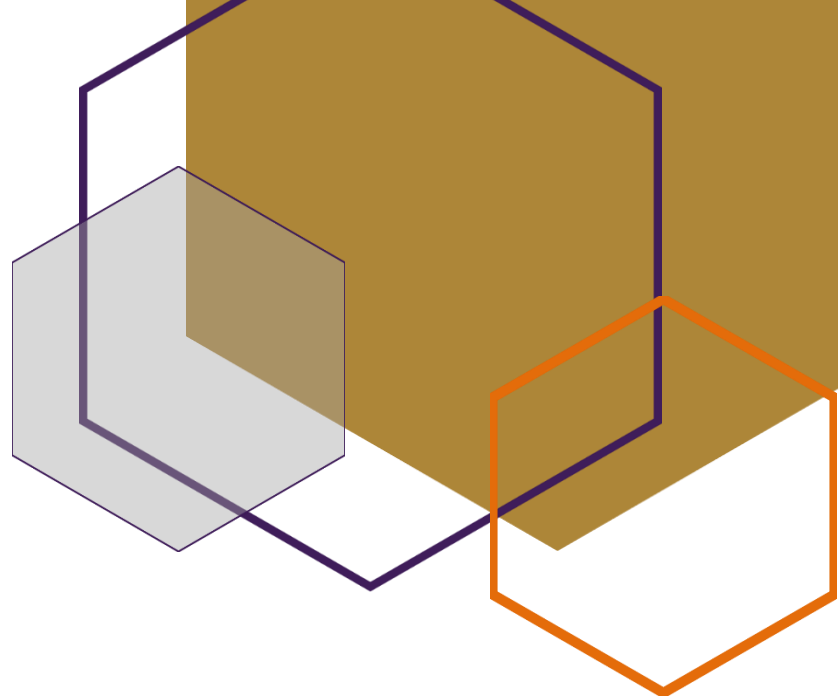




Special EU Programmes Body
Foras Um Chláir Speisialta An AE
Boord O Owre Ocht UE Projects



Implementation Evaluation Year 2

Implementation Evaluation of the PEACE IV Programme and
INTERREG VA Programme

Final Report

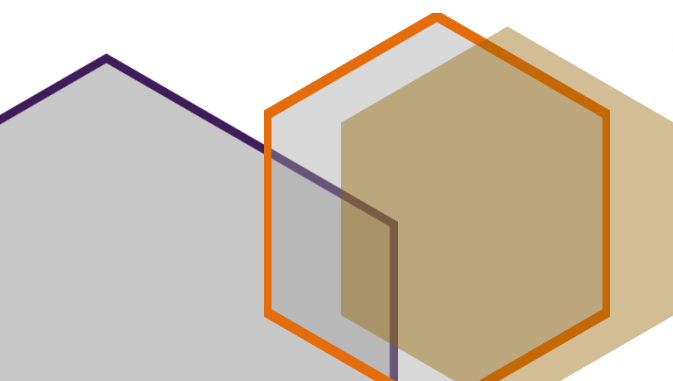


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I EXECUTIVE SUMMARY

The Special EU Programmes Body (SEUPB) commissioned SJC Consultancy to undertake the Implementation Evaluation of the European Union's Programme for Peace and Reconciliation 2014-2020 (otherwise known as the PEACE IV Programme (PIV)) and the European Union's Cross-border Programme for Territorial Co-operation, Northern Ireland, the Border Region of Ireland and Western Scotland 2014-2020 (otherwise known as the INTERREG VA Programme (IVA)).

The Implementation Evaluation is required to evaluate the extent to which the Programmes have been implemented as defined by the European Commission's (EC) adopted Cooperation Programme, with an emphasis on the reduction of the administrative burden. The Implementation Evaluation will be carried out over a three-year period and will result in three reports - first interim report (2017), second interim report (2018) and a final report (2019). The link to the Year 1 (2017) Implementation Evaluation Executive Summary can be found on SEUPB's website: <https://www.seupb.eu/piv-evaluation-plan>

Method Summary

Effective implementation will lead to enhanced outcomes; therefore, the Implementation Evaluation plays an important role in ensuring that administrative functions are being delivered effectively and efficiently.

Our approach to the evaluation involved the following research strands: extensive quantitative review of administrative and monitoring data; detailed review of processes; key stakeholder interviews; focus groups with SEUPB staff; online survey of successful and unsuccessful applicants; interviews with project beneficiaries (including a focus group with the PEACE Managers Forum); and interviews with unsuccessful applicants.

Key Findings and Recommendations

The PIV and IVA Programmes represent a long-standing partnership between the EC, Northern Ireland, Border Region of Ireland and Western Scotland, supported by the government departments of the UK, Ireland and Scotland. Since 1994, over £3.3billion has been invested in the eligible region, between EU and national contributions, to cement the journey towards cross-border co-operation, peace and reconciliation - the conditions needed to promote economic growth and prosperity.

