



LAG COOPERATION FUNDING AGREEMENT BETWEEN SCOTTISH LAG PARTNERS

This agreement is to define the working partnership arrangement between Partner/LEAD LAGs and to define the roles and responsibilities of the partners.

Project name:

For the purposes of the LEADER grant the project administration and monitoring will be led and coordinated by LAG. This will include the following duties:

- Be the main point of contact for the applicant/s, LAG partners & Paying Agency
- Liaise with all partner LAGs through their representative and where necessary convene and chair meeting of partner LAGs.
- Assume overall accountability for all aspects of the application
- Issue grant award notification and contract on behalf of all partner LAGs
- Assume responsibility for submission of financial claims and progress reports to agreed timetable, process all original documentation and return it to applicant
- Retain all relevant documents for audit purposes
- Verify match funding is secured and the goods are procured through approved processes
- Ensure adherence to agreed publicity guidelines and agreed deadlines
- Liaise with partner LAGs regarding claims, project progress, monitoring final financial reconciliation and proposed changes to project
- Ensure an effective system is in place to the agree change requests

The LAG Partners shall carry out the following duties:

- Determine which LAG partner undertakes the financial and technical checks
- Confirm grant approval by respective LAG
- It is for each LAG to confirm project fit with LDS
- Provide any necessary information and agree requirements for evidence-reporting & monitoring
- Retain documents for audit purposes
- Be represented on LAG Partner group meetings
- Monitor and verify progress of the project at a local level through claims process – progress report, verification of local outputs, site visits as appropriate
- Support and cooperate with the Lead LAG



Financial Reporting:

- Partners will agree detailed budgets and items for approved expenditure before the project commences - the Lead LAG will determine the eligibility of items claimed based on approved expenditure.
- Evidence of all costs should be retained in line with agreed procedures set out in the LEADER Guidance.
- Evidence of staffing cost should be supported by time sheets
- In kind goods or services must be verified by invoices or time sheets, however these do not attract LEADER funding.

Funding Package:

The figures below include each LAG partners' agreed intervention and percentage of the total eligible project costs

Summary of total project costs			
Total cost of project	Eligible costs	% rate of LEADER grant requested	Total LEADER Grant requested
Breakdown of total costs by LAG partner			
LAG Name	Approved Date	% of total grant approved	£ Grant approved
1.			
2.			
3.			
4.			
Maximum LEADER approved (£)			
Total match funding (£)			
TOTAL Eligible Costs (£)			

In line with the guidance the amount and percentage of LEADER grant based on actual eligible costs will be reconciled at the final claim. The intervention rates and letters of offer from participating match funders will be taken into account when reconciling a final claim.



SCHEDULE B

Project Name

Project Applicant Organisations

Project Summary

Brief Description of Co-operation Project

LAG Partners

	LAG Partner Organisation Name	Representative
1		
2		
3		
4		
5		

Applicant (Project delivery Partners)

	Organisation	Representative
1		
2		
3		
4		
5		

Project Timescale

Estimated Start date

Estimated Finish date

Area Covered by LAG or Project (Postcodes/datazones?)



The European Agricultural Fund
for Rural Development:
Europe investing in rural areas



**Scottish Rural
Development
Programme**



**The Scottish
Government**
Riaghaltas na h-Alba

Budget

The Approved budget is set out below and is taken from the application form

Expenditure	Cost	Total Cost
Total:		

Project planned milestones

Key milestones and times schedule agreed to deliver the project as set out in the application

Key milestone	Date to be achieved	Estimated Expenditure

Contacts

Lead (LAG)

Name of Lead Partner Organisation	
Name of Chairperson	
Chairperson Address	
Chairperson Telephone No.	
Chairperson Email	
Name of Contact Person for this form (Co-ordinator)	
Position of Contact Person	
Contact Person Telephone No.	
Contact Person Email	



The European Agricultural Fund
for Rural Development:
Europe investing in rural areas



**Scottish Rural
Development
Programme**



**The Scottish
Government**
Riaghaltas na h-Alba

LAG Partner	
Name of Partner Organisation	
Name of Chairperson	
Chairperson Address	
Chairperson Telephone No.	
Chairperson Email	
Name of Contact Person for this form (Co-ordinator)	
Position of Contact Person	
Contact Person Telephone No.	
Contact Person Email	

