



**An Roinn Forbartha  
Tuaithe agus Pobail**  
Department of Rural and  
Community Development

# **Rural Regeneration and Development Fund**

## **Third Call for Category 2 Applications**

### **Information Booklet**

May 2021



**Rialtas  
na hÉireann**  
Government  
of Ireland

**Tionscadal Éireann**  
Project Ireland  
**2040**

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## Scheme Outline

### 1. Rural Regeneration and Development Fund

Under Project Ireland 2040, funding has been provided for the Department of Rural and Community Development's **Rural Development Investment Programme**.

A key element of this programme is the **Rural Regeneration and Development Fund** ("the Fund") which was established in 2018. The Fund seeks to provide investment to support rural renewal, strengthen and build resilience in rural communities and assist in the regeneration of towns and villages with a population of less than 10,000, and outlying areas.

The Fund, and other funding interventions delivered through the Rural Development Investment Programme, such as the Town and Village Renewal Scheme, CLÁR, the Local Improvement Scheme and the Outdoor Recreation Infrastructure Scheme, seeks to assist in achieving the National Strategic Outcomes of *Strengthened Rural Economies and Communities*, set out in the *National Development Plan 2018-2027* and the Key Deliverables and Policy Measures in *Our Rural Future*, the Government's Rural Development Policy 2021-2025.

The Fund is administered by the Department of Rural and Community Development. To date, the Fund has allocated funding of €249 million for 164 projects around the country worth a total of €338 million.

### 2. Objectives of the Fund

Arising from the challenges posed by the Covid-19 pandemic, a significant opportunity now exists to realise the objectives of achieving balanced regional and rural development and maximising a recovery for all parts of our country.

The Government's roadmap for capitalising on this opportunity is set out in *Our Rural Future, the Rural Development Policy 2021-2025*, which is fully in accordance with the aims of the National Planning Framework and the National Strategic Outcomes and the priorities of the National Development Plan.

The Key Deliverables set out in the new policy therefore represent the objectives of this Fund for the 4 year timeframe of the policy.

In that regard, we are seeking to support projects which will provide the necessary facilities and infrastructure, most notably in terms of revitalising our rural towns and villages, remote working and enterprise development, which will play a part in attracting people back to live in rural areas.

In addition, the capital investment provided by the Fund can assist in achieving the development of key economic growth sectors such as the bio-economy and agri-food; assist other sectors, such as tourism, in meeting new challenges; improved community development and quality of life; and the protection of the environment and implementing climate action.

The Fund seeks to support coordinated and collaborative projects between Government Departments, State agencies, Local Authorities, other public bodies, communities and, where appropriate, philanthropic funders and/or the private sector, which will have an impact on sustainable economic and social development in rural areas.

It should be noted that the Fund will only support investments of scale which would not otherwise be delivered without the additionality provided by the Fund, prioritising projects that are outside the scope of funding by existing schemes. In this context, projects are likely to be multi-annual and multi-faceted, involving a number of elements or phases as part of a broad strategic plan.

Funding will be awarded through a competitive bid process, based on the extent to which applications deliver on the objectives of the Fund and the various requirements and criteria set out as part of this document. The Department, assisted by an independent Project Advisory Board, will consider the applications submitted and submit recommendations for funding to the Minister.

### 3. Applications Sought

This is the third call for applications under the Fund for proposals under **Category 2** which relates to **project development and enabling initiatives**.

Category 2 proposals should address the detailed development of projects which would enable them to reach Category 1<sup>1</sup> readiness. Such work might encompass detailed design, preparation for the planning and/or procurement processes etc. Proposals may also cover expenditure on enabling initiatives, such as property or land purchase necessary to deliver major regeneration work in a town or village, provided the proposals are prepared subject to a regeneration plan for the area concerned. Proposals can also include provision for the contracting of external assistance in relation to the above or the time of existing staff, subject to procurement requirements.

As a rule of thumb, development work which brings the project to a greater level of readiness for capital works is covered by Category 2. Work which establishes the

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<sup>1</sup> Category 1 projects are ready to commence, with all planning and consent requirements satisfied.

rationale or helps make a case for the capital investment, such as feasibility studies or research to underpin a business case, is not covered.

