partnership organisations)

Conference of Religious in Ireland (CORI), Ms. Yvonne Murphy, Researcher and Prof. James A. Walsh, NUI Maynooth.

1.26 An external expert was engaged to advise on the methodology of the study and review the study findings.⁴

⁴ Mr Jim Walsh, Combat Poverty Agency

2 Administrative Efficiency

2.1 This chapter is concerned with the efficiency of the CEBs, Partnerships and LEADER groups in administering Local Development initiatives. Local Development is characterised by a multiplicity of objectives and activities. The control of administrative expenditure is achieved by reference to staffing levels, pay rates and the reasonableness of other administration expenses.

2.2 The diversity of the activities of Local Development bodies and the flexibility in how they set about achieving their objectives limit the extent to which cross comparisons of efficiency can be made. Neither uniform performance indicators nor common information systems on administrative efficiency across the initiatives have been developed.

2.3 The period covered in the chapter is 1994-1998 inclusive. However, detailed analysis at individual Local Development bodies level relates to 1994 - 1997. It should be noted that Local Development bodies did not commence simultaneously and that the time taken to establish individual local groups varied. Accordingly, expenditure in the early years relates to the 'full' activities of a minority of groups and the startup phase of many local groups.

2.4 The issues and evaluation criteria used in this chapter are

<i>Issue</i>	<i>Evaluation Criteria</i>
Administration costs	<ul style="list-style-type: none">● Administration costs as a percentage of total expenditure
Human resources	<ul style="list-style-type: none">● Extent of Board input● Staff skills
Adequacy of management information systems	<ul style="list-style-type: none">● Data collection by Local Development bodies● Integration of data at national level● Reporting and monitoring

Administration Costs

2.5 The total amount of expenditure incurred by Local Development bodies in the period 1994 to 1998 was £208 million. This is analysed in Table 2.1.

2.6 The total expenditure incurred can be categorised into administration costs, which are the costs of running the relevant offices, and other expenditure which is divided between direct financial assistance to enterprises and expenditure on activities to increase enterprise awareness, promote community development or redress disadvantage.

Table 2.1 Expenditure* by Local Development bodies 1994-1998

	1994	1995	1996	1997	1998
	£m	£m	£m	£m	£m
CEBs	8.2	19.9	21.6	23.0	25.4
Partnerships and other ^a	2.8	4.6	10.4	23.2	30.1
LEADER Groups ^c	-	1.6	5.3	11.7	20.2
Total	11.0	26.1	37.3	57.9	75.7

Note a Expenditure relates to activities under OPLURD and LEADER II. Some Local Development bodies also incur expenditure on other activities which are not funded under OPLURD or LEADER II and which are outside the scope of the examination. Details for 1995-1997 are contained in Appendix A.

b The total expenditure in the table includes Partnerships, Community Groups and selected National Organisations

c Includes selected sectoral groups

Source: Annual reports of OPLURD and LEADER for 1998

Administration Costs as a Percentage of Total Expenditure

2.7 Administration costs as a percentage of total expenditure in the period 1995 - 1997 are shown in Table 2.2. (There was little administration spending in 1994.)

2.8 Administration costs as a percentage of total expenditure decreased over the period 1995 to 1997 for each initiative. This was due mainly to the fact that it took some time for the development groups to become operational and hence much of the initial expenditure was on administration rather than activities. This trend is particularly noticeable in the case of LEADER groups and Partnerships, where administration costs as a percentage of total expenditure dropped substantially. There were some variations between individual CEBs, LEADER groups and Partnerships. These are considered below. (The administration costs of Local Development bodies are shown in Appendix B.)

County Enterprise Boards

2.9 There were no great variations in the administration costs incurred by the CEBs with the majority spending between £100,000 and £150,000 per annum. Analysis of 1997 data showed that the administration costs of most CEBs were within a range of 15% to 25% in relation to total expenditure. The lowest was Dublin City at 11% with Cork North being the highest at 31%. The level is strongly influenced by the extent to which CEBs are involved in the provision of grants as this increases the

Table 2.2 Administration costs as a percentage of total expenditure

	Administration costs			Percentage of total expenditure		
	1995 £m	1996 £m	1997 £m	1995 %	1996 %	1997 %
CEBs	4.9	4.3	4.4	25%	20%	19%
Partnerships ^a	1.5	4.1	5.3	34%	44%	28%
LEADER Groups ^b	0.8	1.6	2.0	51%	31%	17%
Total	7.2	10.0	11.7	28%	28%	22%

Note: ^a The figures exclude Community Groups and selected National Organisations

^b Excludes selected sectoral groups

Source: Analysis by the Office of the Comptroller and Auditor General: see Appendix A.

level of overall expenditure. In the case of Cork North, their main activities are animation and the provision of support, such as counselling and training, which would involve lower levels of expenditure than the supply of grant aid. In the case of other CEBs, such as Dublin City, the focus was principally on the provision of grant aid.

Partnerships

2.10 Partnerships generally spent between £50,000 and £200,000 on administration in 1997 with some exceptions. Most Partnerships which were established before OPLURD had lower administration costs as a percentage of total expenditure than those which were started under OPLURD. In 1997, administration expenditure as a percentage of total expenditure was generally in the range of 20% to 40% with the lowest at 13 % (in the case of Northside, in Dublin) to the highest at 51% (in the case of Inishowen, in Donegal). While actual administration expenditure was similar in both Partnerships, expenditure on activities was significantly greater in Northside as compared to Donegal Inishowen which was still in a set up phase. The timing of projects, local priorities in the implementation of business plans and the number of years the Partnerships have been operating have an impact on the administrative costs percentage indicator.

LEADER Groups

2.11 LEADER groups generally spent between £50,000 and £100,000 on administration in 1997 with some exceptions. In 1997, administration expenditure as a percentage of total expenditure was generally in the range 10% to 20% with the lowest at 7% (in the case of Barrow-Nore-Suir) to the highest at 45% (in the case of Comhair Iorrais). While administration expenditure was similar in both LEADER

groups, expenditure on activities (including animation and provision of grants) was significantly greater in Barrow-Nore-Suir compared to Comhairle Iorrais. There are a number of factors that can give rise to the variation, such as how well established the group is, local priorities in the implementation of the business plan, the timing of projects and the level of grant aid.

Human Resources

2.12 The local character of each of the Local Development bodies and the nature and diversity of their operations mean that they have a substantial role of initiating and co-ordinating activities in co-operation with a wide variety of voluntary and statutory organisations (see Chapter 3). The achievement of their objectives is dependent on the availability of high quality personnel, at Board and sub-committee level, and dedicated, high calibre staff.

Extent of Board Input

2.13 There is significant input at Board level for all of the bodies. Around two thirds of CEBs operate sub-Board committees and half of these sub-committees include members, drawn from the local community, who are not Board directors⁵. This involvement in Local Development bodies entails a high degree of commitment from people who are already active in their local communities.

2.14 Practically all Partnerships have sub-committees on community development, education and enterprise and most LEADER groups have sub-committees on rural tourism/environment, natural resources and small business/crafts/services⁶. Preparatory work, attendance at meetings and follow up activities place considerable time demands on Board and sub-committee members. During the examination abundant evidence was found of the commitment and skill of Board members and members of sub-committees.

Staff Skills

2.15 A wide variety of skills is required of Local Development staff to match the range of activities undertaken. This feature is particularly important for LEADER groups and Partnerships due to the extent of their remit. The staff of Local Development bodies are highly qualified. According to a recent survey, 52% of the

⁵ *ESF and the Local, Urban and Rural Development Programme, European Social Fund Programme Evaluation Unit, April 1999*

⁶ *Operational Programme for LEADER II Community Initiative: Mid Term Review Report, Brendan Kearney and Associates 1997*

CEOs of CEBs hold a post-graduate qualification and a further 20% have a primary degree. In the case of Partnerships 60% of managers hold a post-graduate qualification and a further 24% have a primary degree.

2.16 The resourcefulness of Local Development staff was evident during the course of the examination.

Adequacy of Management Information Systems

2.17 The availability of good management information systems is a prerequisite for efficient administration of the initiatives and for ensuring that relevant and reliable data is available for planning, performance monitoring and evaluation. An in-depth review of the management information systems in use was not included in the scope of the examination. However, certain deficiencies in the systems became apparent in discussions with officials in the Local Development bodies and during the quantitative analysis work.

Data Collection by Local Development Bodies

2.18 Each of the bodies operates separate computerised information systems which were designed by consultants under the aegis of the Departments and ADM, as appropriate. The primary purpose of these systems is to provide feedback on activities by each Local Development body to the Departments and ADM. The systems should also provide management information for use locally and facilitate external evaluation. However, the large number of local groups reporting to different departments poses particular challenges for data capture.

2.19 Discussions with officials in the Local Development bodies visited indicated some dissatisfaction with the local use of systems in that they were regarded as being not user friendly or were perceived as not being fully suited to local management needs. In fact, some Local Development bodies have kept their original systems in use to supplement the information provided by the centrally developed systems. The difficulties have been recognised and steps are being taken on an ongoing basis to encourage greater local use of the centrally developed systems.

2.20 Formal arrangements are not in place which would facilitate automatic sharing of information locally across all of the groups. This is not possible due to the absence of a common client identifier in the three computer systems. Some ad-hoc sharing of data, such as project applications and approvals, occurs through meetings between bodies and via County Strategy Groups. However, this is no substitute for a systematic approach to data sharing.

2.21 A wide variety of performance indicators was developed through discussions with the external evaluators and with Local Development bodies (see Appendix C and D). LEADER groups and Partnerships, in particular, undertake a wide range of activities and, consequently, their computer systems capture a wide range of data. This can place an excessive burden on the small administrative staff in these bodies. A performance measurement system which focuses on an agreed set of key indicators to encompass core activities and outputs and which reflects key objectives might be more appropriate. Any additional information requirements could be provided less frequently through, for example, annual reporting arrangements.

2.22 The following issues were also noted

- The priorities of different Local Development bodies are not identical, even within the same Local Development initiative. For example, one Local Development body might prioritise assistance to disadvantaged groups while another might prioritise enterprise development. Existing measurement systems do not allow the performance of these two groups to be realistically ranked and compared.
- Measurement should cope with the fact that much of the performance under the initiatives is qualitative in nature. Examples include quality of training, openness to disadvantaged groups and quality of relationships with other statutory bodies. Existing measurement systems do not cater for these aspects of performance⁷.
- Despite initiatives to involve Local Development bodies in the specification of performance indicators, existing performance monitoring is frequently seen as something which is imposed on groups with little direct benefit in terms of enabling them to understand how to improve their own performance⁸.

2.23 The approach described in Case Study 1 gives an indication of the preparatory work involved in developing systems to evaluate the efficiency and effectiveness of the bodies. Government Departments and Local Development bodies might establish to what extent this approach could be applied to the measurement and management of Local Development performance. This is a prerequisite to establishing the data requirements which should be satisfied by the information systems in use by Local Development bodies. Under the existing systems, the information requirements for determining the extent to which value for money is being obtained from expenditure on the initiatives are not adequately provided for. The current inadequacies of the information systems limit the scope for evaluation. The Mid-Term Evaluations of both LEADER and OPLURD have drawn attention to this deficiency.

However, LEADER groups produce written qualitative reports twice yearly and other Local Development bodies also include qualitative aspects of performance in their reports. ADM has produced a series of case studies which reflect qualitative aspects of the work of Partnerships

For an extended discussion on the weaknesses of performance monitoring see "ESF and the Local, Urban and Rural Development Programme", European Social Fund Programme Evaluation Unit, April 1999

Case Study 1

A benchmarking project

A transnational study, funded by the EU, is underway to develop benchmarks for projects which seek to insert unemployed people into the labour market. The main purpose of benchmarking is to enable organisations to improve their performance.

Through a process of discussion and analysis involving the implementing organisations, the key processes and desired outcomes are established. An agreed set of quantifiable indicators is developed to give a measure of performance under each key process and desired outcome. Overall performance is derived by applying an agreed weighting formula to the individual measures. Data capture and performance reporting are overseen by an independent third party.

Graphical representations are produced showing the performance of each group for each key process and outcome. Typically, the performance of each group will be stronger in some respects than others and future action to improve performance can then ensue.

Integration of Data at National Level

2.24 It is important that there should be central access to data to provide for a systematic and comprehensive evaluation at national level of the efficiency and effectiveness of local development across the country. In addition, this would support co-operation and co-ordination across the bodies.

2.25 Data held within Government Departments and ADM is not integrated at the level of the beneficiary. For example, grant approvals to an enterprise, grant payments and employment are not associated with a unique client identifier in Enterprise, Trade and Employment's computer system. A similar weakness exists in Agriculture and Food and ADM. This can reduce the scope for evaluation. For example, the performance of entities which obtain financial assistance cannot readily be compared with those which receive other, non-financial, supports.

2.26 When CEBs were first established, Enterprise, Trade and Employment used a database, inherited from the Department of Finance, to record certain key data, such as grants paid and approved, on each enterprise assisted by CEBs. In addition, data on the Enterprise, Trade and Employment Business Information System (BIS) held grant and employment data for all manufacturing and international services firms. The opportunity was not taken of combining data on the CEB database with its own BIS. Subsequently, Enterprise, Trade and Employment discontinued recording grant payment data on the CEB database. Finally, the coverage of the Forfás annual employment survey (which updates the BIS) was allowed to diminish so that it no

longer attempts to include systematically small manufacturing enterprises with less than ten employees. As a result, the ability of Enterprise, Trade and Employment to monitor small industry performance and the effectiveness of small industry development programmes has considerably weakened.

2.27 Enterprise, Trade and Employment is at present agreeing terms of reference for the establishment of a system to facilitate the integration of CEB data into the BIS. It is intended that Forfás will include CEB clients in its annual employment survey. In addition the Department plans to acquire a statistical software package to facilitate analysis of CEB data.

2.28 There is no national plan to integrate enterprise and individual client level data from CEBs with similar data from LEADER groups and Partnerships. Agriculture and Food does not integrate information which is collected from each of the groups into national systems and has no plans to do so. ADM provides reports to a number of Departments, including Social, Community and Family Affairs, Enterprise, Trade and Employment and Education and Science.

2.29 In 1995 Tourism, Sport and Recreation began a process of setting up a centralised performance monitoring system (PMS) for OPLURD comprising aggregate output indicators for CEBs and Partnerships⁹. Significant resources have been devoted to developing this system. Performance indicators were finally approved by the OPLURD Monitoring Committee in May 1999. According to Tourism, Sport and Recreation this did not allow sufficient time to consider extending the system framework to provide for comparison with other programmes such as LEADER. The current position is that

- Partnership performance data from 1 January 1997 was successfully taken into the PMS. Data from community and special interest groups was taken into the PMS for 1998.
- Performance data for 1998 from all of the CEBs has been collated by South Dublin CEB and taken into the PMS.

The PMS is used to monitor the levels of activities and outputs under OPLURD. It is used by the external evaluator to assist Tourism, Sport and Recreation and the OPLURD Monitoring Committee to oversee the Programme. It is of limited use for effectiveness analysis.

2.30 A further difficulty is the absence of comparisons with some key baseline data prior to the establishment of the bodies, for example, the rate of new firm formation and job creation in small firms and the placement of long-term unemployed. Tourism, Sport and Recreation has commissioned a study of baseline data.

⁹ Performance data on sub-programme 3 of OPLURD, i.e. Village and Urban Renewal, is also included

Reporting and Monitoring

2.31 Progress reports are produced every six months by the lead Departments for consideration and approval by the relevant Monitoring Committees. External evaluators were engaged by Tourism, Sport and Recreation and Agriculture and Food for OPLURD and LEADER respectively to produce evaluation reports and they have also produced mid-term reviews. These reports are considered at half-yearly meetings of the relevant Monitoring Committees. All Local Development bodies produce annual reports outlining activities undertaken together with financial statements as required under the operational programmes.

2.32 Networking plays an important role for the bodies. Both LEADER groups and Partnerships have the benefit of personnel dedicated to organising network activities. The CEOs of the CEBs also meet regularly.

3 Co-ordination of Activities

3.1 The co-existence of the three types of bodies for local development has given rise to concern about duplication and the lack of co-ordination¹⁰. The potential for duplication arises because the bodies commenced independently of each other and started at different times, have similar objectives and target overlapping populations, have separate local administrative structures, report to different Departments and are funded by different operational programmes. As a result there is a need to ensure that there are adequate arrangements in place to reduce the possibility of duplication and to ensure that there is proper co-ordination between the different bodies.

3.2 The issues of duplication and co-ordination can be assessed

- between the different Local Development bodies
- between Local Development bodies and other agencies, such as Enterprise Ireland and the Department of Social, Community and Family Affairs.

This examination is confined to duplication and co-ordination between Local Development bodies.

