



Rialtas na hÉireann
Government of Ireland

PMC Meeting 22 October 2019

Agenda Item 8 - Update on Use of SCOs in PEIL

Social Inclusion and Community Activation Programme (SCIAP II)

1. The SSUC proposal for this activity was submitted to the Commission on 8th May (based on the annual cost of a SICAP worker comprising gross salary, employers' PRSI, employers' pension (if applicable) plus 40% flat rate overhead less any revenue received). Following engagement with the Commission, the SSUC was adopted by the Commission on 27th September 2019. The Delegated Act adopted provides for the SSUC of the Annual Rate per Full-time equivalent (FTE) SICAP worker of €70,262 to cover all eligible costs of the operation with the unit of measurement being the Number of SICAP workers (FTE) per year.

Technical Assistance

2. The lumpsum proposal for TA was submitted to the Commission on 10th May based on each new unit of €100,000 of total eligible expenditure included in an ESF payment application to the EU Commission attracting a lump sum of €2,182. Following engagement with the Commission the MA agreed to proceed on the basis of a lump sum of €2,323.03 per €100k included in payment applications made in 2019/20 or subsequent accounting years. This would have allowed us to claim €18m in respect of TA. This lump sum is provided for in Annex X of the DA adopted by the Commission.

A copy of the Annex X to the DA adopted is attached.

Delegated Act on Flat-Rate Financing

3. The Commission adopted a Regulation on 28th August 2019 establishing flat-rate financing for TA of 4% for the ESF/ERDF and 6% for EMFF. Only expenditure which has been subject to management verifications following the entry into force of the Regulation may be included in the basis for the calculation of the flat rate as from the 2019/20 accounting year.
4. The Commission has confirmed that it open to us to use the lump-sum adopted or the flat rate of 4%.
5. Based on our initial assessment it will be more beneficial to us to use the 4% flat rate to draw down the full €20m TA allocation.

SCO value in Payment Applications to end June 2019

6. The total value of the Payment applications submitted to end June 2019 was €362,735,301

Priority axis	Fund	Category of region	Calculation basis	Total amount of eligible expenditure incurred by beneficiaries and paid in implementing operations	Total amount of public expenditure incurred in implementing operations
P1	ESF	More developed	Total	137,357,579.00	137,357,579.00
P2	ESF	More developed	Total	14,505,088.59	14,505,088.59
P3	ESF	More developed	Total	93,871,554.11	93,871,554.11
P4	YEI		Total	117,001,079.06	117,001,079.06
PA 5	ESF	More developed	Total		
Total	ESF	More developed		245,734,221.70	245,734,221.70
Total	YEI			117,001,079.06	117,001,079.06
Grand total				362,735,300.76	362,735,300.76

Of this total of €362m, 50% was claimed on the basis of real costs, 38% based on SSUCs and 12% based on flat rates.