Please note that **Category 1** proposals – capital projects which are ready to commence – are not being sought at this time. A fourth call under the Fund for Category 1 proposals will open later in 2021.

It is important to note that success in this Category 2 call relates only to securing grant funding for the cost of project development, in whatever form that takes. It does not follow that any proposal which is successful in this (or any other) Category 2 call will automatically be in line for funding under future Category 1 calls. Category 2 projects which are progressed to Category 1 readiness will be subject to a competitive application process under future calls.

## 4. Support Available

As previously the case under Category 2, there is no minimum or maximum request from the Fund, but all proposals must demonstrate detailed project costings and clear value for money. It should be noted that the requirements of the [Public Spending Code](#) will apply to all projects as they develop.

As a general rule, the Fund will provide up to 80% of the total project value, with at least 20% to be provided in matching contributions by the applicants. A minimum of 20% of the matching contributions element must be in cash.

Match funding may be in the form of a combination of wider Exchequer and/or State sector expenditure, Local Authority investment and/or land, community investment, philanthropic contributions, private sector investment (where appropriate), or other asset contributions. Funds secured from existing Department of Rural and Community Development schemes or programmes are not eligible to be used as matched funding.

Where land or other assets are being put forward as elements of match funding this must be supported by appropriate evidence relating to the value of the land or assets concerned, such as an up-to-date valuation provided by an accredited source.

The precise level of grant for an individual project will depend on the nature and quality of the proposal. In some cases, the Fund might form the minor part of the total investment, providing a small but important element of funding to add value to a larger project which already has substantial funding commitments in place.

In cases where projects are proposed of a type or funding level which could conceivably raise questions relating to [State Aid](#)<sup>2</sup>, it will be expected that applicants will have carried

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<sup>2</sup> <https://dbei.gov.ie/en/What-We-Do/EU-Internal-Market/EU-State-Aid-Rules/What-is-State-Aid/>

out their own enquiries with a view to making a case to the Department, as part of their application, that State Aid issues do not arise. The final judgement on such matters will, however, remain the responsibility of the Department.

## 5. Who can apply?

For the purposes of compliance with public financial procedures, the lead party to an application must be a State-funded body.

A lead party – i.e. a State-funded body - is only permitted to submit a maximum of 3 applications to this Category 2 call.

For the purposes of clarity, State-funded bodies are local authorities, Local Development Companies and other State agencies, including Commercial State bodies. Community organisations, voluntary groups or other civil society bodies cannot act as the lead party to an application but can partner with a State-funded body which would be in a position to assume the lead party role.

Proposals under the Fund should generally demonstrate a collaborative approach between two or more organisations. The purpose of collaboration should not be exclusively to lend financial or general policy support to a project but should denote a full endorsement of the stated rationale, aims and expected outcomes for that particular project. In that regard, it would be of significant benefit, in instances where a project is aimed at delivering benefits in a particular sector or area, to have secured the collaboration and support of the relevant authority or agency with overall responsibility for that area or sector.

Applicants must be able to demonstrate that the Fund can provide additionality to their existing level of activity and deliver a sustainable impact on rural areas. In that regard, it should be noted that this Fund sets out to complement other funding schemes operated across Government but will not act as a substitute or replacement for them.

## 6. Eligible Areas

The Fund focuses on all settlements and rural areas with fewer than 10,000 people which are located outside the five city metropolitan areas. Projects that involve collaboration across Local Authority boundaries, as well as within those boundaries, are strongly encouraged, where the participating settlements/areas meet the population criteria.

Rural towns with a population of over 10,000 people will be eligible to apply for funding under calls for the Urban Regeneration and Development Fund, which is administered by the Department of Housing, Local Government and Heritage.

A small number of specified towns with fewer than 10,000 people but with more than 2,500 jobs (2016 baseline) and which function as significant centres of employment may also be eligible for support under the Urban Regeneration and Development Fund (see Appendix 1). However, no individual project will be able to avail of both the Urban and Rural Funds.