3.3 In this chapter the issues of duplication and co-ordination are examined under evaluation criteria as shown below

<i>Issue</i>	<i>Evaluation criteria</i>
Duplication	<ul style="list-style-type: none">● Objectives● Clients● Activities● Funding of projects
Co-ordination	<ul style="list-style-type: none">● Local level● National level

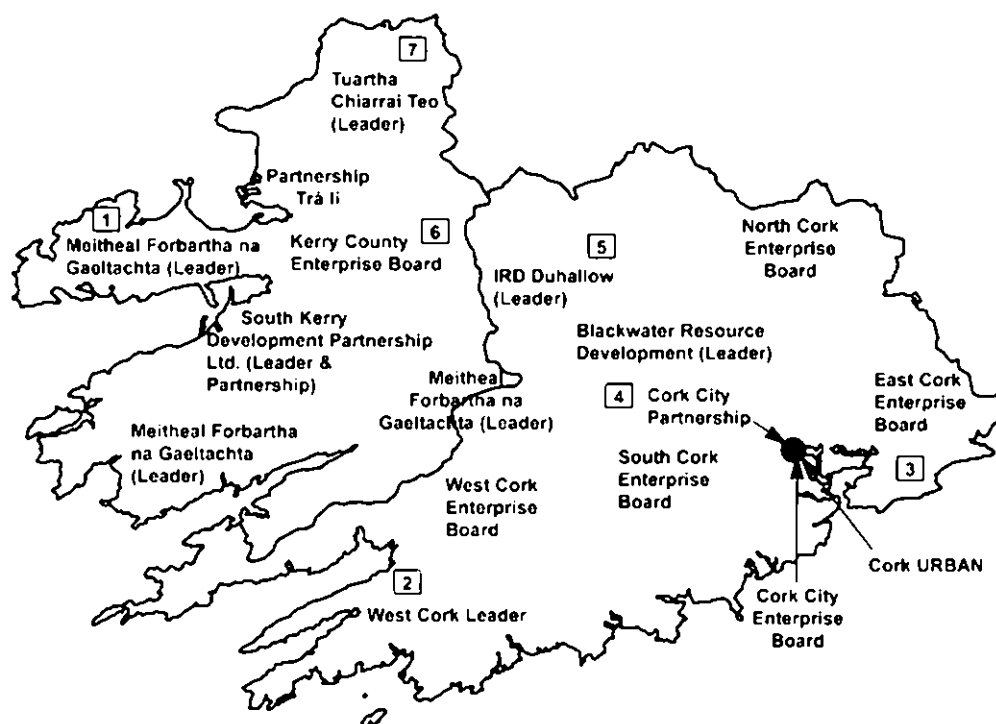
Duplication

3.4 A substantial number of agencies can provide Local Development supports in the same local area. Figure 3.1 from the South West illustrates this.

3.5 The nature of the initiatives is that there should be flexibility in strategic decision making at local level within broad parameters which are set out in the Operational Programmes. The similarities between objectives, clients and activities as shown in Tables 3.1 to 3.4 are a result of these policies.

¹⁰ Public Accounts Committee discussion of 30 April 1998

Figure 3.1 Local Development Supports in the South West



Note: The following ADM funded community groups are indicated on the map by numbers

- 1 Meitheal Forbartha na Gaeltachta Teo
- 2 Bantry Integrated Development Group
- 3 East Cork Area Development Ltd.
- 4 Avondha Development Partnership
- 5 IRD Duhallow Ltd.
- 6 Sliabh Luachra Ltd.
- 7 Listowel Baronies Group Ltd.

Objectives

3.6 All of the bodies are concerned with local economic development and have a brief to co-ordinate and enhance existing supports at local level. Both LEADER and Partnership groups are concerned with community development while Partnerships are explicitly focused on combatting social exclusion.

Clients

3.7 Many similarities exist between the clients of the three types of bodies but there are also important differences. While CEBS deal with business ideas from any individual or group they do not specifically target disadvantaged groups, which are the focus of Partnerships. LEADER activities are directed towards the local

Table 3.1 Objectives

Objectives	CEBs	Partnerships	LEADER
Foster development by			
Area planning	✓	✓	✓
Job creation	✓	✓	✓
Business supports	✓	✓	✓
Animation	✓	✓	✓
Counter serious economic and social problems by			
Assisting long-term unemployed into jobs		✓	
Promoting adult education/training	✓	✓	✓
Assisting community development	◇	✓	✓
Encouraging provision of child support	✓	✓	✓
Integrate supports at local level	✓	✓	✓

Table 3.2 Clients

Nature of Clients	CEBs	Partnerships	LEADER
Population coverage	100%	54% ^a	61%
Geographic coverage	100%	Includes 13 complete counties and several other disadvantaged areas.	Almost complete in rural areas (excludes part of cities of Dublin, Cork, Galway, Limerick, Waterford)
Small Enterprises	✓	✓	✓
Adult Learners		✓	✓
Job Seekers incl. Long-Term Unemployed (LTU)		✓	
Community Groups		✓	✓
Lone parents		✓	
Travellers		✓	
People with disabilities		✓	
Disadvantaged youth		✓	

Notes: ◇ denotes that one Local Development body has chosen to pursue this objective

a This relates to designated areas covered by Area-Based Partnerships

Sources: Tables 3.1 & 3.2 These tables were derived from the Operational Programme for LEADER, OPLURD and interviews with managers of Local Development bodies.

Table 3.3 Main development activities

Activity	CEBs	Partnerships	LEADER
Draft development plans	✓	✓	✓
Assess local plans	◇	✓	✓
Carry out surveys of enterprises	✓	✓	◇
Provide finance to enterprises	✓	✓	✓
Provide advice to enterprises	✓	✓	✓
Assist enterprises to access consultancy support	✓	◇	✓
Organise/fund mentors for enterprises	✓	✓	✓
Fund management development	✓		
Organise/fund marketing initiatives	✓		✓
Promote enterprise via meetings etc	✓	✓	✓
Produce enterprise brochures/business guides	✓	✓	✓
Promote enterprise in schools via competitions, training etc	✓	✓	✓
Fund provision of tourism facilities	✓		✓
Fund road signage/ Tidy towns			✓
Fund arts/cultural festivals	✓		✓

Table 3.4 Main activities concerned with countering serious economic and social problems

Activity	CEBs	Partnerships	LEADER
Counsel long-term unemployed (LTU)		✓	
Carry out skills audit of LTUs		✓	
Establish network of LTUs		✓	
Organise, fund education or training courses		✓	✓
Fund provision of education centres		✓	✓
Fund construction, refurbishment, equipment of community, resource or activity centres		✓	✓
Fund estate improvement		✓	
Fund community/youth workers		✓	◇
Organise, fund community fora or networks		✓	✓
Organise, fund homework clubs		✓	
Fund youth activities		✓	
Fund play groups, creches	✓	✓	✓

Note: ◇ denotes that not all Local Development bodies have chosen to undertake these activities

Sources: Tables 3.3 & 3.4 These tables were derived from the Operational Programme for LEADER, OPLURD and interviews with managers of Local Development bodies.

community in general and local project promoters. While people who are severely socially or economically deprived may participate in LEADER activities, LEADER has no remit in specifically targeting these groups. In nine cases, LEADER and Partnership services are delivered by the same local group.

3.8 LEADER and Partnerships have extensive, but not complete, population coverage. Partnerships and ADM-funded community groups cover many of the more concentrated areas of disadvantage. Due to the fact that social disadvantage is spatially distributed, some areas of the country where disadvantage exists are not covered by Partnerships or ADM-funded community groups¹¹.

Activities

3.9 It can be seen from Table 3.3 that there is extensive duplication of development activities across the bodies with almost all of the activities being undertaken by at least two types of bodies. In interviews with the managers of the Local Development bodies, it was indicated that, while they are aware of this overlap, they rely on co-ordination mechanisms to ensure that resources are not wasted.

3.10 It can be seen from Table 3.4 that some overlap exists between LEADER groups and Partnerships with respect to countering serious economic and social problems. This can arise through imprecise definition and interpretation of the range of services provided. However, the extent of overlap in countering serious economic and social problems is much less than in the case of development activities, partly because of the targeting of specific client groups by Partnerships (the long-term unemployed and the socially excluded).

3.11 It should be noted that many other agencies or groups outside the scope of the examination are also active at local level. For example, the Roscommon CEB Action Plan 1997 - 1999 contains a matrix of development agencies and services provided in County Roscommon. This is shown in Appendix E.

Funding of Projects

3.12 Situations can occur where promoters can maximise the funding they receive by applying for support from different groups.

¹¹ *Where are Poor Households: The Spatial Distribution of Poverty and Deprivation in Ireland*, Brian Nolan et al. Combat Poverty Agency, 1998

Case Study 2

"Subsidy shopping"

A promoter had a turnover of £80,000 from an equestrian centre and language school. In addition, he was a farmer, his spouse was a teacher and he had net assets of almost £0.5 million. He wished to develop the equestrian centre and language school and provide accommodation on site for language students; he applied to a CEB for financial assistance. The estimated cost of the project was as follows

	£
Accommodation costs	20,000
Classrooms	10,000
Indoor arena	22,000
Outdoor arena	15,000
Tennis court	10,000
Total	<u>77,000</u>

The CEB considered that financial support would be appropriate for certain 'non-accommodation' aspects of the project. This comprised classrooms, indoor arena and outdoor arena, costing £47,000 and a grant of £20,000 was approved in May 1996. The Board considered that the promoter should fund all of the accommodation aspects. (The Board had a policy of not assisting the provision of accommodation because this is a response to, rather than, a generator of demand).

In September 1996, the promoter applied to a LEADER group for a grant. According to the grant application form the accommodation cost had risen to £85,000 (as against £20,000 in the CEB application). The LEADER group was aware of the financial support already provided by the CEB and the reasons why this level of support was given. The LEADER Board approved a grant of £17,000, being 20% of the cost of the accommodation. The project promoter was also approved for a marketing grant from LEADER of £2,750.

Total capital grants approved for the project (£37,000) amounted to 26% of projected capital expenditure (£142,000)

3.13 It has been pointed out (by Enterprise, Trade and Employment and Tourism, Sport and Recreation) that this case study gives little rise for concern as the funding was directed towards different elements of the project. However, the following efficiency difficulties arise

- additional 'search' costs for clients who make multiple applications for assistance
- additional time spent by members of Boards and evaluation committees and administrative costs in Local Development bodies
- the first Local Development body to approve financial assistance cannot adopt a 'total project' view because it is not aware whether subsequent applications will be made for assistance to other Local Development bodies.

Co-ordination

3.14 As part of their animation and community development activities, all of the bodies, particularly LEADER groups and Partnerships, look for opportunities to initiate and co-ordinate activities which may be undertaken by a wide variety of statutory, community and voluntary groups. This work usually facilitates the provision of economic and social benefits to the community. Typical examples are

- Organising networks of lone parents
- Promoting tidy towns
- Organising second chance education.

Within Local Development bodies there is often tension between the priority to be given to their co-ordination role versus the direct delivery of services, including grants.

3.15 Co-ordination frequently involves the co-operation of several different organisations at different levels (State, local government, community/voluntary sector and business) to achieve a common objective. Through their co-ordination role, the bodies may harness the potential of several organisations to achieve an end which would not otherwise be achieved. This role has been cited as contributing to the unique role of the local development bodies¹². A good example of this co-ordination is set out in Case Study 3.

3.16 The multiple funding of this angling project is substantially different from the multiple funding shown in Case Study 2. In Case Study 3 the contributions of the various bodies were agreed as part of an integrated plan.

3.17 The co-existence of three significant types of bodies (and the inherent duplication shown in the previous section) places a particular onus on management of the organisations at both national and local levels to co-ordinate service provision. Figure 3.2 illustrates for each of the bodies the different co-ordination structures in place.

¹² Ireland: *Local Partnerships and Social Innovation*, Charles Sabel, OECD, 1996

Case Study 3

Co-ordination of a tourism angling project

A LEADER group in an inland county sponsored a study of the tourism development potential of the county. Although the county had weak tourism infrastructure and practically no angling facilities, the study identified several tourism sub-sectors that could be developed, including angling.

An initiative was undertaken by the LEADER group to co-ordinate the development of angling in partnership with fourteen other bodies, including Fisheries Boards, ESB, Coillte, Dúchas, Bord na Móna and several community development organisations and angling groups. The initiative consists of

- the upgrading of eight lakes, most of which are owned by State agencies and many of which were overgrown or silted
- construction of stiles, paths etc. and restocking the lakes with fish
- grant support for accommodation providers in the lakes area.

The total cost of the project was estimated at around £0.5 million. Some of these costs are borne by LEADER but most are borne by State agencies and the Tourism Operational Programme 1994-1999.

The LEADER group is involved, with other organisations, in marketing angling facilities and the provision of training for the ongoing management of the lakes.

Co-ordination at Local Level

3.18 County Strategy Groups were established in each county under OPLURD to facilitate co-ordination and minimise duplication in the delivery of programmes. The Groups provide a forum for formal communication within each county and between counties and central policy makers. Membership of the Groups includes the Chairpersons of CEBs, Partnerships and LEADER groups, County Tourism Committees, County Managers and representatives from Tourism, Sport and Recreation.

3.19 The co-ordination of services to clients depends very heavily on cross-agency representation and attendance at meetings. Table 3.5 shows typical Board representation.

Figure 3.2 Monitoring and Coordination

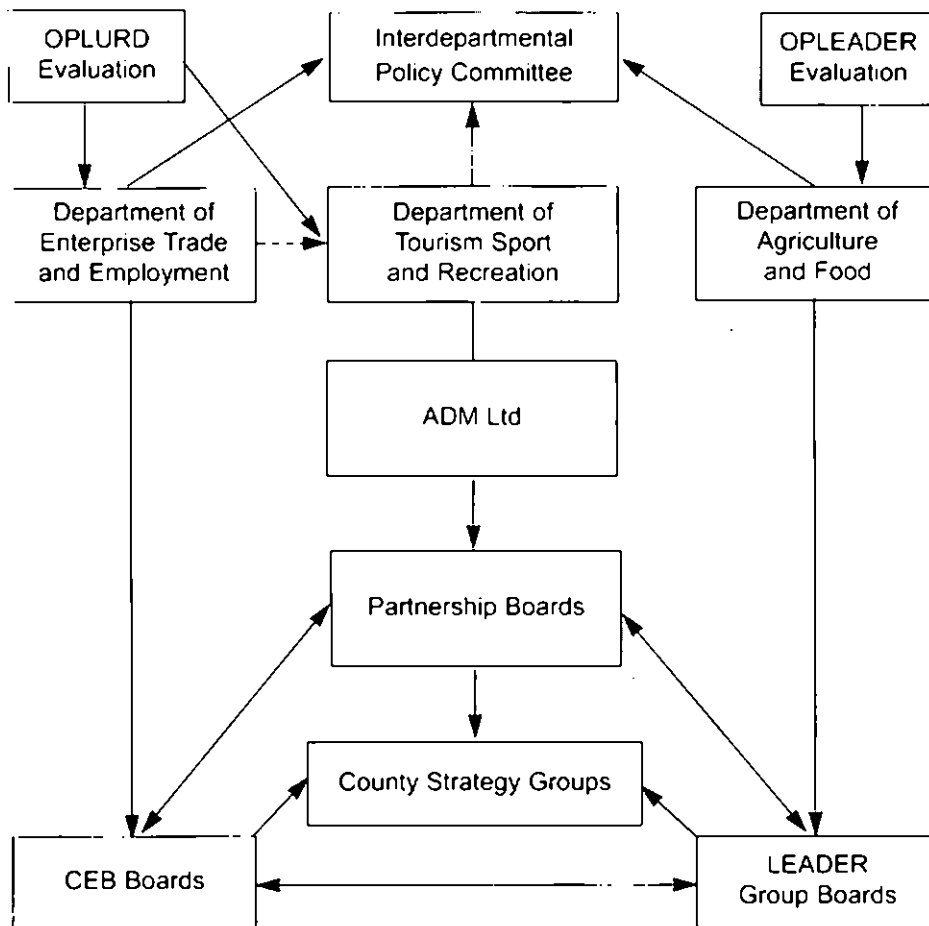


Table 3.5 Typical Board representation

Sector Represented	CEBs	LEADER	Partnerships
Local authority members	✓	✓	almost complete
Statutory bodies	✓	✓	✓
Employers / Trade Unions / Farmers	✓	✓	✓
Community / Voluntary sector	✓	✓	✓

Source: Analysis by the Office of the Comptroller and Auditor General

3.20 CEBs are represented on most LEADER groups and many Partnerships. However, many LEADER groups and Partnerships are not represented on CEBs. In some, but not all cases where cross-board representation is lacking, there is cross-agency representation at sub-board level instead, such as evaluation committees for projects. In nine cases where there are common boundaries the same Board administers both a LEADER group and Partnership. In cases where there are not matching boundaries it is usual for LEADER groups and Partnerships to have common Board representatives.

