

What are Local Development Companies?

- Local Development Companies (LDCs) are non-profit organisations that deliver a range of programmes that tackle poverty and social exclusion, assist enterprise creation, support the long-term unemployed and offer education and training supports.
- This is done in partnership with a number of government departments and agencies including the; Department of Social Protection, Department of Environment, Community & Local Government, Department of Education & Skills, Department of Children & Youth Affairs, Department of Transport, Tourism & Sport, and the HSE.
- An example of just some of the programmes delivered by the 50 LDCs are; the Local & Community Development Programme, the Rural Development Programme (LEADER), Tús, the Rural Social Scheme, Jobs Clubs, Back to Work Enterprise Allowance, Rural Transport Programme, Healthy Food Made Easy, CE & JI Schemes and Local Employment Services.
- These programmes are delivered using the **community-led, bottom-up approach that has been recognised as best practice at an EU level.**

What do the local government reforms mean?

- Local Authorities, through newly formed Local Community Development Committees, will be responsible for the two core funding programmes of LDCs; the Local & Community Development Programme & the Rural Development Programme (LEADER).
- **The Local & Community Development Programme will be open to public tendering meaning for profit companies may end up being responsible for the delivery of it. The LEADER Programme will also be subject to tendering, details of which yet to be announced by the Department of Environment, Community & Local Government.**
- Without these two core programmes, **it will be difficult for LDCs to survive and continue providing the range of other programmes/services they deliver to communities.**
- **With circa 1,900 people employed by LDCs, this could result in not only significant jobs losses, but also the loss of the extensive expertise these staff members have built-up over the past 20 years.**
- **The volunteer based Boards of Management of LDCs that make the key decisions on how best to invest funds in their local areas while achieving the best return for the sustainable development of their community, could also be lost.**
- Communities could also lose out on the additional funding leveraged by LDCs to complete community projects as Local Authorities are not permitted to leverage money from philanthropic sources. This would be a huge blow to communities who in 2012 benefited from an additional **€100m from philanthropic, statutory and private sources which helped complete projects that would otherwise not have been completed.**

Will these changes save money?

No. In fact **these changes will cost money.** A comparison of LDC staff costs for five key comparable positions within local authorities showed that LDC staff costs were lower in each case (Smith Everett & Associates, July 2013).

What should happen instead?

1. LDCs should remain the designated organisation to design and deliver local development strategies for both the Rural Development Programme (LEADER) and the Local & Community Development Programme.
2. LDCs should be the EU recognised Local Action Group for the above funds and related funding streams, and not the Local Authorities
3. LDCs should be the decision maker when investing funds in local communities, enterprises and initiatives based on their integrated local development strategies.
4. LDCs should be able to continue to leverage additional funding for their communities to complete additional projects.