## 7. Key Criteria

To achieve the objectives of the Fund, proposals should demonstrate:

- The **capacity to deliver** on the National Strategic Outcome of *Strengthened Rural Economies and Communities*, Local Economic and Community Plans, County Development Plans, Regional Spatial and Economic Strategies, or other development plans/strategies.
- **Collaboration**, involving relevant Government Departments, State agencies, Local Authorities and other bodies as appropriate; and **endorsement** by key stakeholders such as the relevant authority or agency with overall responsibility for that area or sector in which the project is located.
- **Sustainability**, the capacity of the final completed project to deliver lasting benefits which will outweigh the investment made and be in a position to achieve and maintain financial independence.
- **The delivery of Our Rural Future** – evidence-based links to the achievement of Key Deliverables and specific policy measures set out in the Rural Development Policy 2021-2025.
- A contribution to achieving the **transition to a competitive, low carbon, climate-resilient and environmentally sustainable economy**.
- **Transformative potential**, the capacity of the final completed project to deliver transformative change for a rural town or village, deliver social and economic benefits for rural communities and act as a catalyst for increased activity in a rural area.
- **Additionality**, how the project could not otherwise take place without the Fund and how the Fund is not acting as a substitute for investment which is already provided for under the remit of another Department or agency.
- **Value for Money** – funding a project which will deliver outputs and outcomes which will justify the investment made.

- **Leveraging of funding** from the parties to the application, including philanthropic funders and/or the private sector where appropriate.
- A **significant and sustainable impact**, once complete, on the social or economic development of rural communities.

## 8. Type of Proposals Sought

As set out above, the Key Deliverables set out in *Our Rural Future, the Rural Development Policy 2021-2025* represent the objectives of this Fund.

The twin focus of this third call for Category 2 applications will therefore be to provide development support to capital projects which make the best case in relation to:

- Assisting in revitalising our rural towns and villages through planned and sustainable regeneration projects which will drive greater economic activity and footfall, address dereliction and ensure the re-use of heritage and other existing buildings; and
- Providing the necessary facilities and infrastructure in settlements, in terms of remote working, connectivity, town centre residency, economic and enterprise development etc, which will assist in attracting people back to live in rural areas.

Proposals which help contribute to the transition to a competitive, low carbon, climate-resilient and environmentally sustainable economy will receive additional weight as part of the assessment process.

The type of interventions that will be supported from the Fund can include:

- A range of measures in towns and villages which support regeneration and greater footfall and activity, which might include:
  - Measures to address building vacancy in order to encourage town centre regeneration, including building refurbishment, redevelopment, re-use of heritage buildings, and/or demolition;
  - Support for town centre residency projects;
  - Public realm works which complement or assist in regeneration, residency, increased pedestrianisation, or other measures to drive greater activity in towns and villages;
  - Projects which take an integrated approach to developing employment opportunities within a town and/or its environs, for example, based around a sectoral strength (e.g. an industry cluster) or a cultural, heritage or environmental asset;

- Projects which deliver business infrastructure within town centres, remote working facilities and facilitation works e.g. works to unlock key areas within town centres for business development (subject to State Aid rules); and
  - Other measures to address infrastructural deficiencies in towns and villages in relation to services, access, or other infrastructure that may be needed.
- Co-location facilities which enable the clustering of services in a town or village.
  - Major projects which consolidate and better position our strong existing tourism offering, with particular focus on projects in pursuance or support of existing Masterplans, major tourism routes (for example, the Wild Atlantic Way) or Visitor Experience Development Plans and those which seek to avail of evidence-based opportunities, including environmental or ecotourism, adventure and marine tourism.
  - Projects that support the development and diversification of the agri-food sector in rural areas. For example, the development of production facilities to demonstrate the potential of the bioeconomy, provision of facilities to add value to agri-food products and/or to encourage innovation and collaboration in the sector, the conversion of existing agri-food related buildings etc.
  - Projects that support job creation, entrepreneurship and innovation in rural areas (e.g. development of Digital Hubs, Enterprise Hubs, Creative Hubs, landing spaces, training facilities). It should be noted that in relation to such projects it will be important that the proposal meets an identified need or deficiency in an area. It should also be noted that exclusive priority will be given to proposals which will locate hubs or other facilities directly within towns and villages and which re-purpose or renovate existing sites as part of the proposal.
  - Projects which assist in the economic development of island communities or enhance linkages with the mainland; and
  - Projects which deliver on multiple objectives will feature particularly strongly, for example, delivering a town centre regeneration project which also contributes to economic, tourism, community or cultural development.