3.21 Agriculture and Food require all LEADER groups to specify how they intend to co-ordinate their activities with other bodies before agreements to implement a LEADER programme are completed. Each agreement includes a clause to this effect and also requires LEADER groups to participate in County Strategy Groups.

3.22 The view of the Local Development bodies is that local knowledge is of paramount importance for co-ordinating their activities. Use is made of informal contacts to ensure that each organisation is aware of what others are doing. There is often no formal agreement between Local Development bodies at local level regarding the limits between objectives, activities and clients. However, consideration should be given to drawing up a written statement which would set out a broad framework of agreement between Local Development bodies. A good example from County Meath is shown in Appendix F.

3.23 From the beginning, elected political representation was absent from LEADER and Partnership Boards. Members of local authorities are represented on CEBs, but not as of right on LEADER groups and Partnerships. However, local authority officials are frequently on the boards of LEADER groups and Partnerships. A process has been underway to include members of local authorities on the Boards of LEADER groups and Partnerships. This process is now complete in the case of LEADER and is almost complete in the case of Partnerships.

Geographical Boundary Problem

3.24 The co-ordination of activities at local level is made more difficult by the lack of coherence in the way the boundaries of the Local Development bodies were drawn and because of overlapping boundaries with statutory bodies. As a result many Local Development bodies must liaise with a number of other Local Development bodies and statutory organisations. This increases the administrative burden on Local Development bodies and impedes their ability to offer uniform service delivery in their 'territory' and to co-ordinate activities of other Local Development bodies and State agencies.

Case Study 4

Boundary problem in South County Dublin

The boundary of South Dublin CEB covers the same geographical area as that of South Dublin County Council and South Dublin Area of Dublin Tourism. In this area there are four Partnership companies

Ta laght Partnership	wholly located in Dublin South
Clondalkin Partnership	wholly located in Dublin South
KWCD Partnership	divided between Dublin South and Dublin City
Southside Partnership	divided between South Dublin and Dún Laoghaire/Rathdown

Also, the Dublin Rural LEADER Company covers part of South Dublin as well as Dún Laoghaire/Rathdown and Fingal Council areas. The State service providers such as FÁS, Eastern Health Board (EHB), Department of Social, Community and Family Affairs (DSCFA) and Enterprise Ireland do not have the same geographical areas as local authorities. They are split up into regional areas and these regions impinge on South Dublin CEB as follows

FÁS	Dublin South/Wicklow region of FÁS contains part of South Dublin while Dublin West/Kildare region of FÁS caters for the rest of the South Dublin area.
EHB	Each of three regional areas of the EHB, Dublin South Central, South West and West impinge on the area of South Dublin CEB.
DSCFA	Dublin South region of DSCFA contains part of South Dublin and Dublin West region of DSCFA caters for the remainder.
Enterprise Ireland	South Dublin is totally contained within Enterprise Ireland's region of Dublin and Mid-East.

3.25 Agriculture and Food has pointed out that coherent geographical boundaries would be contrary to the "bottom up" approach of LEADER. The initial EU proposal for the forthcoming LEADER Initiative states *"It would be desirable that the eligible areas do not coincide with national administrative boundaries nor with eligible zones under the mainstream operations of the structural funds"*.

Co-ordination at National Level

3.26 An Interdepartmental Policy Committee for Local Development was established in June 1993 under the auspices of the Department of the Taoiseach and subsequently reconstituted in October 1997 under Tourism, Sport and Recreation. Its function is to oversee and make recommendations on local development (Appendix G shows the committee's terms of reference). The committee is chaired by the Minister of State in Tourism, Sport and Recreation and comprises representatives of

a number of Government Departments. The committee has contributed policy material to the post 2000 submission on the future of structural funds and was involved in the development of the Integrated Services Project⁹.

3.27 The committee sees its future role as one of informing itself of developments, enhancing links with local development organisations and learning lessons from piloting projects, including the potential for mainstreaming successful projects.

3.28 There is a potential role for the committee to get involved in sorting out the systems' inadequacies and to develop a strategic approach to countering the negative aspects of duplication. The committee should consider developing an agreement concerning the limits between the objectives, activities and clients of the three types of bodies while taking account of the limitations on the discretionary nature of the LEADER Programme, which is an EU Initiative.

3.29 From a value for money perspective and based on the above analysis the following improvements are desirable in the short term

- the establishment of coherent geographical boundaries
- an increase in the formal co-ordination of service provision.

The Task Force Report on the Integration of Local Government and Local Development Systems

3.30 A Task Force, which was established to report on the integration of local government and local development systems, reported in August 1998 and its recommendations were approved by Government in September 1998¹⁰. The Task Force was concerned to develop a vision and strategy which would encompass in an integrated way the operations of local government and Local Development bodies in order to significantly increase their effectiveness.

3.31 The Task Force considered that this could best be achieved at the county and city level. The central role will be played by new County or City Development Boards (CDBs), which will be established in each city and county local authority. The CDBs, with membership drawn from four sectors (i.e. local government, community and voluntary, social partners and State agencies operating at local level) will draw up an agreed and comprehensive County or City Strategy for Economic, Social and Cultural Development. It was agreed that Partnerships or LEADER groups should deal with disadvantaged areas on an agreed basis and that community

⁹ *The Integrated Services Project was established on a pilot basis in December 1998 in four seriously disadvantaged areas. Its objective is to co-ordinate the inputs of all State services*

¹⁰ *Government Decision of September 1998 (S132/50/10/0001)*

development and social inclusion measures should, where possible, be delivered by grassroots bodies. Further recommendations of the Task Force include

- enterprise support function to be vested in the CEBs, with provision for the involvement of other Local Development bodies, such as LEADER, by agreement
- functional areas to coincide with county or city boundaries or, at sub-county level, local electoral areas
- a single agency to be responsible for community development at sub-county level (either the local authority's Area Committee or, in designated disadvantaged areas, groups such as Partnerships or LEADER groups)
- any future local development groups should have county or city councillors on their Boards.

An interdepartmental implementation group has been formed to oversee the implementation of the Task Force recommendations.

4 Operational Efficiency

4.1 This chapter considers the operational efficiency of the groups. Operational efficiency is concerned with making the best use of the resources provided to maximise the level of outputs achieved.

4.2 The issues and evaluation criteria are

Issues	Evaluation criteria
Targets and performance	<ul style="list-style-type: none">● Quantification of targets● Use of baseline data● Achievement and review
Resource allocation and outturn	<ul style="list-style-type: none">● Targets and outturns● Allocation of resources to Local Development bodies● Grant cost per job● Cost of non-grant outputs
Deadweight and displacement	<ul style="list-style-type: none">● Information on extent● Effective procedures

Targets and Performance

4.3 OPLURD contained a number of output and activity targets to be achieved over the period 1994 - 1999. A report issued in 1994 criticised some of the targets in that they did not refer to previous performance¹⁵. In the absence of this 'baseline' performance data, it is not possible to know how realistic or demanding these targets are. Examples of the lack of baseline data include information on new jobs and new businesses. The report also considered that other targets were too modest in relation to what was known about performance, such as the target for new businesses supported by Partnerships with reference to the performance under the original PESF Partnerships.

4.4 The main OPLURD targets and achievements against the targets are shown in Table 4.1. Most of the original targets were exceeded by 1998, many by a wide margin. The only target that was quantified in the Operational Programme for LEADER was the creation of jobs, which was set at 4,000 over the life of the Programme. Up to end 1998, an overall job creation figure of 2,700 (fulltime job equivalents) was reported.

4.5 Following the recommendations contained in the mid-term review, revised performance indicators and raised targets were adopted by the OPLURD Monitoring

¹⁵ *Ex-ante Appraisal of Proposed Local Development Programme, prepared on behalf of DG XVI by the Services Industries Research Centre, UCD, Fitzpatrick Associates and Kieran McKeown Ltd, February 1994*

Table 4.1 OPLURD targets to end-1999 and achievements to end-1998

Target	CEBs		Partnerships	
	Original Targets	Achievements	Original Targets	Achievements
New jobs	8,000	15,500	6,900	12,800
New businesses	2,260	3,110	3,640	12,800
Progression of unemployed to -full-time jobs	-		12,500	11,400
-part-time jobs			1,500	2,900
Number of adults assisted to access education	-		60,000	18,500
Number of children attending preventative education services	-		20,400	35,000
Existing businesses supported	280 p.a.	2,500 (1996-1998)	-	
Customer contacts	20,000 p.a.	8,700a (1998)	30,000 p.a.	n.a.

Note a Only contacts which led to a provision of a service by the Boards to a client were recorded

Source: OPLURD and annual reports.

Committee in May 1999 (see Appendix D). These targets appear to be more realistic having regard to performance in the early years of the Programme.

4.6 In the case of LEADER, the mid-term review noted that the OP indicators scored highly on relevance. However, many of the indicators were so vague that meaningful quantification would be almost impossible. The review concluded that the performance indicators did not provide a sufficiently clear basis on which groups could develop common indicator systems. The review proposed a system of performance indicators for discussion, amendment and implementation. The LEADER Monitoring Committee decided that each LEADER group should prepare revised targets in respect of the indicators proposed in the mid-term review (see Appendix E). No revised national targets were agreed by the Monitoring Committee or Agriculture and Food.

Table 4.2 Expenditure targets 1994-1999 and outturns 1994-1998

Initiative	OP Forecast ^a 1994-1999	Revised Forecast ^b 1994-1999	Latest Forecast ^c 1994-1999	Outturn 1994-1998
	£m	£m	£m	£m
CEBs	81.8	81.1	80.8	62.0d
Partnerships	104.7	103.6	108.3	70.6e
LEADER Groups	77.2	94.7	94.7	38.8

Notes: a Updated for exchange rate changes and inflation as of May 1999.
b Revised forecast is that which has been most recently approved by the Monitoring Committee. It refers only to expenditure co-financed by EU structural funds.
c Latest forecast is the most recent estimate by the relevant department of the most likely outcome. It refers only to expenditure co-financed by EU structural funds.
d Outturn only includes expenditure co-financed by EU structural funds (£62.0m). Expenditure not co-financed by EU structural funds amounted to £36.1m.
e Outturn only includes expenditure co-financed by EU structural funds (£70.6m). Expenditure not co-financed by EU structural funds amounted to £0.5m.

Source: OPLURD, LEADER OP, annual reports

Resource Allocation and Outturn

4.7 Public expenditure targets and outturns are shown in Table 4.2.

4.8 From the beginning, it was the view of Enterprise, Trade and Employment that there were not sufficient EU funds under OPLURD to support the desired level of expenditure by CEBs over the life of the Programme. Accordingly, CEB expenditure was in excess of the level co-financed by EU funds and the balance of £36.1 million was provided by the Exchequer. It is clear that EU funds available for CEBs under OPLURD will be fully utilised by the end of the Programme.

4.9 As most Partnerships had to go through a lengthy process of establishment and planning in 1995 and 1996 their expenditure was slow in those years. However, expenditure accelerated in 1997 and 1998. Tourism, Sport and Recreation and ADM expect that over the full programme period expenditure targets will be met.

4.10 Expenditure under LEADER was substantially below target for the period 1995-1998. A further sum of £18 million was allocated to LEADER by the EU Commission in 1996 from an EU reserve available for Community initiatives. In order to reach the revised forecast, expenditure in 1999 would have to be more than two and a half times the expenditure of 1998. However, Agriculture and Food expects that all allocated funds will be spent by the end of the Programme⁶.

⁶ According to the LEADER OP, all eligible expenditure must be committed by LEADER groups by the end of December 1999. These moneys must be paid out by LEADER groups before 30 June 2000.

Allocation of Resources to Local Development Bodies

4.11 Enterprise, Trade and Employment initially allocated resources equally to each CEB. The Department subsequently moved to a more demand led approach, whereby allocations would be varied depending on the relative needs of each area, the capacity of each area to successfully utilise enterprise supports and to create jobs and the quality of the enterprise plans prepared by each CEB.

4.12 ADM placed advertisements in newspapers inviting community groups (outside the designated areas of disadvantage being looked after by Area-Based Partnerships) and relevant national organisations to apply for OPLURD funding. 33 community groups and 15 national organisations were selected by ADM for funding.

4.13 The allocation of resources to Partnerships by ADM was based on detailed analysis of the socioeconomic characteristics of each area highlighting various aspects of deprivation drawn from the 1991 Census of Population. Other relevant variables included the quality of the plan, the capacity of the Partnership and the availability of other development resources to the area, such as LEADER or URBAN.

4.14 Advertisements were placed in newspapers announcing the LEADER Initiative and inviting applications. These were assessed by Agriculture and Food with the assistance of an independent consultant to establish the extent to which they met the key features of LEADER. The resources were allocated having regard to the quality of the business plan submitted, the population and degree of rurality of the area and the availability of other sources of assistance for local development. 34 local groups were selected and 2 sectoral groups.

Grant Cost per Job

4.15 There are specific factors which limit the usefulness of the grant cost per job indicator in the context of local development. These include

- Great diversity in the nature of the jobs created and the method of counting them
- No direct comparison between the work involved in supporting job creation at local level with national job creation agencies
- The sustainability of jobs may differ from those created by national agencies
- The focus on job creation varies within the three types of bodies

4.16 For CEBs the number of jobs created is used as a performance measure. The average grant cost per job created varied over the period under review as follows¹⁷

	1994	1995	1996	1997	1998
Number of jobs created	1,958	3,174	3,589	3,317	3,487
Grant cost per job created	£2,535	£4,249	£3,763	£3,884	£4,206

The variations from year to year may be partly explained by the fact that sometimes there is a time lag between the grant expenditure and the creation of the relevant jobs. Over the period 1994-97 the average grant cost per job was £3,725 with the lowest CEB being £2,269 (Tipperary North) and the highest being £6,683 (Leitrim).

Cost of Non-Grant Outputs

4.17 In addition to grant aiding job creation and administration, all of the bodies are involved in non-grant activities including

CEBs

- Producing enterprise plans and generally promoting an enterprise culture
- Business information, advice, counselling and mentoring
- Management development training

Partnerships

- Enterprise creation and development
- Environment and infrastructure projects
- Provision of services to the unemployed
- Community development
- Complementary and preventative education.

LEADER groups

- Animation activities
- Technical assistance.

Expenditure on these activities is shown in Table 4.3.

4.18 Table 4.3 shows the varying extent to which the different Local Development bodies are involved in non-grant outputs. The CEB and LEADER groups' focus on grants is greater than Partnerships who focus on non-grant activities. This is consistent with the list of activities in Table 3.4.

¹⁷ The numerator is grants paid in the calendar year and the denominator is the employment gains achieved over the year in the firms which received financial assistance from CEBs: note that employment losses in these firms are ignored

Table 4.3. Expenditure on non-grant outputs 1996 - 1997

	1996 £m	1997 £m	1996 % of total expenditure	1997 % of total expenditure
CEBs	3.9	5.4	18%	24%
Partnerships ^a	5.1	13.6	56%	72%
LEADER groups ^a	2.1	3.4	40%	30%
Total	11.1	22.4	31%	42%

Notes: a The figures exclude Community Groups and selected National Organisations

b Excludes selected sectoral groups

Source Analysis by the Office of the Comptroller and Auditor General: see Appendix A.

Deadweight and Displacement

4.19 Deadweight refers to situations where a promoter would undertake the business project in any event, i.e. without a grant or assistance from a Local Development body. The granting of funds to deadweight projects is an inefficient and ineffective allocation of resources. Displacement refers to situations where the goods or services sold by a grant-assisted promoter divert sales opportunities from other existing businesses. Employment can be similarly diverted. In these cases, the impact of the funds allocated is achieved at the expense of other enterprises.

4.20 There is a risk of deadweight and displacement in all grant activity including that at local development level. A recent study stated that¹⁸

We have two concerns with the supports for micro enterprise. The problem of deadweight and displacement is endemic in such supports, especially where several agencies are to some degree involved in disbursing such supports.

The Operational Programmes for LEADER and OPLURD both state that deadweight and displacement are to be avoided

4.21 All enterprise projects fall into one of the following four categories

Deadweight: Yes Displacement: No	Deadweight: No Displacement: No
Deadweight: Yes Displacement: Yes	Deadweight: No Displacement: Yes

¹⁸ National Investment Priorities for the period 2000-2006, Fitzgerald et al. Economic and Social Research Institute, March 1999

Of the four possible scenarios, only one (with no displacement and no deadweight) yields potential net increases in output, income, employment and consumption that could be attributable to LEADER or OPLURD support. From a value for money perspective it is important that there be good information on the extent of deadweight and displacement and effective procedures to deal with them.