The budget for PIV is €269.61m (ERDF and Government Department match funding) and for IVA is €282.76m (ERDF and Government Department match funding); totalling a substantial investment of €552.37m across the eligible area for the period 2014-2020.

There is evidence of effective practice and of SEUPB's ability to manage and implement the PIV and IVA Programmes. This provides a firm foundation on which to ensure the successful implementation i.e.

- As Managing Authority, SEUPB has over 19 years' experience of managing large-scale EU funded Programmes.
- It is evident that the Managing Authority and the Certifying Authority meet EC requirements with regard to procedures, based on a review carried out by the Audit Authority (i.e. notification of formal Designation took place on 27 April 2017).

- SEUPB has also engaged in effective negotiations with the EC, Member States and Accountable/Policy Departments to agree an ambitious agenda for simplification to reduce the administration burden of the programme.
- SEUPB has demonstrated a strategic approach to communication, evidenced by the robust Communications Plan, which meets EU regulatory requirements.
- SEUPB is active in the ERDF community and has attended various international conferences for the purpose of knowledge sharing and networking. Maximising awareness levels of EU funding and associated benefits will become even more pertinent going forward as there will be a focus on communicating results at a project level as outputs become realised and learning disseminated.
- SEUPB has taken a lead role in promoting the PIV and IVA Programmes across the EU community. There has been an increased level of advocacy work to promote the outcomes of the funding to enhance sustainability of funds.
- The respective governments are committed to the successful implementation of current Programmes and exploring the potential for successor Programmes post 2020.

The following section outlines key observations and recommendations under specific implementation areas: underpinning most recommendations is the need for enhanced delivery structures and systems, additional training for both staff and project partnerships, the requirement for pre-development support, and a more tailored support and implementation package per Programme theme.

Delivery/Staffing Structures

- The Programme Monitoring Committee and Steering Committee have good cross-representation and high levels of engagement are evident.
- SEUPB currently manages 130 projects across 8 specific themes within the PIV and IVA Programmes, therefore the task of providing support to this number of projects, with in excess of 400 partners, is resource intensive.
- There are 57 full-time equivalent members of staff in SEUPB. Based on the evaluator's interaction with staff members, it is evident that they are highly committed to the success of the Programme implementation and supporting project beneficiaries.
- In the last 18 months, there has been staff turnover of four senior positions, for reasons relating to personal circumstances and development opportunities. Whilst this presents challenges in terms of loss of corporate knowledge and memory, it also presents an opportunity to reflect on and improve structures. SEUPB has responded by actively recruiting and filling posts.
- **Recommendation 1:** New staff members bring with them a renewed energy and desire to improve and change, however this should be managed sensitively to ensure that all staff are bought-in to any new system/process change.
- **Recommendation 2:** Given the recent staff turnover and the induction of new staff members, coupled with amendments to various processes, it is an opportune time to review SEUPB's staff training and development strategy and create a coordinated approach across the organisation. This should include a skills audit/training needs analysis which will identify key strengths and any skills gaps to be met via training, for example: project management, client engagement, and leadership/managerial training. This investment will enhance the competencies, confidence and capacity of SEUPB and will empower and motivate staff to manage project delivery more effectively.

- **Recommendation 3:** Training should be supplemented with a suite of guidance and reference points, available on SEUPB's website or internal staff portal. Consideration should be given to creating short videos on how to carry out processes.
- **Recommendation 4:** Clear job specifications, with a list of competencies, should be communicated to each unit and relevant grade. This will help focus the attention of staff, particularly for those who are ambitious for self-development with an appetite for greater responsibility and promotion to the next grade.
- **Recommendation 5:** For key performance indicators set for staff, related to caseloads, it is important that these are fair and within the control of staff to deliver, as often external factors and project partnerships' performance can affect achievement levels.
- **Recommendation 6:** It is important that recruitment drives and promotional opportunities continue to be aligned to business needs, but that opportunities for development are provided in all three offices, to ensure that staff maintain motivation levels and have access to personal development opportunities.
- **Recommendation 7:** There appears to be silo working across the various functions of SEUPB, with teams largely working independently of each other and not fully appreciating the linkages and the impact of their work on others. There is a need for increased delivery and systems mapping to help understand why processes are designed in such a way to identify potential inefficiencies. Subsequently, staffing allocation can be aligned to the required processes to best deliver the programmes.
- **Recommendation 8:** Consideration should be given to creating Key Account Managers (KAM), particularly for projects representing large amounts of spend and of strategic importance to the success of the Programme. This will provide a single point of contact for the Project Partner and ensure that SEUPB is close to each project to identify any issues in meeting spend or output targets, as per agreed contracts. In the event of KAMs leaving/reallocated to other duties, a succession plan and contingency arrangements should be in place to ensure a smooth transition.
- **Recommendation 9:** Project teams (including Managing Authority (MA), Joint Secretariat (JS) and Financial Control Unit (FCU) representation) should be set up on a theme basis, and where possible said theme should be within the same office location to allow for case officers to liaise and share learning. This will help to create efficiencies and also offer a greater level of consistency and quality assurance per theme.
- **Recommendation 10:** Internal Communications provide a quarterly newsletter and various briefings to keep all staff members abreast of new Programme developments. All staff would welcome communication on any immediate actions or acknowledgements from the PMC (to maintain engagement levels) and for minutes to be circulated thereafter ensuring communication is consistent across the organisation.