LAG Partner	
Name of Partner Organisation	
Name of Chairperson	
Chairperson Address	
Chairperson Telephone No.	
Chairperson Email	
Name of Contact Person for this form (Co-ordinator)	
Position of Contact Person	
Contact Person Telephone No.	
Contact Person Email	

Applicant organisation	
Name of Organisation	
Name of Chairperson/ Contact	
Chairperson Address	
Chairperson Telephone No.	
Chairperson Email	
Name of Contact Person for this form	
Position of Contact Person	
Contact Person Telephone No.	
Contact Person Email	
LAG Area	



Agreement

Article 1 Eligibility

All parties to this document agree that the project fits with all participating LAGs' Local Development Strategies (LDS), has been approved by each of the participating partner LAGs, and that the grant contribution is as set out in Schedule B. The applicant must also have secured the required match funding and provided evidence of compliance with the terms and conditions set out in the LEADER Guidance and the letter of offer.

Article 2 Composition of the agreement

The agreement comprises the declaration, Schedule A, Schedule B and relates to the above project as set out in the approved application form.

Article 3 Applicable law and competent court

The agreement is governed by Scots Law.

Article 4 In case of dispute between partners

In the event of a disagreement between the co-signatory parties of the present agreement, the aforementioned shall attempt to find an amicable solution.

In the event where disagreement persists, the records covering the execution of the present agreement shall come within the jurisdiction of the ordinary courts of Scotland once the lead LAG's complaints procedure has been exhausted.

Article 5 Time-schedule

The cooperation project will start according to the national rules set out in the LEADER Guidance. A detailed time-schedule is included in the agreement at Schedule A.

This agreement is valid for the duration of the project from the approved and agreed start date dd/mm/yyyy until the settlement of the final claim estimated at – dd/mm/yyyy.

Article 6 Early termination of the project

A project terminating before completion may result in a breach of conditions of grant or undertaking. Part 4 of the Rural Development (Scotland) Regulations 2015, link below, describes the action required.

www.legislation.gov.uk/ssi/2015/192/pdfs/ssi_20150192_en.pdf

Article 7 Financial Liability and Accountability

The nominated Lead LAG is responsible for processing claims on behalf of all the LAGs and will be responsible for ensuring budget management, approval and payment of claims and financial reconciliation.

The Authorising Signatory/Authorising Body of the Lead LAG under the terms of the SLA are responsible for settling penalties resulting from administrative or financial errors.



Article 8 Liaison and Support

The Partners shall liaise with each other through their nominated representative (as detailed in Schedule B), through whom they shall exchange information, give advice and consult on the working of the agreement. In the event that any Partner's nominated representative shall change, that Partner will notify the change to the Lead LAG in writing.

Article 9 Clause permitting the inclusion of new partners

Other LAGs may be included at any appropriate stage of the project implementation provided that there is a fit with their LDS and there is agreement between all existing partners. The agreement will be amended to reflect this.

Article 10 Clause permitting the withdrawal of partner LAGs

If a Partner LAG withdraws from the project the rationale will be recorded through the change request process and agreed by all partners and the agreement will be updated.

Article 11 Clause permitting other amendments/Change Requests

Other amendments including changes to budget, delivery schedule or activity are permitted only on mutual agreement and must be recorded in writing through the change request process and agreed by all partners through their respective processes.

Article 12 Appointment and Responsibility of Lead LAG

The partner LAGs agree that xxxxxxxxxx LAG will be the Lead LAG for the duration of the project. In appointing the Lead LAG the partners have considered the views of the applicant as well as the geography, location and logistics of the proposed project.

The Lead LAG has the accountability for administering the project claims and monitoring overall progress, making payments to the applicant on behalf of all partner LAGs and submitting claims to the Paying Agency. The Lead LAG is the channel of communication with the applicant/s, partner LAGs and the Paying Agency and will provide any information required on the progress of applications: finance and actual achievements. In the event of the Lead LAG withdrawing the remaining LAGs will appoint a new Lead LAG.

Article 13 Responsibility of Partner LAGs

Partner LAGs will appoint and support a Lead LAG to coordinate the administration, financial management and monitoring the overall project progress on their behalf. All partner LAGs will be required to approve any proposed changes to the project activity or budget.