Deadweight

4.22 It is difficult to measure the extent of deadweight and no method can be regarded as providing totally reliable estimates. Deadweight was examined in the mid-term review of OPLURD in respect of financial assistance given to small firms by CEBs. From a sample of firms surveyed over 40% of the promoters indicated that they would have established the businesses without CEB support. A study of micro enterprises that received grants under Local Development initiatives and other programmes reported deadweight of 45%¹⁹.

4.23 Enterprise, Trade and Employment has argued that these estimates of deadweight are too high. According to the Department the views of promoters are not a reliable guide to either their behaviour or their success. The Department asserts that all CEBs seek to avoid deadweight. However, it has been noted that respondents' confidence regarding their ability to start a business in the absence of a grant can be considered as an underestimate²⁰.

4.24 A study of the Area Allowance Enterprise Scheme (AAES), which is administered by Partnerships, surveyed a sample of participants²¹. It was concluded that deadweight was in the range 40-50%²². Even allowing for sampling risks, the three surveys taken together suggest that there is a considerable incidence of deadweight.

4.25 An example of potential deadweight involving LEADER funding is set out in Case Study 5.

¹⁹ *Evaluation of Micro Enterprise Supports Across National and Local Development Agencies, Industry Evaluation Unit, August 1999. Micro enterprises that received grants from Enterprise Ireland, Údarás na Gaeltachta and Shannon Development were included in the analysis.*

²⁰ *See EU LEADER I Initiative: Evaluation and Recommendations, Kearney et al, 1995*

²¹ *Self-Employed and the Long Term Unemployed: An Evaluation of the Area Allowance Enterprise Scheme, WRC Consultants, 1997.*

²² *ADM considers that the proportion surveyed who stated that they would have taken up employment/self-employment is not a reliable indicator for those who would have actually done so. ADM has argued that the underlying escape rate from unemployment by the long-term unemployed (24% in the WRC study) would be a better estimate of deadweight for AAES participants than the estimates quoted in that study. However, the study pointed out that key characteristics of AAES participants (education and duration of unemployment) were "better" than for the long-term unemployed who did not participate in AAES.*

Case Study 5**Potential deadweight situation**

In 1999 a business person in a large provincial town decided to provide a bed and breakfast establishment in a spacious house that she owned in the centre of the town. She decided to focus on the upper end / business market and provide four en-suite rooms. She received assurances from several local businesses that they would be willing to refer clients to her. Two local hotels also indicated that they would refer 'overflow' customers.

The total investment required to refurbish the property, fit out and supply furniture, crockery and bed linen was estimated at £88,000. Loan approval was obtained from the bank for renovations and the promoter applied to the local LEADER group for a grant.

The LEADER group estimated that £44,000 of the proposed expenditure would be eligible for grant assistance and a grant of £13,000 was approved for the venture.

The project report prepared for the LEADER Board meeting did not include consideration of the possibility that the project might proceed without a grant. In that regard the following factors would have been relevant

- the premises was located in the centre of a busy, growing town
- the premises was owned by the promoter
- the owner was self-employed and operated a consultancy service from home
- based on 35% occupancy, net cash flow in the first year was forecast at £8,000.
- if no grant had been paid and the funds had been borrowed instead, the estimated surplus for the year would have been reduced by an increased interest charge of up to £1,300 which would not have substantially changed the potential viability of the business venture.

4.26 Possible ways of minimising deadweight in assisted projects include

- **Targeting financial assistance on projects where the costs of entry to the business are high relative to the resources available to the promoter.**

Some promoters have very limited financial resources; for example the vast majority of Partnership clients are long-term unemployed. It is worth noting that, even where adequate private resources are available, it may be difficult for some Local Development bodies, given their job creation targets, to turn down involvement in otherwise sound projects. Indeed, the view was expressed by some of those interviewed in the course of the study that financial support for eligible projects is often viewed by promoters as an entitlement and this can make it difficult for Local Development bodies to refuse financial assistance to deadweight projects.

- **Providing financial assistance by means of repayable grants, loans or equity rather than non-repayable cash grants.**

This should discourage reliance on public funds by those entrepreneurs who do not need it, while ensuring that entrepreneurs who do need public finance can avail of it. The mid-term evaluation of OPLURD recommended the increased use of loans and equity rather than grants. A report by the Industry Evaluation Unit recommended that *all* financial assistance provided under the aegis of LEADER and CEBs should require a financial return²¹. From early 1998 CEBs and Partnerships have been empowered by the EU Commission to assist projects by means of equity and refundable aid. In 1998 almost £0.5m of CEB assistance (4%) was provided in the form of equity and refundable aid. Enterprise, Trade and Employment intend that refundable forms of assistance will be deployed incrementally in future. ADM has agreed with Partnerships that clients should, where practicable, receive refundable aid rather than grants. In accordance with EU regulations, LEADER groups are precluded from providing loans or equity to enterprises.

4.27 A recent study reported that²²

"We acknowledge that micro enterprises may face capital constraints, especially in the "start up" phase but strongly suggest that the most effective way to address this possible "market failure" is through loans and equity rather than grant aid. This would minimise the risk of creating a 'dependency culture'.

4.28 It is clear that there is scope for much greater use of repayable grants, loans and equity to minimise deadweight and such use has the added advantage that assistance can be provided more economically, as funds can be recycled to assist more than one project. However, some increase in administration costs could be expected.

4.29 An extreme form of deadweight arises when public financial support is supplied to a project which was established and is operating in the absence of this support. Case Study 6 involving the Area Allowance Enterprise Scheme illustrates this.

²¹ *Evaluation of Micro Enterprise Supports Across National and Local Development Agencies*, Industry Evaluation Unit, August 1999

²² *National Investment Priorities for the period 2000-2006*, Fitz Gerald et al, Economic and Social Research Institute, March 1999

²³ *Self-Employed and the Long-Term Unemployed: An Evaluation of the Area Allowance Enterprise Scheme*, WRC Consultants, 1997

²⁴ *Self-Employment and the Unemployed*, Breen and Halpin, Economic and Social Research Institute, 1988

Case Study 6

Funding the startup of an existing business

A fisherman was in receipt of Unemployment Assistance (UA) from the Department of Social, Community and Family Affairs (DSCFA) from 1979 to 1999. In September 1998 he applied for support under the Area Allowance Enterprise Scheme (AAES).

Under the terms of the scheme, an applicant must be unemployed for at least a year and this eligibility must be confirmed in writing on the application form by DSCFA. The Partnership can subsequently approve the application and may provide minor financial support in addition to the main financial benefits provided by DSCFA, i.e. the receipt of full unemployment payments for a year and on a reducing scale for a further three years plus retention of secondary benefits.

According to the application form the applicant had received a bank loan of £18,000 for the purchase of a boat, with repayments commencing on 30 August 1998. In addition, he was the owner of fishing nets to a value of £6,000.

The application form was certified by DSCFA in January 1999 to the effect that the applicant was eligible for AAES. The certification did not explain

- how the applicant managed to purchase a boat while on UA?
- how he persuaded the bank to provide a loan of £18,000?
- how he was financing the business from August 1998 to January 1999, in particular the boat repayments and insurance amounting to £565 per month?

The report prepared for the Partnership Board meeting stated that the applicant had, with the knowledge of DSCFA, been engaged in the fishing industry for the previous ten years on a part-time basis. The Board approved the application.

DSCFA has made the following observations on this case

- Following an investigation in 1988, the UA payment was terminated but reinstated under appeal with an assessment of net income at £1,250 from fishing per year. The case was reviewed in 1993 and the net income per year was increased to £1,400. A further review was conducted in September 1998 (the month after the boat was purchased) and the assessment of net income did not increase.
- It is very difficult to establish an accurate income for such fishermen as fish can be sold to tourists and restaurants for cash.
- The Department did not consider it necessary to check with the bank as to what, if any, security was provided for the loan.
- While failures occur in the scheme, they do not cost the Department any more than if the client continued on UA.

ADM has pointed out that fishing comprises a very small proportion of AAES participants supported by Partnerships. A recent review of Partnership business supports reported that fishing and Bed and Breakfast businesses "do not provide a viable full-time job and Area Allowance is not an appropriate support payment". It also recommended that clearer guidelines should be issued regarding eligibility.

Source: *Partnership Business Supports and the Area Allowance Scheme, Insights No. 8, ADM, 1999*

Case Study 7

Potential displacement situation

A business proposal was made to a CEB in 1998. The promoter wished to provide a food delivery service to factories on industrial estates, i.e. sandwiches, baps, snacks etc. The promoter recognised that there were several competitors. Unlike the competitors, he proposed to provide the service via three refrigerated vending machines that would be restocked regularly. He applied for and was approved a capital grant of £5,500 by the CEB in December 1998. .

The project report prepared for the Board meeting dealt with the possibility of displacement by noting that the promoter's service would be provided in a manner different from his competitors. However, the question arises: if the project is successful, how will its sales be achieved unless by the diversion of the expenditure of factory employees from one service provider to another?

Displacement

4.30 The only analysis of displacement was in respect of AAES and this showed a wide range of estimates⁴⁵. Using a methodology devised by Breen and Halpin⁴⁶ the consultants estimated that 64% of the business carried out by AAES participants was diverted from other Irish firms and that 41% of employment created in these enterprises was at the expense of other enterprises. The consultants felt that the Breen and Halpin methodology had limitations and that their estimates of displacement were too high. Using different assumptions and a different methodology they estimated that 19% of employment created in AAES enterprises was displaced from other enterprises.

4.31 Possible ways of minimising displacement include

- Counselling promoters towards exports or domestic sectors supplied predominantly by imports
- Withholding assistance from projects intending to supply goods and services to the domestic market which are already supplied by other businesses
- Providing financial assistance by means of repayable grants, loans and equity rather than non-repayable cash grants.

4.32 All LEADER groups, Partnerships and CEBs are instructed not to support projects which would displace business from other enterprises.

4.33 CEBs were advised early in 1999 to focus their efforts on the development of manufacturing and international services projects, which will have the potential to develop into export-oriented firms, while not neglecting other eligible projects (viable, non-deadweight, non-displacement) outside these sectors. Partnerships have

agreed that financial support should not be supplied to businesses in plentiful supply, such as hackneys, couriers, building contractors, bed and breakfast operators, van sales and hairdressers. LEADER groups are advised to direct their supports towards innovative projects.

4.34 There are different views among Local Development bodies regarding what is involved in recognising displacement. Thus, some Local Development bodies consider that if the existing competitors to a project are located outside their county or even their locality, then displacement is not an issue.

4.35 The mid-term reviews of LEADER and OPLURD made little reference to displacement. However, the LEADER mid-term review contended that displacement would be minimised if LEADER groups focused their financial assistance on innovative projects. Agriculture and Food intend that the final evaluation of LEADER II will include estimation of deadweight and displacement effects.

Beneficial Displacement

4.36 If there are any circumstances in which displacement can be ignored they should be identified. For example, it may be possible to sustain the case, on social justice or equity grounds, that specific groups such as the long-term unemployed should receive positive discrimination, *even at the expense of other job seekers*²⁷. ADM has argued that one of the objectives of Partnerships is to improve the potential of the long-term unemployed and the socially excluded to gain employment in the economy generally and specifically in their own areas. The insertion of particular disadvantaged groups into employment or a business will often have the effect of displacing a non-disadvantaged person from that job opportunity. However, the social gain makes the displacement worthwhile.

4.37 Given that CEBs cover the entire population and that Partnerships and LEADER groups cover 54% and 61% respectively, the exact circumstances when displacement might be permitted for any Local Development body should be clarified by the relevant Departments.

²⁷ *Growing and Sharing our Employment. Strategy Paper on the Labour Market, Department of Enterprise, Trade and Employment, April 1996*

5 Assessment of Impact

5.1 While the measurement of the achievement of economy and efficiency is important in the management of the initiatives, establishing their impact is of even greater importance. Impact assessment is concerned with establishing the extent to which the local development objectives are achieved and the wider contribution of the initiatives to local economic and social development. It is desirable that appropriate systems to evaluate the achievements of the initiatives in relation to their desired impacts should be in place.

5.2 The development of systems to determine the impact of the initiatives is not easy. The diversity of local development objectives means that it is unlikely that any one assessment method would be sufficient. Some impacts, like employment creation, can be quantified and achievement can be monitored through the analysis of relevant performance indicators. Others like raising the level of economic activity can be assessed through the use of economic models using surrogate measures of impact. Many of the social objectives of the initiatives are not susceptible to measurement at all and the impacts achieved are best determined through surveys of changes in local conditions at individual and community levels.

5.3 This chapter considers approaches to the assessment of impact under the following headings

Issues	Subject
Quantitative assessments	<ul style="list-style-type: none">● Baseline analysis● Use of macroeconomic data
Qualitative assessments	<ul style="list-style-type: none">● Assessing social impacts● Case studies and international studies

Quantitative Assessments

5.4 Information on job creation and the progression of long-term unemployed persons to full time work are reported for all these types of bodies (see Table 4.1 and Appendix A). While the figures that have been reported to end-1998 under OPLURID are well ahead of the targets that were set, it is difficult to interpret these results, in terms of impact, in the absence of baseline data.

Baseline Analysis

5.5 Baseline analysis would establish the performance of a representative group of enterprises, community groups and individuals that did not receive assistance under the initiatives. The performance of assisted entities and individuals at county

or national level could then be compared with the performance of 'matched' non-assisted entities selected from the representative group. Similarly, the performance of entities receiving different kinds of assistance could also be analysed to determine relative impact.

5.6 Baseline analysis can be performed using microeconomic data (data about specific enterprises) or macroeconomic data (aggregated data). The data collection procedures at local level have not been adequate to support this kind of analysis using microeconomic data. Accordingly, analysis against a baseline of non-assisted enterprises, community groups and individuals cannot be carried out.

Case Study on Unemployment using Macroeconomic Data

5.7 A study of the impact of OPLURD on unemployment, using census data (macroeconomic data), has been carried out under the aegis of the OPLURD Monitoring Committee. Some results of the study are summarised in Case Study 8.

5.8 This finding from Case Study 8 does not necessarily mean that Partnerships are less effective in assisting unemployed people to find work, as unemployed people in Partnership areas may be more disadvantaged and find it more difficult to access employment. In addition, the rate of entry to unemployment in Partnership areas may be different from non-Partnership areas. However, the data is inconclusive about the level of effectiveness of Partnerships in addressing unemployment. The case study highlights the complexity of impact analysis but also illustrates its importance in leading to a greater understanding of the results of programme activity. More complex data models of the labour market at local level would be needed for a systematic review of the effectiveness of Partnerships in tackling long-term unemployment.

5.9 It is of interest to examine the trends in the duration of unemployment in recent years. Table 5.1 shows the numbers unemployed year on year, in one year bands up to three years, from 1994-1999 and the 'unemployment retention rates' from year to year, i.e. the proportion of those unemployed who are still unemployed one year later.

5.10 Table 5.1 shows that significant improvements in unemployment retention rates have occurred in recent years, particularly for long-term unemployment. Strong economic growth in the period covered would have been of prime importance in the reduction in long-term unemployment. While the long-term unemployed are the main target group for Partnerships, these areas are not separately distinguished in the analysis. Outflows to schemes, such as Community Employment, could also be important.

Case study 8

Analysis of the impact of OPLURD on long-term unemployment using macrodata

A key part of the analysis was a comparison between the change in unemployment in Partnership areas from 1991-1996 with the corresponding change in non-Partnership areas. The comparison was based on the Census of Population for 1991 and 1996. The logic behind the comparison was that *"disadvantaged areas are at risk of falling behind the general level of economic development unless there is a targeted intervention to ensure that the rising tide of economic growth flows into those areas. Thus, if the decline in unemployment in Partnership areas is similar to that in Ireland as a whole then at least the gap between affluent and poor areas has not widened and Partnerships may have contributed to some extent to this outcome"*.

The consultants measured changes in the unemployment rate in two ways

- (i) by the percentage point (or absolute) change
- (ii) by the proportionate (or relative to 1991) change.

They used a simple example to illustrate the difference between the two measures: *"Assume that Area A has 90% unemployment rate and Area B has 20 % unemployment rate. If the unemployment rate declines by 10 percentage points in both areas (the same absolute change in the rate) the relative rate is quite different since Area A has declined by only 11% (relative to its starting rate) whereas Area B has declined by 50 % (relative to its starting rate). Both rates should be used together"*.

The key data was summarised as follows

Area	Unemployment rate		Absolute Percent Points Change	Percent Change Relative to Initial Rate*
	1991 initial rate	1996		
Ireland	16.9%	14.8%	-2.1%	-12.6%
Partnership areas (PESP only)	25.6%	23.0%	-2.6%	-10.0%
Non-Partnership areas	13.9%	11.9%	-2.0%	-14.1%

Note: a Change in unemployment rate divided by the initial unemployment rate

The consultants commented that *"the unemployment rate in PESP Partnership areas fell by a slightly greater absolute amount than either Ireland or non-Partnership areas but in relative terms they did worse - essentially because they had higher unemployment rates to begin with in 1991"*.