This list is not exhaustive but provides an indication of the type of activities which will be eligible for support.

It is also important to note that the type of projects supported by the Fund and the level of investment likely to be considered is large-scale and ambitious in nature and therefore must deliver value for money in terms of the level of population which will benefit.

In addition, given the significant need and demand in terms of town and village centre regeneration and the provision of facilities and infrastructure which will assist in attracting people back to live in rural areas, it is of fundamental importance that the Fund focus its support on projects which can deliver on these objectives and other key objectives in *Our Rural Future* but which have no particular funding stream from which they can draw. In that regard, priority will not be accorded to certain project types which are of less direct benefit in achieving these objectives as well as those which could avail of existing funding streams. These project types include, but are not necessarily limited to:

- Sports projects, particularly projects benefitting one sport;
- Projects which overly benefit very small segments of population, e.g. clubs, or facilities which are exclusive or limited in terms of access for all;
- Greenways (providing appropriate landing and connections to town or village centres will be considered, as will major ancillary development along routes that meets other objectives e.g. regeneration);
- Beach facilities or development;
- Single purpose community developments - new or refurbished community centres which do not encompass multiple objectives e.g. meeting an evidence-based need for remote working facilities, achieving regeneration etc;
- Roads projects or car parking which do not contribute or are not linked to town centre regeneration or other significant objectives such as delivering greater civic space or facilitating public transport etc;
- New or existing museums, galleries or cultural facilities located outside town and village centres;
- New build projects outside settlements.

## 9. Project Selection process

A Project Advisory Board is in place to oversee the assessment of proposals and to advise the Minister for Rural and Community Development on the proposals received. The Advisory Board is chaired by the Department of Rural and Community Development and is comprised of a number of relevant Government Departments, as well as external experts.

Projects will be assessed using the criteria at Appendix 3. The initial assessment and analysis process will be undertaken by the Department of Rural and Community

Development. The outcomes from this process will be considered by the Project Advisory Board and, together with:

- the observations and advice of the members of the Board; and
- a final determination on the extent to which projects align with the National Strategic Outcome of *Strengthened Rural Economies and Communities, Our Rural Future* and the overall objectives of the Fund, economic recovery and the requirement to achieve balanced regional development,

will then form the basis for the preparation of a report by the Department to the Minister on projects to be recommended for funding.

Final decisions on the funding of projects will be made by the Minister for Rural and Community Development, following consideration of the recommendations provided.

## **10. Payment Schedule**

Payments from the Fund will be made on a phased basis over the course of project development on the basis of milestones being achieved by the project promoters. Full details will be included in the Funding Agreement signed with the successful applicants.

## **11. Financial governance and Project reporting requirements**

All expenditure incurred will be subject to the terms of the Public Spending Code which can be found at <http://publicspendingcode.per.gov.ie/>, and the Capital Works Management Framework, available at <https://constructionprocurement.gov.ie/capital-works-management-framework/>.

In general, the requirements outlined below will apply to all funding approved from the Fund.

1. All appropriate central and/or local Government financial, procurement and accounting rules and regulations will be complied with.
2. Any legislative requirements relevant to the project will be adhered to.
3. Each Lead Applicant will fully account for the sums advanced in a timely manner.
4. All projects will be subject to audit by the Department of Rural and Community Development and/or the Comptroller and Auditor General and/or the Local Government Audit Service. Full and accurate documentation to support all expenditure should be maintained and accessible for audit purposes at all times and for a period of six years from the date of completion of the project.