Article 14 Responsibility of Applicant

The applicant will liaise with the nominated representative of the Lead LAG. The applicant will submit timeous claims to an agreed schedule of milestones, provide supporting documentation, report on project progress, submit a final report, and give advance notice of any proposed changes to the project activity or budget. The applicant will notify the nominated Lead LAG representative in the event of any serious issues arising that may threaten the continuation of the project.



Article 15 Responsibility of the Paying Agency

The Paying Agency will be responsible for holding the cooperation budget, reimbursing the Lead LAG and deducting the agreed contribution from partner LAG budgets at source, in line with the LEADER and the SLA. The Paying Agency will undertake 100% pre-approval checks on applications from LAGs/Accountable Bodies. The Paying Agency will also undertake financial checks on up to 5% of cooperation claims submitted prior to payment to ensure audit compliance and to reduce the risk of financial penalty. The Paying Agency will liaise with the Lead LAG on all matters relating to the project and any issues arising.

Article 16 Claims

The Lead LAG will process all claims in line with agreed milestones and determine the eligibility of items claimed under the agreed budget, ensure that the final reconciliation of expenditure follows procedures set out in the LEADER Guidance and that all partner LAGs have verified the progress report on the database prior to releasing payment.

Article 17 Monitoring & Evaluation

The Lead LAG will be responsible for monitoring overall project progress through the claims process (progress reports) and site visits as appropriate (e.g. post approval, pre-final payment check). All partner LAGs will be responsible for verifying their respective LDS outcomes, project outputs and progress in their respective areas and will attend project site visits as appropriate. This will include reporting on individual LDS outcomes. The Lead LAG will communicate with partners if any issues emerge during the course of monitoring and seek consensus on how these should be dealt with. On-The-Spot and Ex Post Checks will be carried out by the Paying Agency where selected.

Article 16 Communications & Publicity

Participating LAGs will agree to use the LEADER logo. The Lead LAG will coordinate communications and publicity.



Declaration

We the undersigned, representing the LAG partners and project applicant/s, hereby declare ourselves committed to administration and monitoring arrangements of the cooperation project defined in this agreement, declaration and accompanying schedules according to the terms and also certify the veracity of the information contained therein.

The agreement is signed in _____ (*insert LAG area*) on _____ (*insert date*) and it is signed by ___ (*insert number of signatories*) who hold original copies.

Lead LAG	
Partner Organisation	
Chairperson Signature	
Chairperson Name	
Date	
Co-ordinator Signature	
Co-ordinator Name	
Date	

LAG Partner	
LAG Partner Organisation	
Chairperson Signature	
Chairperson Name	
Date	
Co-ordinator Signature	
Co-ordinator Name	
Date	

LAG Partner	
LAG Partner Organisation	
Chairperson Signature	
Chairperson Name	
Date	
Co-ordinator Signature	
Co-ordinator Name	
Date	

Applicant organisation	
Representative	
Signature	
Name	
Date	



Notes for completing the LAG Cooperation Funding Agreement between Scottish LAG Partners

Please be aware that these notes should be read in conjunction with the full LEADER Guidance.

Schedule A

1. Project Name & Timeline	Please provide a project name agreed to by all partners as the title of the project to be used whenever the project is referenced. Also include estimated Start and Finish dates.
2. Nominate LEAD LAG	Please nominate a lead LAG
3. Partner LAG partner roles and responsibilities	No action required
4. Finance reporting	No action required
5. Budget:	Please provide a budget breakdown for all costs and then detail the costs per Partner/LAG
6. Funding Package	Please detail the financial contributions towards the project made by each LAG partner
7. Project Milestones	Please list all the key milestones

Schedule B

Project Name	Confirm project name
Project organisations	List all organisations involved in the project
Project Summary	Provide a brief descriptive summary of the project outlining the objective of the initiative and a summary of activity to be undertaken
LAG Partners	List the LAG partners involved in the delivery of the project
Applicant Partners	List the applicant partners involved in the delivery of the project
Project Timescale	These are anticipated start and finish dates and should be the same dates as used in the application form
Area covered	Area or region covered by the project
Contacts	Provide contact details for all the project partners. Where the partner is not a LAG please list the name of the organisation responsible for the Local Programme (i.e. the LAG for the area).