Source: A Report on the Impact of the Operational Programme for Local, Urban and Rural Development on Long-Term Unemployment, Goodbody Economic Consultants et al, October 1999

Table 5.1 Duration of unemployment and retention rates 1994-1999

Year	Less than one year Number	1-2 years		2-3 years		3+ years Number
		Number	Retention rate	Number	Retention rate	
1994	151,032	43,697		27,489		64,154
1995	144,283	39,748	26.3%	26,293	60.2%	67,955
1996	146,776	40,875	28.3%	25,852	65.0%	69,667
1997	132,398	38,361	26.1%	24,227	59.3%	61,870
1998	130,780	31,719	24.0%	18,914	49.3%	54,448
1999	110,446	28,194	21.6%	14,496	45.7%	44,940

Note: Retention rates are calculated as follows. All of those who were unemployed for 1-2 years in 1995 (39,748) were unemployed for less than one year in 1994 (151,032); thus the unemployment retention rate is 26.3% ($39,748 \div 151,032$)

Source: CSO. Live Register data.

Case Study on Business Formation using Macroeconomic Data

5.11 A study of small business formation over time might be used to consider issues such as the impact of the initiatives on the rate of manufacturing startups. This is considered in Case Study 9.

5.12 Greater understanding is required of the mix of variables which may be responsible for the trends apparent in the data. In a situation where an unexpected result is obtained from the analysis (as in Case Study 9) it would be necessary to refine the analysis using microeconomic data until the reasons for the trends observed are clarified and the different contributions of the initiatives to small enterprise formation were better understood.

5.13 In order to use microeconomic data to assess the impact of the initiatives on manufacturing and international services, it would be necessary to integrate local development support data from all the initiatives with the Forfás and Enterprise, Trade and Employment Business Information System (BIS). Enterprise, Trade and Employment intends to proceed with the integration of CEB data with the BIS. (See paragraphs 2.24-2.28.)

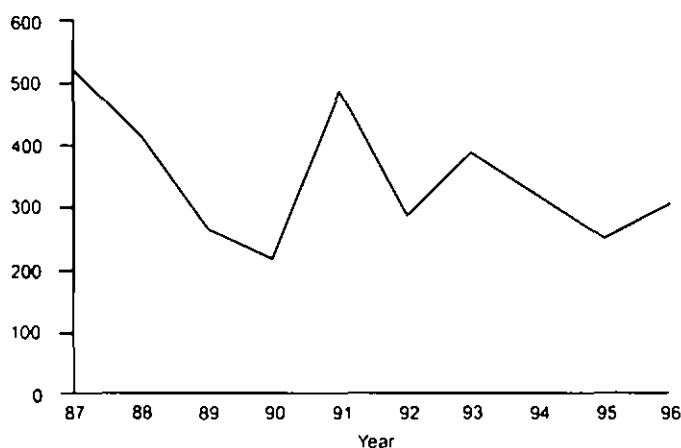
5.14 Enterprise, Trade and Employment has commissioned a review to take place in the current year on the impact of CEBs, with particular reference to the rate of business formation and the sustainability of the jobs created.

Case Study 9

Use of macroeconomic data on business formation

In 1993, Enterprise Ireland stopped assisting manufacturing and international services firms with less than ten employees. This role was transferred to CEBs. The trend in the number of Irish-owned startups in manufacturing from 1987 to 1996 has been studied in an effort to detect the impact of economic growth on the rate of startups. It might equally be used as a starting point to consider the impact of CEBs in this role.

Startups in Irish-owned manufacturing 1987 to 1996*



The graph shows that the very rapid economic growth from 1993 (which period includes the emergence of the initiatives) did not result in an increased rate of manufacturing startups. According to the quoted study *"The start-up performance is surprising. The improvement in the economy over the years has not been accompanied by a corresponding growth in the number of manufacturing startups"*.

Note *a* Case study based on "Startups and Closures in Indigenous Manufacturing: an Analysis of the Census of Industrial Production 1986-1995", *Irish Banking Review*, Autumn 1998; Anthony Foley and Teresa Hogan

Source: Data: Census of Industrial Production, CSO

Qualitative Assessments

Assessing Social Impacts

5.15 Some important macro data was established by ADM relating to 'deprivation indicators' for Partnership areas. Based on the 1991 Census of Population, ADM compiled indicators of deprivation for all Partnership areas, down to District Electoral Division level. Deprivation maps were also produced. The deprivation indicators included

- educational attainment
- occupational profile
- local labour market characteristics
- housing.

From these indicators a composite deprivation index value was computed for each Partnership area for 1991.

5.16 This exercise has recently been repeated from the results of the 1996 Census of Population. From an impact assessment perspective reliance on these indicators would involve some limitations. For example, the Census years do not coincide with Partnership milestones, migration can complicate analysis and the data is not definitive regarding causality²⁵.

5.17 Despite these limitations, analysis of the indicators of deprivation should provide valuable information regarding changes in aspects of deprivation in different Partnership areas and should also facilitate comparison over time with non-Partnership areas. The availability of this information should facilitate further attempts to consider the social impacts of the initiatives.

Case Studies and International Studies

5.18 While much has been written on the activities of Local Development bodies, the extent of material specifically covering the evaluation of their impact is very limited. Several Partnerships have carried out case studies²⁶ to highlight how issues were being tackled by different Partnerships and to promote best practice. Case studies are underway also in many LEADER groups. No case studies have been used so far in the enterprise and job creation area for CEB activities.

5.19 A formal European study was undertaken of the role of partnerships in promoting social cohesion in ten Member States of the EU, comprising ten national reports (including Ireland) and a synthesis European report²⁷. The study and reports were based primarily on thirty case studies (three from each Member State) which looked at issues of representation, negotiation and alliance building in the development of strategies and action plans and the working methods, skills and resources applied by partnerships.

²⁵ Other limitations are reported in *Poor People, Poor Places*, edited by D Pringle et al, Oak Tree Press, Dublin, 1999

²⁶ These have been published by ADM in the 'Insight' series

²⁷ *Local Partnerships: A Successful Strategy for Social Cohesion?*, M. Geddes, Office for Official Publications for the European Communities and European Foundation for the Improvement of Living and Working Conditions, 1998

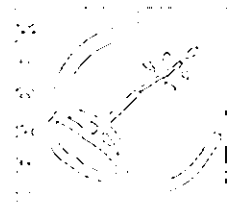
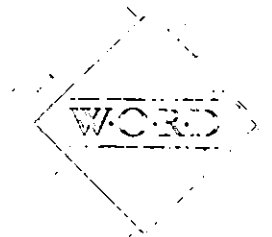
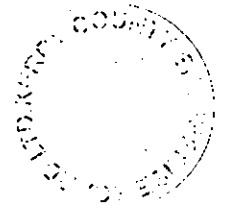
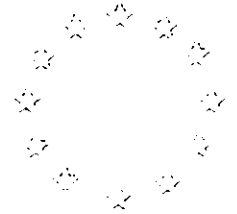
5.20 While the report included many individual references to isolated examples of the impact of partnerships, empirical research into the effectiveness of partnerships was not within the scope of the study. There was also no attempt to compare the performance of partnerships at national level.

5.21 The absence of specific material on the evaluation of effectiveness of local development bodies is partly due to a lack of contextual data at local level to facilitate analysis. A primary aim of the bodies is to facilitate the local achievement of results and to leverage the activities of local groups. Assessment of effectiveness of this kind of activity would require that the role played by the bodies could be isolated from all other contributory factors. This is difficult. There is a clear need for more data collection and the development of social policy models which would facilitate better insight by policy makers into the impact of the activities of local development bodies.

Appendices

for

SOUTH DAKOTA COUNTY



Appendix A: Annual Cost and Outputs of Individual County Enterprise Boards, Partnerships and LEADER Groups, 1995-1997

(Based on data supplied by Departments and ADM Ltd late in 1998)

Summary of Expenditure on Local Development Programmes (1995-1997) Appendix A

	1995		1996		1997	
	£'000	% of total expenditure	£'000	% of total expenditure	£'000	% of total expenditure
CEBs						
Grant Expenditure	13,485	68%	13,503	62%	12,884	57%
Non Grant expenditure	1,421	7%	3,879	18%	5,414	24%
Administration Costs	4,895	25%	4,284	20%	4,437	19%
Total Expenditure	19,801	100%	21,666	100%	22,735	100%
LEADER (1)						
Grant Expenditure	23	2%	1,529	28%	6,226	53%
Non Grant expenditure	887	51%	2,350	42%	3,536	30%
Administration Costs	820	47%	1,684	30%	2,015	17%
Total Expenditure	1,730	100%	5,563	100%	11,778	100%
Partnerships/Community Groups and National Organisations (2)						
Grant Expenditure	-	-	-	-	-	-
Non Grant expenditure	3,025	66%	5,161	50%	15,579	68%
Administration Costs	1,532	34%	5,164	50%	7,398	32%
Total Expenditure	4,557	100%	10,325	100%	22,977	100%

Aggregate expenditure figures shown in this table have been superseded by more up to date figures shown in Table 2.1

(1) Local Development groups accounted for 96% of LEADER expenditure in 1995 - 1997 and detailed analysis focused on this.

(2) Partnerships accounted for 84% of total expenditure for 1996 - 1997 and detailed analysis focused on this.

County Enterprise Boards

Administration Costs as a Percentage of Total Expenditure - 1995

Appendix A1.1

County Enterprise Board	Administration Expenditure £'000	Total Expenditure £'000	Administration as % of Total Expenditure	Grant Aid as % of Total Expenditure	Non-grant Outputs as % of Total Expenditure
Tipperary South Riding	150	274	55%	38%	7%
Cork North	142	315	45%	55%	0%
Monaghan	143	375	38%	62%	0%
Tipperary North County	122	353	35%	57%	8%
Meath	128	373	34%	59%	7%
Louth	135	410	33%	56%	11%
Kildare	157	476	33%	48%	19%
Kerry	228	747	31%	62%	7%
Limerick City	162	561	29%	64%	7%
West Cork	142	498	29%	65%	6%
Limerick County	209	714	29%	63%	8%
Westmeath	103	358	29%	71%	0%
Longford	95	335	28%	68%	4%
Clare	169	635	27%	68%	5%
Waterford County	106	396	27%	73%	0%
Cork City	150	543	27%	67%	6%
Donegal	124	460	27%	68%	5%
Fingal (Dublin)	152	598	26%	63%	11%
Mayo	155	651	24%	72%	4%
Waterford City	134	559	24%	63%	13%
Wicklow	127	558	23%	70%	7%
Carlow	149	654	23%	72%	5%
South Cork	187	844	22%	71%	7%
Leitrim	147	671	22%	67%	11%
Cavan	122	564	22%	65%	13%
Laois	121	595	21%	73%	6%
South Dublin	143	670	21%	70%	9%
Offaly	126	600	21%	63%	16%
Dublin City	111	551	20%	67%	13%
Sligo	147	728	20%	73%	7%
Roscommon	111	597	19%	77%	4%
Wexford	144	777	19%	75%	6%
Kilkenny	100	637	16%	84%	0%
Galway County and City	140	950	15%	83%	2%
Dun Laoghaire - Rathdown	82	743	11%	78%	11%
Miscellaneous (1)	30	30	0%	0%	0%
Total	4,895	19,801	25%	68%	7%

(1) Refers to set up costs incurred on behalf of all Boards.

County Enterprise Boards

Administration Costs as a Percentage of Total Expenditure - 1996

Appendix A1.2

County Enterprise Board	Administration Expenditure £'000	Total Expenditure £'000	Administration as % of Total Expenditure	Grant Aid as % of Total Expenditure	Non-grant Outputs as % of Total Expenditure
Cork North	119	417	29%	63%	8%
Tipperary North County	113	404	28%	56%	16%
Sligo	118	457	26%	50%	24%
Meath	136	532	25%	53%	22%
Laois	151	612	25%	59%	16%
Westmeath	120	500	24%	55%	21%
Cork City	124	533	23%	55%	22%
Roscommon	120	536	22%	61%	17%
Louth	133	620	21%	57%	22%
Cavan	128	599	21%	67%	12%
Clare	123	581	21%	61%	18%
South Dublin	147	705	21%	56%	23%
Dublin City	139	668	21%	49%	30%
Kildare	128	625	20%	41%	39%
Tipperary South Riding	108	530	20%	68%	12%
Mayo	159	784	20%	70%	10%
Carlow	117	582	20%	67%	13%
West Cork	127	633	20%	59%	21%
Longford	114	579	20%	71%	9%
Kerry	114	584	20%	68%	12%
South Cork	125	645	19%	58%	23%
Limerick City	132	683	19%	64%	17%
Galway	122	631	19%	69%	12%
Kilkenny	120	636	19%	67%	14%
Offaly	117	628	19%	62%	19%
Waterford County	105	563	19%	66%	15%
Leitrim	121	665	18%	64%	18%
Dun Laoghaire - Rathdown	116	648	18%	57%	25%
Fingal (Dublin)	117	656	18%	56%	26%
Wexford	117	708	17%	68%	15%
Wicklow	122	739	16%	71%	13%
Donegal	119	757	16%	65%	19%
Limerick County	120	810	15%	68%	17%
Waterford City	118	800	15%	75%	10%
Monaghan	75	616	12%	74%	14%
Total	4,284	21,666	20%	62%	18%

County Enterprise Boards

Administration Costs as a Percentage of Total Expenditure - 1997

Appendix A1.3

County Enterprise Board	Administration Expenditure £'000	Total Expenditure £'000	Administration as % of Total Expenditure	Grant Aid as % of Total Expenditure	Non-grant Outputs as % of Total Expenditure
Cork North	106	344	31%	50%	19%
Clare	172	631	27%	46%	27%
Tipperary North County	116	448	26%	38%	36%
Waterford County	126	505	25%	54%	21%
Longford	121	498	24%	60%	16%
Wexford	156	647	24%	56%	20%
Wicklow	184	796	23%	57%	20%
Limerick City	141	619	23%	51%	26%
Meath	170	751	22%	52%	26%
Offaly	113	505	22%	53%	25%
Kilkenny	121	545	22%	48%	30%
Donegal	94	428	22%	42%	36%
Leitrim	139	640	22%	54%	24%
Monaghan	118	556	21%	57%	22%
Waterford City	164	788	21%	60%	19%
Limerick County	147	708	21%	53%	26%
Louth	161	787	20%	50%	30%
Mayo	122	602	20%	53%	27%
Sligo	99	496	20%	51%	29%
Tipperary South Riding	120	619	19%	60%	21%
Carlow	113	593	19%	65%	16%
Cork City	127	672	19%	59%	22%
Westmeath	119	637	19%	60%	21%
South Cork	131	704	19%	58%	23%
Laois	113	615	18%	55%	27%
Kildare	136	761	18%	56%	26%
Cavan	127	740	17%	63%	20%
West Cork	87	513	17%	57%	26%
South Dublin	165	981	17%	64%	19%
Dun Laoghaire - Rathdown	102	621	17%	48%	35%
Kerry	94	580	16%	66%	18%
Roscommon	75	474	16%	61%	23%
Galway	110	835	13%	64%	23%
Fingal (Dublin)	117	902	13%	62%	25%
Dublin City	130	1,195	11%	69%	20%
Total	4,436	22,735	19%	57%	24%

LEADER

Administration Costs as a Percentage of Total Expenditure - 1995 Appendix A1.4

Local Development Group	Administration expenditure £'000	Total Expenditure £'000	Administration as % of Total Expenditure	Grant Aid as % of Total Expenditure	Non-grant Outputs as % of Total Expenditure
Laois Leader Rural Development Co. Ltd.	3	3	98%	2%	0%
Cavan-Monaghan Rural Development Co-operative Society Ltd *	81	98	82%	0%	18%
Barrow-Nore-Suir Rural Development *	62	81	77%	0%	23%
Wicklow Rural Partnership Ltd. *	26	38	70%	0%	30%
Westmeath Community Development Ltd.	8	11	70%	7%	23%
Longford Community Resources Ltd	11	18	65%	0%	35%
Mid-South Rural Roscommon Development Association Ltd.	9	14	63%	0%	37%
Rural Resource Development Ltd *	80	129	62%	0%	38%
Meath Community Partnership Co. Ltd	3	5	60%	4%	36%
Meitheal Forbartha na Gaeltachta Teo *	68	117	58%	0%	42%
South West Mayo Development Co. *	54	94	58%	1%	41%
Galway Rural Development Co.	8	15	56%	0%	44%
Arigna Catchment Area Community Co. *	11	23	48%	4%	48%
Western Rural Development Co. Ltd *	28	58	48%	0%	52%
Offaly LEADER II Co. Ltd. *	3	6	48%	0%	52%
IRD Duhallow Ltd. *	60	131	46%	0%	54%
Ballyhoura Development Ltd. *	74	163	45%	0%	55%
West Limerick Resources Ltd	10	23	44%	3%	53%
South Kerry Partnership Ltd. *	29	66	44%	0%	56%
Waterford Development Partnership Ltd	34	76	44%	0%	56%
Tuatha Chiarraí Ltd	6	14	42%	6%	52%
Word - Wexford Organisation for Rural Development *	51	125	41%	1%	58%
West Cork LEADER Group *	57	160	35%	0%	65%
Donegal Local Development Co. Ltd	8	22	34%	3%	63%
Tipperary LEADER Group *	30	95	32%	0%	68%
Total - Local Development Groups	813	1,584	51%	1%	48%
Acquisition of Skills	0	85	0%	0%	100%
Other Collective Bodies	7	23	30%	70%	0%
Technical Assistance	0	37	0%	0%	100%
Total Expenditure - LEADER Groups	820	1,730	47%	1%	52%
* These groups also existed under the Leader I initiative					