5. On-going monitoring and evaluation of the project outputs and outcomes should take place in the context of assessing the impact of the intervention. The Lead Applicant will be expected to collect appropriate data to facilitate this process on an on-going basis and make this data available to the Department of Rural and Community Development.
6. Projects will acknowledge the support of the Rural Regeneration and Development Fund in all public announcements and advertising relating to the project and will use all relevant branding as set out in the Funding Agreement.
7. The Department of Rural and Community Development and/or the Government of Ireland may highlight the project in the promotion of the Fund or of its wider policies.
8. The Lead Applicant will provide any reports and information relating to the project as may reasonably be requested by the Department of Rural and Community Development from time to time.
9. Each Lead Applicant will provide a contact point to the Department to facilitate timely interaction in the context of payments and information requests.
10. A final report detailing all elements of expenditure relating to the grant aid will be required upon project completion.

The current *Funding Agreement and Terms and Conditions* template for the Rural Regeneration and Development Fund is available at [www.gov.ie/drcd](http://www.gov.ie/drcd). Non-Compliance with the rules outlined above, or any additional stipulations agreed during contract negotiations, may result in a requirement to refund part or all of the grant aid awarded.

## 12. Timelines

The third call for Category 2 proposals under the Rural Regeneration and Development Fund will open on 12 May 2021.

The deadline for the receipt of applications is **12 noon on Friday, 30<sup>th</sup> July 2021**. **Applications should be submitted electronically** on the official Application Form which is available on the website of the Department of Rural and Community Development at [www.gov.ie/drcd](http://www.gov.ie/drcd).

All applications will be acknowledged and a unique project identified number assigned. It should be noted that applications must be completed in full before submission. Incomplete applications will be omitted from the process.

It is envisaged that an announcement of approved projects will be made in October 2021, following the assessment process.

To contact the Rural Regeneration and Development Fund Team, or to submit an application, please email: [rrdf@drcd.gov.ie](mailto:rrdf@drcd.gov.ie).

## Appendix 1

### Towns eligible for URDF or the RRDF

Towns with population of less than 10,000 people and >2,500 jobs (2016) which may be eligible for support from either the Urban Regeneration and Development Fund or the Rural Regeneration and Development Fund, but may apply for funding under one scheme only.

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- 1 Gorey
- 2 Shannon
- 3 Nenagh
- 4 Westport
- 5 Roscommon
- 6 Monaghan
- 7 Tuam
- 8 Thurles
- 9 Dungarvan
- 10 New Ross
- 11 Ballinasloe
- 12 Carrick-on-Shannon
- 13 Trim

## Appendix 2

### National Strategic Outcomes

Project Ireland 2040 sets out a comprehensive framework for the future development of Ireland, identifying 10 National Strategic Outcomes as follows:

1. Compact Growth
2. Enhanced Regional Accessibility
3. Strengthened Rural Economies and Communities
4. Sustainable Mobility
5. A Strong Economy, supported by Enterprise, Innovation and Skills
6. High-Quality International Connectivity
7. Enhanced Amenity and Heritage
8. Transition to a Low Carbon and Climate Resilient Society
9. Sustainable Management of Water and other Environmental Resources
10. Access to Quality Childcare, Education and Health Services

Further details on the National Strategic Outcomes are available at:  
<http://www.gov.ie/en/project-ireland-2040>.

