



LIFE+ Eligibility of Public Staff Salary Costs (the 2% Civil Servant Rule)

The 2% civil servant rule applies to public body/authority civil servant personnel working on a LIFE+ project. In addition to the guidance provided by the EC's LIFE Unit, Beta as the UK National Contact Point has created this short guidance note. If you think the rule might apply to you and your project please read the following guide.

The Rule

The civil servant rule can be found in Article 25.2 of the LIFE+ Common Provisions 2010. It states:

Civil servants' salary costs may be funded only to the extent that they relate to the cost of project implementation activities that the relevant public organisation would not have carried out had the project concerned not been undertaken. The staff in question must be specifically seconded to a project and they must represent an additional cost with respect to existing permanent staff. Moreover, the sum of the public organisation's contributions (as coordinating beneficiary and/or associated beneficiary) to the project must exceed (by at least 2 %) the sum of the salary costs of the civil servants charged to the project.

Section 1.6.10 of the LIFE+ guidelines for applicants 2010 also state:

Moreover, the sum of the public bodies' contributions (as coordinating beneficiary and/or associated beneficiary) to the project budget must exceed (by at least 2%) the sum of the salary costs of their staff charged to the project. This will be checked at both the selection phase and at the time of the final payment.

The cost of temporary personnel specifically recruited for the duration of the project and exclusively dedicated to its implementation shall not be taken into account in the calculation of the minimum amount of the public bodies' contribution mentioned above, on condition that:

(a) The contracts of such personnel do not begin before the date of signature of the grant agreement, nor finish after the end date of the project.

(b) The contracts mention the LIFE+ project specifically.

(c) The personnel concerned are employed exclusively for the implementation of tasks

The examples below demonstrate how this rule might be applied to your projects' finances.

Example 1: Existing staff specifically seconded to the project

The sum of the public authority/body's own contribution (direct and indirect costs) to the project budget must be exceeded by at least 2% the sum of its total existing civil servant staff costs charged to the project.

	Project (€)	Own Contribution (50%) (€)
Existing civil servant staff costs	100,000	76,000
Other direct costs	90,700	22,675
Indirect costs	13,300	3,325
TOTAL	204,000	102,000

In example 1, it can be seen that the total 'own contribution' €102,000 is 2% greater than the public organisation's total project staff costs €100,000, and therefore is acceptable. If the public authority/body has a low level of 'other direct costs' the same principle applies in that the total 'own contribution' must still exceed by at least 2% the sum of its staff costs charged to the project.

Example 2: Temporary staff specifically recruited to work on the project

Below is Beta's interpretation of the rule which relates to **temporary staff** recruited to public bodies/authorities to specifically work on a LIFE+ project:

	Project (€)	Own Contribution (50%) (€)
New staff costs	30,000	7,500
Existing staff costs	70,000	52,787
Other direct costs	35,000	8,750
Indirect costs (7%)	9,450	2,363
TOTAL	144,450	71,400

In example 2, total personnel costs are the same as in example 1 (i.e. €100,000), but 'own contribution' required has been reduced. By recruiting a temporary member of staff to work exclusively on the LIFE+ project (at a cost of €30,000), it means that the public body/authority now only has to contribute 2% in excess of its existing civil servant salary costs for staff already employed i.e. €70,000 + 2%.

Important note:

In the event that total 'own contribution' is **less than** 102% of civil servant staff costs charged to the project:

- The overall evaluation score could be affected.
- You may be asked to revise your project finances at contract negotiation.
- It may affect the EC contribution your project receives.

The rule states that staff in question must be specifically seconded to a project and must represent an additional cost with respect to existing permanent staff. This must be reflected in staff HR records/contracts and timesheets; etc. All projects (including all project partners) may be subject to an audit, and if it's found that civil servant staff **do not** represent an additional cost, the EC may apply financial penalties e.g. withhold payments to projects, or seek repayment.

Above all please check the legal status of your organisation. If your organisation is found to be a public body/authority according to LIFE+ regulations, then civil servant staff working on your project are subject to this ruling. **It is your responsibility to make these necessary checks.**

Contact

If you have any questions related to this or any other LIFE+ related query, don't hesitate to contact:

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For additional information please visit: www.betaeurope.co.uk



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