LEADER

Administration Costs as a Percentage of Total Expenditure - 1996

Appendix A1.5

Local Development Group	Administration Expenditure £'000	Total Expenditure £'000	Administration as % of Total Expenditure	Grant Aid as % of Total Expenditure	Non-grant Outputs as % of Total Expenditure
Comhar Iorrais (LEADER) Teoranta *	45	56	81%	0%	19%
County Sligo LEADER Partnership Co. Ltd	26	37	70%	3%	27%
Rural Dublin LEADER Company Ltd	19	30	63%	3%	34%
Inishowen Community Development Co. Ltd *	64	106	61%	3%	36%
Laois LEADER Rural Development Co. Ltd	35	77	46%	9%	45%
Comhdhail Oileain na hEireann	39	91	43%	13%	44%
South Kerry Partnership Ltd *	47	113	41%	18%	41%
Rural Resources Development Ltd. *	88	226	39%	13%	48%
Blackwater Region LEADER Co Ltd	35	92	38%	5%	57%
Meath Community Partnership Co. Ltd.	34	90	38%	2%	60%
Longford Community Resources Ltd.	25	67	38%	35%	27%
Galway Rural Development Co	37	100	36%	17%	47%
Word-Wexford Organisation for Rural Development *	83	230	36%	6%	58%
Barrow-Nore-Suir Rural Development Ltd. *	66	184	36%	9%	55%
Arigna Catchment Area Community Co *	31	86	35%	18%	47%
Cavan-Monaghan Rural Development Co-operative Society Ltd. *	91	262	35%	34%	31%
Meitheal Forbartha na Gaeltachta Teo. *	94	292	32%	44%	24%
Wicklow Rural Partnership Ltd. *	53	168	31%	29%	40%
Offaly LEADER II Co. Ltd *	35	111	31%	26%	43%
Donegal Local Development Co. Ltd.	28	94	30%	28%	42%
Mid-South Rural Roscommon Development Association Ltd	25	85	29%	50%	21%
Co. Louth Rural Development Co. Ltd	19	65	29%	19%	52%
Ballyhoura Development Ltd. *	84	289	29%	47%	24%
Kelt-Kildare European LEADER II Teoranta	49	182	27%	5%	68%
IRD Duhallow Ltd. *	64	258	25%	55%	20%
Tuatha Chiarrai Ltd.	46	194	24%	20%	56%
South West Mayo Development Co. *	45	198	23%	50%	27%
Westmeath Community Development Ltd.	37	165	22%	46%	32%
West Limerick Resources Ltd.	31	141	22%	42%	36%
West Cork LEADER Group *	61	285	22%	36%	42%
Waterford Development Partnership Ltd.	58	271	21%	50%	29%
Western Rural Development Co Ltd. *	49	249	20%	40%	40%
Tipperary LEADER Group *	36	185	19%	20%	61%
East Cork Area Development Ltd.	17	94	19%	25%	56%
Total - Local Development Groups	1,599	5,173	31%	29%	40%
Acquisition of Skills	0	189	0%	0%	100%
Other Collective Bodies	86	115	75%	25%	0%
Technical Assistance	0	86	0	0%	100%
Total Expenditure - LEADER Groups	1,684	5,564	30%	28%	42%

* These groups also existed under the Leader I initiative

LEADER

Administration Costs as a Percentage of Total Expenditure - 1997 — Appendix A1.6

Local Development Group	Administration Expenditure £'000	Total Expenditure £'000	Administration as % of Total Expenditure	Grant Aid as % of Total Expenditure	Non-grant Outputs as % of Total Expenditure
Comhair Iorrais (LEADER) Teoranta *	43	96	45%	19%	36%
Co. Sligo LEADER Partnership Co. Ltd.	83	234	36%	25%	39%
Rural Dublin LEADER Company Ltd.	48	140	34%	28%	38%
Wicklow Rural Partnership Ltd *	52	186	28%	37%	35%
Rural Resource Development Ltd. *	89	365	24%	50%	26%
Word-Wexford Organisation for Rural Development Ltd *	91	373	24%	37%	39%
Blackwater Region LEADER Co. Ltd	46	204	22%	37%	41%
Meath Community Partnership Co. Ltd.	58	260	22%	30%	48%
Laois LEADER Rural Development Co. Ltd	31	156	20%	36%	44%
IRD Duhallow Ltd *	57	293	20%	40%	40%
Donegal Local Development Co. Ltd.	60	314	19%	54%	27%
Kelt-Kildare European LEADER II Teoranta	75	399	19%	45%	36%
Cavan-Monaghan Rural Development Co-operative Society Ltd *	102	568	18%	59%	23%
South Kerry Partnership Ltd. *	59	335	18%	55%	27%
South West Mayo Development Co. *	60	341	18%	61%	21%
Meitheal Forbartha na Gaeltachta Teo. *	109	626	17%	64%	19%
Waterford Development Partnership Ltd	78	458	17%	64%	19%
Galway Rural Development Co	45	264	17%	56%	27%
Inishowen Community Development Group *	47	277	17%	34%	49%
West Limerick Resources Ltd	46	275	17%	60%	23%
Co. Louth Rural Development Co. Ltd.	50	309	16%	50%	34%
Comhdhail Oileain na hEireann	35	221	16%	64%	20%
West Cork LEADER Group *	104	658	16%	55%	29%
Tuatha Chiarraí Ltd.	56	367	15%	50%	35%
Westmeath Community Development Ltd	48	314	15%	55%	30%
Offaly LEADER II Co. Ltd. *	39	259	15%	55%	30%
Ballyhoura Development Ltd. *	67	455	15%	60%	25%
East Cork Area Development Ltd	27	189	14%	38%	48%
Western Rural Development Co. Ltd *	83	592	14%	58%	28%
Mid-South Rural Roscommon Development Association Ltd	32	252	13%	71%	16%
Longford Community Resources Ltd	35	290	12%	56%	32%
Arigna Catchment Area Community Co. *	43	414	10%	73%	17%
Tipperary LEADER Group *	38	441	9%	54%	37%
Barrow-Nore-Suir Rural Development *	41	561	7%	70%	23%
Total - Local Development Groups	1,979	11,487	17%	53%	30%
Other Collective Bodies	36	142	25%	75%	0%
Technical Assistance	0	149	0	0%	100%
Total Expenditure - LEADER Groups	2,015	11,778	17%	53%	30%

Partnerships Community Groups and National Organisations
Administration Costs as a Percentage of Total Expenditure - 1996

Appendix A1.7

Partnership	Administration Expenditure £'000	Total Expenditure £'000	Administration as % of Total Expenditure	Other Activities as % of Total Expenditure
KWCD Partnership	128	128	100%	0%
Inishowen Partnership Board	33	33	100%	0%
Monaghan Partnership Board	48	48	100%	0%
Longford Community Resources Ltd	40	40	100%	0%
Galway Rural Development Co.	39	39	100%	0%
Galway City Partnership	109	109	100%	0%
Sligo LEADER Partnership Co.	50	50	100%	0%
Pairtiocht Gaeltacht Thir Chonail	48	48	100%	0%
Roscommon County Partnership	55	55	100%	0%
Pairtiocht Chonamara	116	116	100%	0%
Cavan Partnership	18	18	100%	0%
Canal Communities Partnership	67	67	100%	0%
Bray Partnership	115	115	100%	0%
Westmeath Community Development Ltd	49	50	100%	0%
Tra Li Partnership	105	107	98%	2%
Waterford Area Partnership	77	82	94%	6%
West Limerick Resources Ltd.	74	82	91%	9%
Southside Partnership	163	180	91%	9%
North West Kildare/North Offaly (OAK)	125	139	90%	10%
Mayo *	288	353	82%	18%
Wexford Area Partnership	132	166	80%	20%
Donegal Local Development Co.	60	78	77%	23%
Leitrim Partnership	63	94	67%	33%
Clondalkin Partnership Company	176	305	58%	42%
South Kerry *	107	253	42%	58%
Blanchardstown Area Partnership	208	495	42%	58%
Drogheda Partnership Company	136	337	40%	60%
Ballyfermot Partnership	143	359	40%	60%
Cork City *	176	476	37%	63%
Dundalk *	196	546	36%	64%
Finglas *	169	535	32%	68%
Wexford County Partnership *	126	501	25%	75%
Dublin Inner City *	134	539	25%	75%
Tallaght *	137	602	23%	77%
Ballymun *	103	529	19%	81%
Waterford County *	42	227	19%	81%
Limerick *	90	510	18%	82%
Northside Partnership*	125	761	16%	84%
Total Expenditure - Partnerships	4,071	9,169	44%	56%
Community Groups	710	773	92%	8%
National Organisations	383	383	100%	0%
Total	5,164	10,325	50%	50%
* These partnerships existed under the Programme for Economic and Social Progress (PESP)				

Partnerships Community Groups and National Organisations
Administration Costs as a Percentage of Total Expenditure - 1997

Appendix A1.8

Partnership	Administration Expenditure £'000	Total Expenditure £'000	Administration as % of Total Expenditure	Other Activities as % of Total Expenditure
Inishowen Partnership Board	137	272	51%	49%
Galway City Partnership	181	361	50%	50%
Mayo *	274	580	47%	53%
Canal Community Partnership	122	267	46%	54%
Westmeath Community Development Ltd.	98	216	45%	55%
Galway Rural Development Co.	94	211	45%	55%
Monaghan Partnership Board	100	238	42%	58%
Sligo LEADER Partnership Co	155	385	40%	60%
Roscommon County Partnership	146	367	40%	60%
Cavan Partnership	72	184	39%	61%
Pairtiocht Chonamara	124	328	38%	62%
Longford Community Resources Ltd	121	334	36%	64%
KWCD Partnership	205	594	34%	66%
Pairtiocht Gaeltacht Thir Chonail	99	302	33%	67%
Waterford Area Partnership	175	542	32%	68%
Blanchardstown Area Partnership	159	504	32%	68%
Dundalk *	147	490	30%	70%
Leitrim Partnership	154	514	30%	70%
North West Kildare/North Offaly (OAK)	122	414	29%	71%
Wexford Area Partnership	125	427	29%	71%
Ballymun *	112	385	29%	71%
Bray Partnership	151	526	29%	71%
Donegal Local Development Co.	104	371	28%	72%
Wexford County Partnership *	152	614	25%	75%
South Kerry *	173	707	25%	75%
Cork City *	240	1,015	24%	76%
Tra Li Partnership	122	519	24%	76%
Clondalkin Partnership Company	140	618	23%	77%
Dublin Inner City *	147	647	23%	77%
Tallaght *	173	775	22%	78%
West Limerick Resources Ltd	57	256	22%	78%
Finglas *	152	709	21%	79%
Waterford County *	54	261	21%	79%
Southside Partnership	141	686	20%	80%
Ballyfermot Partnership	132	720	18%	82%
Drogheda Partnership Company	132	723	18%	82%
Limerick *	121	803	15%	85%
Northside Partnership *	126	964	13%	87%
Set Up Costs - All Partnerships	28	28		
Total Expenditure - Partnerships	5,269	18,858	28%	72%
Community Groups	1,509	3,499	43%	57%
National Organisations	621	621	100%	0%
Total	7,398	22,977	32%	68%

* These partnerships existed under the Programme for Economic and Social Progress (PESP)

**County Enterprise Boards
Grant Cost Per Job 1994-1997 (In Descending Order)**

Appendix A2.1

County Enterprise Board	Expenditure on Grant Aid 1994-1997 £'000	Full Time Jobs 1994-1997 (1)	Part Time Jobs 1994-1997 (1)	Equivalent Jobs 1994-1997 (1)	Grant Cost per Job £
Leitrim	1,417	209	6	212	6,683
Westmeath	1,012	154	0	154	6,571
Wexford	1,575	280	37	299	5,278
Cork City	1,089	208	0	208	5,235
Monaghan	1,057	178	62	209	5,057
Waterford County	1,003	188	36	206	4,867
South Cork	1,566	324	0	324	4,834
South Dublin	1,753	362	6	365	4,801
Tipperary South Riding	922	184	47	208	4,444
Limerick City	1,197	273	10	278	4,306
Offaly	1,137	243	74	280	4,061
Waterford City	1,664	387	58	416	3,999
Mayo	1,565	345	95	393	3,988
Limerick City	1,512	362	60	392	3,857
Kilkenny	1,325	320	55	348	3,812
Donegal	1,061	254	50	279	3,802
Fingal (Dublin)	1,377	347	42	368	3,743
Wicklow	1,538	333	170	418	3,680
Kildare	1,004	264	20	274	3,666
Cork North	779	213	0	213	3,658
Carlow	1,435	309	169	394	3,647
Cavan	1,357	301	152	377	3,599
Clare	1,342	335	92	381	3,522
Kerry	1,432	288	238	407	3,518
Laois	1,245	339	42	360	3,459
Louth	1,045	280	46	303	3,448
Dublin City	1,734	533	0	533	3,254
Sligo	1,182	260	210	365	3,238
Dun Laoghaire/Rathdown	1,323	408	3	410	3,231
Longford	1,145	332	51	358	3,203
Roscommon	1,208	315	133	382	3,165
West Cork	1,063	361	21	372	2,861
Meath	980	350	23	362	2,711
Galway County and City	2,131	843	120	903	2,360
Tipperary North County	660	223	136	291	2,269
Total	44,834	10,905	2,264	12,037	3,725

- (1) The jobs created in the year are computed by taking a head count of new jobs in enterprises receiving grant aid from CEBs. The grant aid expended in the year may not be directly comparable with this as there may be a time lag between the expenditure and the creation of the relevant job but this should be minimised by taking an average over 4 years. In computing the equivalent jobs figure part-time jobs are taken as 0.5 of a job

County Enterprise Boards Non Grant Expenditure 1996

Appendix A3.1

County Enterprise Board	INPUTS		OUTPUTS						
	Non-Grant Activities £'000	% of Total Expenditure	Surveys	Media Events	Networks	Third Level Colleges	Second Level Schools	Business Counselling	Mentor Support
Kildare	241	39%	1	0	4	3	15	380	40
Dublin City	202	30%	1	9	6	2	20	151	35
Fingal(Dublin)	171	26%	1	14	11	0	4	3	93
Dun Laoghaire/Rathdown	160	25%	1	7	3	0	14	25	84
Sligo	108	24%	0	68	0	1	3	250	30
South Cork	150	23%	20	24	14	1	14	120	45
South Dublin	161	23%	2	8	0	0	18	105	4
Cork City	118	22%	2	10	3	2	14	0	14
Louth	137	22%	7	3	2	1	6	40	15
Meath	116	22%	0	3	3	1	12	0	21
West Cork	135	21%	0	130	2	0	10	174	10
Westmeath	106	21%	0	0	0	0	17	0	14
Offaly	121	19%	4	34	5	2	9	17	20
Donegal	144	19%	1	4	0	1	8	216	46
Clare	107	18%	0	17	0	1	15	150	16
Leitrim	121	18%	5	0	4	0	9	416	12
Roscommon	92	17%	0	0	0	1	5	484	5
Limerick City	117	17%	0	2	0	5	5	0	6
Limerick County	137	17%	1	25	1	0	13	102	7
Laois	101	16%	0	4	0	0	14	54	1
Tipperary North County	65	16%	0	0	0	0	12	279	17
Wexford	107	15%	0	0	0	0	10	0	10
Waterford County	85	15%	0	2	0	1	0	69	4
Monaghan	86	14%	0	0	0	0	7	10	5
Kilkenny	88	14%	0	16	0	0	12	19	10
Carlow	77	13%	0	7	0	0	10	0	20
Wicklow	96	13%	1	12	0	0	9	70	14
Cavan	74	12%	5	0	4	1	5	1,394	31
Tipperary South Riding	65	12%	0	0	3	0	10	80	25
Kerry	71	12%	1	0	1	0	8	0	20
Galway County and City	75	12%	1	2	37	3	12	72	3
Waterford City	82	10%	0	1	0	1	20	108	33
Mayo	78	10%	0	48	0	0	5	221	6
Longford	50	9%	3	5	5	0	7	60	10
Cork North	36	8%	0	0	0	0	0	340	0
Total	3,879	18%	57	455	108	27	352	5,409	726