## Appendix 3

### Rural Regeneration and Development Fund

#### Project Appraisal Scheme

Assessment Criteria	Max. marks available
<i>Policy objectives</i>	
<p>Extent to which national, regional and local strategic objectives (the National Strategic Outcome of <i>Strengthened Rural Economies and Communities</i>, County Development Plans, LECPs etc) are met</p> <p><i>Note: Marks will likely be awarded based on a judgement of the extent to which proposals meet national, regional and local objectives and specific requirements or priorities set out in sectoral, regional or county strategies or plans. Marking will also likely be informed by a judgement as to how the outcomes of proposed projects meet such objectives or requirements and the level and quality of evidence provided to support these links.</i></p>	<p>100<sup>i</sup></p> <p><sup>i</sup> Pass mark of 60 (60%)</p>
<p>Collaboration between promoting parties and level of endorsement of key local and sectoral authorities for proposal</p> <p><i>Note: Marks for collaboration will likely be awarded based on a judgement of the level of added value provided by the collaboration proposed as part of a project e.g. through working across boundaries or joining together to reach shared goals. The judgement of marking will also likely be informed by level of collaboration and support provided by the relevant authority or agency with overall responsibility for the area or sector which a project is located in or aimed at.</i></p>	<p>100</p>
<p>Capacity of partners to deliver project as envisaged and to meet Public Spending Code and governance requirements</p>	<p>100<sup>i</sup></p>

<p><i>Note: Marks will likely be awarded based on a judgement of the track record of the project partners in terms of their delivery of projects through the Rural Regeneration and Development Fund and other Department of Rural and Community Development funding programmes, the strength of the Governance arrangements set out, the project development plan set out and the associated timelines and milestones, arrangements for monitoring, project management, financial oversight and compliance with PSC requirements.</i></p>	<p><sup>i</sup> Pass mark of 60 (60%)</p>
<p>Extent to which Key Deliverables and specific policy measures set out in the Rural Development Policy 2021-2025 are supported by the proposal</p> <p><i>Note: Marks will be awarded based on a judgement as to the extent to which proposals detail and provide support and evidence for the project's links to the achievement of Key Deliverables and specific policy measures set out in the Rural Development Policy 2021-2025</i></p>	<p>100</p>
<p>Extent to which the proposal can assist in the transition to a competitive, low carbon, climate-resilient and environmentally sustainable economy</p> <p><i>Note: Marks will be awarded based on a judgement as to the extent to which proposals contribute to delivering on this priority</i></p>	<p>100</p>
<p><b>Potential Impact</b></p>	
<p>Economic or social impact on rural areas or communities (e.g. jobs, investment, place-making, etc)</p> <p><i>Note: Marks will likely be awarded based on a judgement of the level of innovation of the project, the robustness of the economic or social targets set out, the relevance of outcomes targeted by the project and proposals to measure the achievement of outcomes.</i></p>	<p>100</p>
<p>Transformative Potential, particularly in relation to rural towns and villages</p> <p><i>Note: Marking will likely be informed based on a judgement of the extent to which the completed project</i></p>	<p>100</p>

<p><i>will in the future contribute to balanced regional and local development, the extent it will likely deliver transformative change for a rural town and village and result in social and economic benefits for rural communities, particularly where need for such change is identified as most acute, and the extent to which it will act as a catalyst for increased activity and development in a rural town or village once complete.</i></p>	
<p>Sustainability</p> <p><i>Note: Marks will likely be awarded based on a judgement of the capacity of the project, once complete, to deliver lasting impacts which will outweigh the investment made and/or the capacity of the project to achieve financial independence in the future.</i></p>	<p>100<sup>ii</sup></p> <p><sup>ii</sup> Pass mark of 60 (60%)</p>
<b>Quality of budgetary proposal</b>	
<p>Overall quality of budgetary proposal and Value for Money</p> <p><i>Note: Marks will likely be awarded based on an overall judgement on the value for money of the project development work proposed, informed by the future size and scope of the proposal, its geographic and population reach and its likely impact on people and communities in rural areas, in comparison to the scale of the investment which will be sought. This will also be informed by the robustness of the budgetary proposal and a judgement as to the appropriateness of the costs set out.</i></p>	<p>100<sup>iii</sup></p> <p><sup>iii</sup> Pass mark of 60 (60%)</p>
<p>Additionality</p> <p><i>Note: Marks will likely be awarded based on a judgement as to the likelihood of the project proceeding in the absence of the Fund, the extent to which the Fund allows the project to be undertaken on a larger scale or to impact on a wider population, the availability of other funding outlets which the project could avail of, the extent to which investment is relevant to the project is potentially already provided for under the remit of any Department or agency and the extent to which the project has unlocked funding from other partners.</i></p>	<p>100</p>

TOTAL	1000
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