County Enterprise Boards Non Grant Expenditure 1997

Appendix A3.2

County Enterprise Board	INPUTS		OUTPUTS							
	Non-Grant Activities £'000	% of Total Expenditure	Surveys	Media Events	Networks	Third Level Colleges	Second Level Schools	Business Counselling	Mentor Support	Management Development Programme
Donegal	156	36%	3	3	1	3	9	55	12	3
Tipperary North County	162	36%	0	33	1	0	7	175	12	3
Dun laoghaire/Rathdown	219	35%	2	20	6	4	24	240	67	2
Kilkenny	162	30%	2	12	0	0	27	99	16	3
Louth	233	30%	0	14	2	1	11	60	18	6
Sligo	144	29%	1	7	2	2	7	246	26	6
Laois	167	27%	0	127	2	0	13	100	6	4
Clare	171	27%	1	37	12	1	15	97	31	6
Mayo	162	27%	0	15	2	0	10	190	6	3
Limerick City	163	26%	1	29	4	3	6	100	5	4
Kildare	198	26%	0	24	4	0	15	190	46	6
West Cork	133	26%	1	271	2	0	10	152	2	4
Limerick County	183	26%	1	55	12	3	8	194	35	6
Meath	193	26%	1	28	3	2	19	48	9	4
Offaly	127	25%	1	53	6	0	8	59	35	5
Fingal (Dublin)	224	25%	0	5	0	1	6	446	155	3
Leitrim	157	24%	2	84	3	2	7	135	14	2
South Cork	164	23%	0	14	85	1	16	627	15	6
Roscommon	109	23%	1	27	3	0	11	50	8	4
Galway County and City	190	23%	0	5,000	10	3	36	18	10	14
Cork City	150	22%	1	10	5	2	8	1,325	16	3
Monaghan	121	22%	2	24	6	0	8	47	0	3
Tipperary South Riding	131	21%	1	25	3	0	11	672	20	3
Westmeath	132	21%	1	3	0	0	29	6	10	4
Waterford County	104	21%	3	32	2	1	21	156	7	3
Dublin City	245	21%	1	26	6	5	23	110	50	6
Wexford	131	20%	1	17	0	0	17	55	16	2
Wicklow	159	20%	0	44	0	0	6	32	9	3
Cavan	144	20%	4	14	7	1	6	134	63	7
Cork North	66	19%	1	10	5	2	16	1,325	16	3
Waterford City	149	19%	2	12	0	1	21	183	18	3
South Dublin	184	19%	1	2	0	0	16	87	37	3
Kerry	104	18%	1	324	0	0	12	115	8	2
Longford	81	16%	5	41	8	0	5	0	6	41
Carlow	95	16%	1	110	1	1	10	228	50	2
Total	5,414	24%	42	6,552	203	39	474	7,756	854	182

LEADER Groups Non Grant Expenditure 1995-1997 (1)

Appendix A3.3

Local Development Group	INPUTS		OUTPUTS								
	Non-Grant Activities £'000	As a % of Total Expenditure	Seminars Held	Press Releases	Other Promotional Actions	Applications Approved	Projects Completed	Referred to Other Agencies	Creation of New Business	Creation of Community Association	Training Courses
East Cork Area Development Ltd.	144	51%	104	110	0	0	0	0	5	2	0
Meath Community Partnership Co. Ltd.	180	51%	771	164	110	91	11	960	21	12	16
Word - Wexford Organisation for Rural Development *	351	48%				0			0	0	0
Tipperary Leader Group *	343	48%	24	7	4	191	45	10	15	13	22
Kelt - Kildare European Leader II TEO	268	46%	85	125	4	74	33	300	1	10	36
Blackwater Region Leader Co. Ltd.	136	46%	67	65	4	73	31	22	3	1	24
Inishowen Community Development Group *	175	46%	288	86	25	64	27	147	10	17	28
Laois Leader Rural Development Co. Ltd.	103	44%	67	116	12	56	17	27	40	7	17
Tuatha Chiarrai Ltd.	244	42%	239	25	10	168	82	66	24	6	39
West Cork Leader Group *	414	38%	75	698	0	0	0	0	12	0	33
Co. Sligo Leader Partnership Co. Ltd.	101	37%	13	6	6	73	21	14	20	17	5
Rural Dublin Leader Company Ltd.	63	37%	83	18	9	27	6	12	3	7	5
Co. Louth Rural Development Co. Ltd.	137	37%	139	56	18	39	5	23	5	2	11
Wicklow Rural Partnership Ltd. *	143	36%	507	112	0	25	33	209	9	11	6
IRD Duhallow Ltd. *	241	35%	283	272	0	85	40	144	11	37	38
Rural Resource Development Ltd. *	252	35%	1,382	50	95	0	0	0	6	9	14
Offaly Leader II Co. Ltd. *	130	35%	49	43	20	76	58	9	17	0	91
South Kerry Partnership Ltd. *	175	34%	1,485	104	9	0	0	0	20	30	36
Galway Rural Development Co.	126	33%	38	12	0	147	21	130	19	6	39
Western Rural Development Co. Ltd. *	298	33%	134	102	1	165	46	81	27	1	9
Donegal Local Development Co. Ltd.	139	32%	5	15	1	127	36	29	20	0	13
Longford Community Resources Ltd.	118	31%	15	57	7	97	46	22	3	2	5
Westmeath Community Development Ltd.	149	30%	254	50	15	165	60	20	17	5	8
Ballyhoura Development Ltd. *	273	30%	64	48	5	201	82	80	59	40	52
Barrow-Nore-Suir Rural Development *	247	30%	350	75	15	151	92	65	20	10	28
Comhair Iorrais (Leader) Teoranta *	45	29%	0	0	0	0	0	0	0	0	0
West Limerick Resources Ltd.	126	29%	69	104	3	103	36	10	87	7	10
Comhdhail Oileain Na hÉireann	84	27%	41	32	0	124	60	45	15	0	10
South West Mayo Development Co. *	166	26%	12	35	0	124	58	45	13	1	33
Waterford Development Partnership Ltd.	209	26%	56	0	0	95	35	35	34	7	46
Cavan-Monaghan Rural Development Co-operative Society Ltd. *	227	24%	266	117	214	360	301	2	20	5	22
Arigna Catchment Area Community Co. *	121	23%	21	7	23	105	39	4	5	0	0
Meitheal Forbartha Na Gaeltachta TEO *	237	23%	173	150	0	400	157	350	109	21	16
Mid-South Rural Roscommon Development Association Ltd.	63	18%	24	18	120	90	36	10	20	5	4
Total Expenditure - Local Development Groups	6,227	34%	7,183	2,879	730	3,496	1,514	2,871	690	291	716
Acquisition of skills	274	0%	0	0	0	0	0	0	0	0	0
Technical assistance	272	0%	0	0	0	0	0	0	0	0	0
Total Expenditure - LEADER Groups	6,773	36%	7,183	2,879	730	3,496	1,514	2,871	690	291	716

(1) Expenditure for 1995-1997 is grouped together as only cumulative output statistics to 31 December 1997 were available at the time of preparing the report

* These groups also existed under the Leader I initiative

Partnerships Non Grant Expenditure - 1996

Appendix A3.4

Partnership Name	INPUTS		OUTPUTS			
	Non-Grant Activities £'000	As a % of Total Expenditure	Enterprise Support	Services for Unemployed	Preventative Education	Complementary Education
Northside Partnership *	636	84%	321	1885	520	443
Limerick *	420	82%	296	935	100	388
Waterford County *	184	81%	57	0	0	0
Ballymun *	426	81%	272	401	82	328
Tallaght *	466	77%	496	957	143	29
Dublin Inner City *	405	75%	343	1651	50	59
Wexford County Partnership *	375	75%	138	0	17	272
Finglas *	365	68%	557	731	378	155
Dundalk *	350	64%	148	388	132	207
Cork City *	300	63%	344	0	180	261
Ballyfermot Partnership	215	60%	0	211	40	94
Drogheda Partnership Company	200	60%	60	0	0	38
Blanchardstown Area Partnership	288	58%	116	71	48	18
South Kerry *	146	58%	90	212	399	265
Clondalkin Partnership Company	129	42%	164	0	0	0
Leitrim Partnership	31	33%	23	184	0	56
Donegal Local Development Company	18	23%	0	0	0	0
Wexford Area Partnership	34	20%	14	0	0	13
Mayo *	65	18%	183	181	18	34
North West Kildare/North Offaly	14	10%	0	0	0	28
Southside Partnership	17	9%	0	0	0	0
West Limerick Resources Ltd.	8	9%	52	0	0	0
Waterford Area Partnership	5	6%	49	14	0	5
Tra Li Partnership	2	2%	0	0	0	0
Westmeath Community Development Ltd	0	0%	0	0	0	0
Longford Community Resources Ltd.	0	0%	0	0	0	0
Pairtiocht Gaeltacht Thir Chonail	0	0%	0	0	0	0
Inishowen Partnership Board	0	0%	0	0	0	0
Canal Communities Partnership	0	0%	0	0	0	0
Pairtiocht Chonamara	0	0%	0	0	0	0
Galway Rural Development Co	0	0%	0	0	0	0
Sligo Leader Partnership Co.	0	0%	16	0	0	0
Roscommon County Partnership	0	0%	0	0	0	0
Bray Partnership	0	0%	0	0	0	0
Galway City Partnership	0	0%	0	0	0	0
Cavan Partnership	0	0%	0	0	0	0
Monaghan Partnership Board	0	0%	0	0	0	0
KWCD Partnership	0	0%	0	0	0	0
Total Expenditure - Partnerships	5,098	56%	3,739	7,821	2,107	2,693
Community Groups	63	8%	0	0	0	0
National Organisations	0	0%	0	0	0	0
Total	5,161	50%	3,739	7,821	2,107	2,693

* These partnerships existed under the Programme for Economic and Social Progress (PESP)

Partnerships Non Grant Expenditure - 1997

Appendix A3.5

Partnership	INPUTS		OUTPUTS			
	Non-Grant Activities £'000	As a % of Total Expenditure	Business Start-Ups	Job Placements	Groups Support	Preventative Education Projects
Northside Partnership *	838	87%	503	438	28	15
Limerick *	662	85%	116	628	31	16
Drogheda Partnership Co	591	82%	60	12	177	10
Ballyfermot Partnership	587	82%	88	88	30	3
Southside Partnership	546	80%	200	6	80	24
Waterford County *	206	79%	42	4	23	6
Finglas *	557	79%	257	233	174	28
West Limerick Resources Ltd	199	78%	40	0	50	0
Tallaght *	602	78%	309	646	51	7
Dublin Inner City *	500	77%	290	448	34	10
Clondalkin Partnership Company	478	77%	225	562	63	7
Tra Li Partnership	396	76%	80	20	67	6
Cork City *	775	76%	217	111	55	9
South Kerry *	533	75%	135	150	61	61
Wexford County Partnership *	462	75%	170	63	31	0
Donegal Local Development Co	267	72%	150	0	63	2
Bray Partnership	375	71%	71	0	11	14
Ballymun *	274	71%	70	402	50	10
Wexford Area Partnership	302	71%	170	4	59	18
North West Kildare/North Offaly	292	71%	56	0	39	8
Leitrim Partnership	360	70%	60	3	119	6
Dundalk *	343	70%	71	64	50	10
Blanchardstown Area Partnership	345	68%	170	97	29	13
Waterford Area Partnership	367	68%	37	6	55	1
Pairtiocht Gaeltacht Thir Chonaill	203	67%	75	0	50	10
KWCD Partnership	389	66%	15	0	0	4
Longford Community Resources Ltd.	212	64%	85	4	19	5
Pairtiocht Chonamara	205	62%	67	2	3	34
Cavan Partnership	112	61%	90	1	49	6
Roscommon County Partnership	221	60%	120	0	38	6
Sligo Leader Partnership Co.	230	60%	120	0	32	2
Monaghan Partnership Board	138	58%	88	0	40	10
Galway Rural Development Company	116	55%	101	0	51	2
Westmeath Community Development Ltd	118	55%	0	0	20	2
Canal Communities Partnership	145	54%	0	0	16	6
Mayo *	306	53%	177	200	28	3
Galway City Partnership	180	50%	113	0	35	12
Inishowen Partnership Board	134	49%	60	0	42	11
Total Expenditure - Partnerships	13,589	72%	4,698	4,192	1,853	397
Community Groups	1,990	57%	0	0	0	0
National Organisations	0	0	0	0	0	0
Total	15,579	68%	4,698	4,192	1,853	397

* These partnerships existed under the Programme for Economic and Social Progress (PESP)

Appendix B: Administration Cost Trends of Local Development Bodies

Number of CEBs within administration cost bands and trends in administration costs 1994-1997

Cost Band	1994	1995	1996	1997
<£50,000	3	-	-	-
£50-100,000	17	2	1	5
£100-150,000	15	24	32	23
£150-200,000	-	7	2	7
>£200,000	-	2	-	-
Total Administration Costs	£4.8m	£4.9m	£4.3m	£4.4m

Number of LEADER groups within administration cost bands and trends in administration costs 1995-1997

Cost Band	1995	1996	1997
<£50,000	25	23	17
£50-100,000	9	11	14
£100-150,000	-	-	3
Total Administration Costs	£0.8m	£1.6m	£2.0m

Number of Partnerships within administration cost bands and trends in administration costs of Partnerships

Cost Band	1996	1997
<£50,000	9	6
£50-100,000	7	19
£100-150,000	15	10
£150-200,000	5	10
> £200,000	2	3
Total Administration Costs	£4.0m	£5.3m

Appendix C: Operational Programme for Local, Urban and Rural Development - Performance Indicators and Revised Targets

Priority Indicator	Units	Original Target for total Operational Programme	Revised Targets (1994-1999)	
			Sub Programme 1	Sub Programme 2
1. Jobs				
Number of jobs approved (for support by grant assistance)	Jobs		15,000	
Number of new jobs created (not placed in vacancies) (NB1: for Sub Programme 1, "jobs approved" figure will make up the bulk of the "jobs created" amount) (NB2: for Sub Programme 2 this equates to new enterprises supported)	Jobs and Persons	16,900 (Sub Programme 1 8,000; Sub Programme 2 6,900; Sub Programme 3 (Temple Bar) 2,000 permanent in service & 5,000 construction)	17,175	17,000

Priority Indicator	Units	Original Target for total Operational Programme	Revised Targets (1994-1999)	
			Sub Programme 1	Sub Programme 2
2. Enterprise creation and development				
<i>Grants to enterprise</i> Value of grant allocations	£		£56,020,000	£16,000,000
Number of enterprises supported	Enterprises and Persons	2,260 new businesses for Sub Programme 1, and 3,640 new and 960 existing for Sub Programme 2	6,050 new and 3,750 existing (Total 9,800)	17,000 new and 7,000 existing (Total 24,000)
Percentage of investment in enterprises provided by the Operational Programme	%		39%	
<i>Provision of improved access for potential entrepreneurs to initial advice</i> Number of firms receiving business advice	Enterprises and Persons	6,000 firms	10,900	30,000
Percentage of grant aided firms whose promoters received other Operational Programme support, i.e. advice, consultancy, mentoring	%		83%	100%
<i>Management development</i> Number of enterprises participating in management development programmes	Enterprises	280 firms	6,000	
Number of managers participating in management development programmes	Persons	500 per annum	10,000	
3. Community Development Number of local groups financially assisted	Local groups	No target set	700	
4. Services for the unemployed Number of persons registered for assistance	Persons	Caseload of 110,000 (30,000 in 1995 and 20,000 new cases per annum thereafter)		57,000 (40,000 Local Employment Scheme Partnerships and 17,000 Non- Local Employment Scheme)
Number of Long-Term Unemployed persons to benefit from Services for the Unemployed, expressed as a % of total number of persons registered for assistance	%	No target set.		60%

Priority Indicator	Units	Original Target for total Operational Programme	Revised Targets (1994-1999)	
			Sub Programme 1	Sub Programme 2
<i>Progression</i> Number of persons progressing to full-time employment (i.e. placement in a job vacancy)	Persons	2,500 per annum		16,000
Number of persons progressing to part-time employment (i.e. placement in a job vacancy)	Persons	300 per annum		5,000
Number of persons assisted into self-employment (see 1 above)	Persons			17,000
Number of persons assisted under complementary education and training	Persons			19,000
Number of persons in continuing education	Persons	5,000 per annum		2,000
Number of persons in work experience programmes	Persons	10,000 per annum		1,000
Number of unemployed referred onwards to other agencies	Persons			5,000
5. Education and Training <i>Complementary education and training</i> Number of persons assisted under complementary education and training	Persons	12,000 per annum.		19,000
<i>Provision of recognised certification</i> Number of participants provided with recognised certification	Persons		3,500	6,000
% of participants provided with recognised certification	%			30%
<i>Training for trainers</i> Number of persons benefiting under actions in the area of training of trainers and teachers	Persons			1,000
% of participants provided with recognised certification	%			
6. Preventive education Number of children attending preventive education courses / services	Children/ youth	4,080 per annum		44,000
7. Infrastructure and environmental measures Number of infrastructural and environmental actions	Projects	20 per annum	98	1,000

Priority Indicator	Units	Original Target for total Operational Programme	Revised Targets (1994-1999)	
			Sub Programme 1	Sub Programme 2
8. Land development				
Area of targeted land developed	Hectares			
Expenditure on development of targeted land	£			
Number of derelict sites eradicated	Sites			
Number of villages assisted	Villages and projects			
Number of towns assisted	Towns and projects			
Number of conservation projects to be funded	Projects			
9. Other				
<i>Enterprise culture</i> Number of participants in activities to promote an enterprise culture in schools and colleges	Persons		62,000	
<i>Customer contacts</i> Number of customer contacts with CEBs	Customer Contacts		190,000	

**Appendix D: Extract from Consolidated Reporting Guidelines
- December 1997: The LEADER Operational
Programme Performance Indicators and Revised
Targets**

Performance Indicators

Under the terms of the Operational Programme, each group is required to set down performance indicators and targets which it will aim to achieve in the implementation of its business plan and against which its performance will be evaluated. Following a review of the form and content of the original indicative indicators, comment by the independent evaluator and consultation with groups, a definitive range of performance indicators has now been prepared.

Each Group is required to modify its Business Plan performance indicators in this revised format for Measure B: Rural innovation measures and insofar as it is possible at this stage to prepare indicators for Measure C: Transnational co-operation for the period ending 31 December 1999. Please note that Measure C does not relate to technical support funding received from AEIDL.

The new statement of performance indicators should represent a comprehensive statement of targets based on progress to date and the implementation of the business plan to 31 December 1999, including the additional activities being supported with the funding allocated from the "reserve".

The revised business plan indicators should be completed and returned to Rural Development Division by 31 January 1998.

Progress will be measured against these targets by means of the LDU returns and the quantitative and qualitative reports outlined in sections 3A, 3B and 3C of these guidelines.

Please note that shaded areas are for information only and, at this stage, do not require indicators to be set. All other targets should be inputted in the appropriate fields. Where there is no relevant activity, insert zero.

Measure B: Rural Innovation Programmes

Sector	Activity/Output	Impact
Animation and Capacity Building	Promotion Number of seminars/public meetings/workshops organised to cover the following topics: General/Community Specialised/Sectoral: Number of attendees at the above Number of press releases, articles published, media interviews; Circulation of LEADER Newsletter Number issued Number per print run Number of other promotional actions	Enhanced Awareness of LEADER Services (Not for completion) <i>This will be measured by :</i> The number of individuals contacting LEADER office The number of groups/businesses contacting LEADER office The number of applications from promoters The number of projects promoted by LEADER Group itself
	Direct Animation Assistance / Technical Advice Number of private individuals directly assisted/advised Number of bodies directly assisted/advised General/Community Specialised/ Sectoral Number of development strategies/plans* arising from field work (i.e. not covered in "other technical assistance" beneath) *including community plans	General Level of Local / Community Development Activity (Not for completion) <i>This will be measured by :</i> The number of applications successfully improved The number of bodies assisted/animated/restructured/improved Number of bodies established
	Co-ordination of Activities Number of applications referred to other agencies	More Efficient Use of Resources (Not for completion) <i>This will be measured by :</i> The number of projects successfully referred to other agencies (i.e. funded)

Measure B: Rural Innovation Programmes

Sector	Activity/Output	Impact
Administration	Processing Number of staff exclusively assigned to administrative duties (2, 1.5, etc.) Number of staff exclusively assigned to animation duties (2, 1.5, etc.) Number of Board meetings held Number of hours worked on a voluntary basis by Board members Number of project evaluation committees Number of project evaluation committee meetings held Number of hours worked on a voluntary basis by project evaluation committee members Number of internal LEADER Group evaluation meetings/sessions/reviews Number of external system audits/reviews (not including accounts)	Efficient Delivery of Service (Not for completion) <i>This will be measured by :</i> The number of applications received The number of applications processed The number of applications approved The number of projects completed
	Co-ordination of Activities Number of meetings with other LEADER Groups Number of County Strategy Meetings attended Number of other meetings with public bodies	More Efficient Use of Resources (Not for completion) <i>This will be measured by :</i> The number of projects referred to other agencies (not including those that were referred after provision of animation assistance/technical advice which is dealt with beneath)

Measure B: Rural Innovation Programmes

Sector	Activity/Output	Impact
Technical Support	<p>Studies and Research</p> <p>Number of studies /plans/audits commissioned by LEADER Group (not including field work carried out by animators which is included above)</p> <p>Number of other audits/studies/plans/ prototype development commissioned by promoters & funded by LEADER</p>	<p>Knowledge / Expertise Made Available to Potential Promoters (Not for completion)</p> <p><i>This will be measured by :</i></p> <p>The number of LEADER projects emanating from studies</p> <p>The number of projects emanating from studies funded by other agencies</p> <p>The number of bodies restructured/improved</p> <p>The number of bodies established</p>

Measure B: Rural Innovation Programmes

Sector	Activity / Output	Impact
Training	<p>Provision of Training Courses</p> <p>Number of training courses commissioned/undertaken by LEADER Group (not including animation activities outlined above) LEADER Staff/Board General/Community Courses Specialised/Sectoral</p> <p>Number of attendees at the above</p> <p>PROVISION OF TRAINING GRANTS</p> <p>Number of Training Grants for courses commissioned by promoters and funded under LEADER (not including any of the above) General/Community Courses Specialised/Sectoral</p> <p>Number of attendees at the above</p>	<p>Acquisition of Skills (Not for completion)</p> <p>This will be measured by :</p> <p>The number of bodies demonstrably restructured/improved by training provided to volunteers/staff</p> <p>The number of projects emanating from training</p> <p>The number of attendees who were placed in employment as a result of training</p>
Recruitment Assistance	<p>Grant Provision</p> <p>Number of Employment Grants provided</p>	<p>Job Creation</p> <p>Employment created</p>

Measure B: Rural Innovation Programmes

Sector	Activity / Output	Impact
Rural Tourism	Improvement of Existing Accommodation and Tourist Amenities Number of capital grants provided	Sectoral Benefits Number accommodation facilities upgraded to Bord Fáilte standard Number of additional beds available Increased 'number of visitor' capacity Additional tourist revenue generated (IRE) Employment created / sustained
	Development of New Accommodation and Tourist Amenities Number of capital grants provided	Sectoral Benefits New entrants Number of additional beds available Increased 'number of visitor' capacity Additional revenue generated (IRE) Employment created / sustained
	Marketing Number of marketing grants provided	Improved Business Attributable to Marketing Additional bed-nights arising from marketing strategy Additional inquiries/ visits to tourist offices - domestic - overseas Additional visits to tourist amenities/ sites arising from marketing strategy Number of new marketing methods/ tourist packages initiated Employment- (e.g. directly arising from marketing as opposed to capital grant aid e.g. as a result of brochures, advertisements etc.) Created / Sustained

Measure B: Rural Innovation Programmes

Sector	Activity / Output	Impact
Small Firms, Craft Enterprise and Local Services	Support for Existing Firms, Enterprises and Services Number of capital grants provided	Sectoral Benefits Number of enterprises with improved efficiency/added value to products and delivery of services Number of enterprises with new product ranges Number of enterprises with expanded employment base Additional revenue generated (IR£) Employment created / sustained
	Support for New Firms, Enterprises and Services Number of capital grants provided	Sectoral Benefits Number of enterprises established New products/product ranges Additional revenue generated (IR£) Employment created / sustained
	Marketing Number of marketing grants provided	Greater Awareness of Enterprise Activity Number of new (geographical) markets developed - within Ireland - within EU - non - EU Increased sales (IR£) Employment created / sustained

Measure B: Rural Innovation Programmes

Sector	Activity / Output	Impact
Agricultural, Forestry and Fishery Products	Support for Existing Enterprises and Improving Quality of Existing Products Number of capital grants provided	Sectoral Benefits Number of enterprises with improved efficiency/added value to products and delivery of services Number of enterprises with new product ranges Number of enterprises with expanded employment base Additional revenue generated (IR£) Employment created / sustained
	Support for New Firms, Enterprises and Services Number of capital grants provided	Number of enterprises established New products/product ranges Additional revenue generated (IR£) Employment created / sustained
	Marketing Number of marketing grants provided	Greater Awareness of Enterprise Activity Number of new (geographical) markets developed - within Ireland - within EU - non - EU Increased sales (IR£) Employment created / sustained

Measure B: Rural Innovation Programmes

Sector	Activity / Output	Impact
Preservation of the Environment and Living Conditions	Improving Awareness Number of capital grants provided	Increased Environmental Awareness Number of environmental plans/action groups established (not including groups/plans arising from animation and/or other technical support outlined above) Number of entries for Tidy Towns Competition
	Protection / Enhancement of Built / Social and Cultural Environment Number of capital grants provided	Benefit to the Built / Cultural Environment Number of built sites/structures protected or restored Number of social/cultural events held Employment created / sustained Additional revenue generated (IR£)
	Protection / Enhancement of Natural Environment Number of capital grants provided	Benefit to the Natural Environment Number of natural sites protected Number of natural amenities restored/enhanced
	Waste Management Activities / Alternative Energies Number of capital grants provided	Improved Management of Waste / Availability of Alternative Energy Number of alternative energy providers established Number of waste management initiatives implemented Employment created / sustained Additional revenue generated (IR£)

Measure C: Transnational co-operation

Sector	Activity / Output	Impact
Transnational Co-operation	<p>Grant Provision</p> <p>General/Community Specialised/Sectoral Rural Tourism Small Firms/crafts/enterprises Agriculture/Forestry/Fisheries Products Environment/Living Conditions Other</p> <p>Number of Grants provided to final beneficiary (each category is exclusive)</p> <p>Private Men Private Women Private Joint: Community/Development Groups Business Voluntary/Specific Issue Groups Co-operatives LEADER Group Other Total</p>	<p>Sectoral Benefits</p> <p>Number of enterprises with established/improved efficiency/ added /value to products and delivery of services</p> <p>Number of enterprises with new product ranges/number of new marketing methods/ tourist packages initiated</p> <p>Number of new (geographical) markets developed - within Ireland - within EU - non - EU</p> <p>Additional inquiries/ visits to tourist offices - domestic - overseas</p> <p>Additional visits to tourist amenities /sites arising from marketing strategy</p> <p>Additional bed-nights arising from marketing strategy</p> <p>Increased sales/ Additional revenue generated (IR£)</p> <p>Number of enterprises with expanded employment base</p> <p>Number of cultural links established</p> <p>Number of local development strategies/ studies transferred /shared</p> <p>Number of environmental actions</p> <p>Employment - created full-time all year full-time seasonal part-time all year part-time seasonal</p> <p>Employment - sustained full-time all year full-time seasonal part-time all year part-time seasonal</p>

Appendix E: Matrix of Development Agencies in County Roscommon and the Services Provided
(Produced by Roscommon County Enterprise Board)

Organisation	Information Service	Business Planning Support	Feasibility Study Grants	Employment Grants	Capital Grants	Equity Finance	Start-up Support	After-Care Support	Training	Financial Mentoring	Marketing Mentoring	Management Development	Community Project Support	Co-ordination
County Strategy Group													✓	✓
County Enterprise Board	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Anglo Enterprise Fund		✓	✓	✓		✓	✓						✓	
Leader II	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	
Partnership Co.	✓				✓	✓	✓	✓					✓	✓
County Council	✓												✓	
VEC									✓				✓	
Ireland West Tourism	✓	✓			✓									
Teagasc	✓	✓							✓		✓		✓	
An Bord Tráchtála	✓										✓	✓		
Forbairt		✓	✓	✓	✓	✓	✓			✓	✓			
IDA, Ireland	✓	✓		✓	✓	✓		✓						
FÁS		✓	✓	✓			✓		✓		✓		✓	
Bord Fáilte	✓				✓									
Banks/Financial Institutions		✓				✓	✓							
RTD	✓	✓							✓					
Department of Social Welfare	✓												✓	
Business Innovation Centre	✓	✓					✓	✓	✓					
European Information Centre	✓													

Appendix F: Framework of Agreement between County Meath CEB and County Meath LEADER II Group

MEMORANDUM OF AGREEMENT between The Meath County Enterprise Board Ltd. and Meath Leader II

Given the similarities between certain aspects of the remit of both County Enterprise Board and Leader II, it is accepted that a high degree of co-operation is required to ensure that deserving projects gain maximum benefit from the support mechanisms available within both organisations. While some division of responsibilities is possible as outlined below, it is recognised that both groups need to adopt an open, flexible approach to the task of processing queries and applications.

Leader II will have primary responsibility in the County for the support of projects from the following sectors :

- ◆ Craft Enterprises (for financial support with a limited focus on soft supports)
- ◆ Rural Tourism
- ◆ Projects promoted by Community Groups
- ◆ Exploitation and Marketing of local agricultural, food, forestry and fisheries products
- ◆ Environment for the following measures :
 - Preservation and development of the existing architectural heritage and villages.
 - Support for cultural creativity and the promotion of cultural products linked with rural development
 - Protection, rehabilitation and exploitation of natural resources (flora, fauna, small streams, etc.) and landscapes.
 - Disposal and recycling of waste, including use of energy production.

This implies that Leader II will engage in pre-development initiatives, research and marketing and be primarily responsible for the capital investment associated with the development of value-added food products and will also process requests for aid for capital investment, employment grants, marketing and training supports in the above sectors.

The County Enterprise Board will continue to support feasibility, capital and employment projects which have the capacity to generate employment within all other sectors. Potential projects which meet this requirement will be referred to each other in accordance with this Agreement.

The Meath County Enterprise Board Ltd. and Meath Leader II are committed to maintaining open lines of communication to implement the terms of this understanding and also commit that the Chief Executive Officers will meet formally on a monthly basis to ensure efficient implementation. This Agreement to continue in operation until 31st December 1997 and will be subject to review by the Meath County Enterprise Board Ltd. in consultation with Leader II.

Nothing in this Agreement shall be construed to limit or restrict the statutory functions and operations of the Meath County Enterprise Board Ltd. or Leader II.

Pauline Baker
Chairman
Meath County Enterprise Board Ltd.

Tom Clinton
Chairman
Meath Leader II

Appendix G: Terms of Reference for Interdepartmental Policy Committee

The New Committee's Role

The Role of the new Committee, to be chaired by Minister of State Flood, will be shaped by the Local Development Mandate given to Department of Tourism, Sport and Recreation by the Government. Key items in that Mandate, which fall into the Committee's remit, will include

- A.** Promotion of the integrated development of the most disadvantaged urban communities by ensuring that their needs are addressed on a priority and coordinated basis, in conjunction with Area Partnership Companies, by all relevant public agencies.
 - This is regarded as the most urgent priority.
 - The focus will be on developing the optimal approach to addressing the needs of these areas.
 - Special, co-ordinated, all-out effort in a number of small areas.
 - B.** Co-ordination of Local Development initiatives and preparation for the post - 1999 transition to an integrated Local Development and Local Government system.
 - Local Development Liaison Team issues.
 - Addressing relevant local development issues raised in Better Local Government - a Programme for Change and the recently published Report of the Devolution Commission.
 - The emphasis will be on ensuring that the positive developments and effective new ways of working resulting from Local Development and Partnership initiatives are preserved and strengthened in the development of a renewed Local Government.
 - C.** The Operational Programme for Local, Urban and Rural Development and its shape post - 1999
- The main tasks will be to
- Secure the best co-ordination between the various implementing Agencies, Departments, etc.

- Seek to ensure that problems and issues, which arise at a local level, are responded to and resolved.
- Identify items to be mainstreamed in terms of overall policy.
- Consider the outline of a new OPLURD for the post - 1999 period taking into account the views of the Social Partners.

D. Co-ordination of overall Government Policy on Local Development

- The Inter-Departmental Policy Committee on Local Development will be a key forum.
- Sectoral issues will be considered from the perspective of encouraging greater co-ordination and integration of delivery of services at local level.