Budget and Expenditure

- The HM Treasury funding guarantee to March 2019 has now been extended until the end of the programming period (2020), including Technical Assistance. Considerable efforts have been made by SEUPB to achieve full commitment of the Programme and mobilisation of approved projects. For PIV, 78% of the total project budget has been approved. For IVA, 81% of total project budget has been approved (as of April 2018). This activity will ensure progress towards the 2018 Performance Framework milestones. Whilst some targets have been met and others are on schedule to be met, targets relating to expenditure will be challenging.
- Expenditure levels are behind what would be expected and represent 22% of the overall annual expenditure target. It is important to note that these year-to-date (YTD) out-turn figures are as of July 2018, therefore there are still opportunities for expenditure levels to increase. SEUPB is addressing a backlog in claims and payments and is hopeful that targets will be met.

- Although the Managing Authority has experience in managing these funds and previous Programme records indicate that any potential risk will be minimised to avoid de-commitment (i.e. failure to draw down full allocation of funds), at the end of the programming period we regard the current de-commitment risk as '**low-medium**' based on the percentage commitment and cumulative expenditure to date.
- **Recommendation 11:** It is imperative that the Managing Authority expedites the project expenditure to ensure that targets are achieved (whilst balancing the need for robust processes) and adherence to the financial profile (n+3), business plan and performance framework targets. Delays increase the risk of failing to meet these targets and therefore financial penalties to the Programme. The Managing Authority will continue to stringently monitor the Programme and have systems in place to take timely corrective action to ensure that the Programme is fully implemented. The Managing Authority should consider over-commitment to ensure fund maximisation. Nb. To ensure that funds are ultimately 100% drawn down, additional funds of 105-110% would normally be committed (in line with benchmarking), however this should be balanced with the potential financial liability to Member States. It is important to note that the extension of scope of the UK government guarantee has reduced immediate need for over-commitment.
- To facilitate accurate forecasting, Lead Partners also have a responsibility to profile/forecast spend as accurately as possible, in line with their agreed business plan, and to declare underspends without delay. **Recommendation 12:** Despite training and advice provided by SEUPB to Lead/Project Partners, quality issues are still apparent in forecasts submitted – highlighting the need for support to ensure honest and accurate forecasting. The introduction of KAMs will help to build trust between SEUPB and Lead/Project Partners to aid this process.

Pre-application Support

- SEUPB has met regulatory requirements by publishing a rolling 24-month programme of calls for applications, to include detailed descriptions of the processes, outputs and funding allocation under each theme.
- SEUPB has met regulatory requirements by facilitating pre-application development workshops and a range of thematic workshops to coincide with funding calls. Feedback from attendees is overwhelmingly positive regarding the content and delivery of these workshops. The benefit of this preparation work is evident in the low rate of ineligible applications.
- The second funding call for Shared Spaces and Services has piloted a new way of working with the introduction of more in-depth, tailored pre-development support – comprising of three workshops and technical support for applicants to provide guidance on how to robustly evidence the need for the project. Furthermore, support was also offered in the form of a consultant for 1.5 days to review the applications and to advise applicants on how to strengthen their case. This is a welcomed addition to SEUPB's application process. This funding call is currently undergoing assessment; therefore the outcomes are not yet known. However, anecdotal evidence suggests that the approach has been welcomed and it is anticipated that higher quality applications and ultimately projects have been developed.
- **Recommendation 13:** To introduce a robust pre-development support package, tailored per Programme theme for any future calls or successor Programmes. This will result in good quality applications and reduce the level of administration surrounding the clarification process and help improve processing times.

Application Process

- SEUPB introduced a two-stage application process, where applicants complete a shorter Stage 1 application and a decision is made within 12 weeks. There remains merit in maintaining a two-stage process for competitive calls, with a timely decision being made as to the outcome of the application. However, on reflection, a different application approach should have been considered for pre-identified projects, such as Local Action Plans (LAPs) to reduce the administration burden for Local Authority applicants.
- **Recommendation 14:** The overall application and assessment process should be reviewed in more detail. There may be opportunities to increase the efficacy of the assessment process, as some of the successful/approved projects are not performing as would be expected – with outputs and spend behind schedule. It must be determined if the case is that projects score well on paper but in practice these projects are not being implemented effectively, perhaps due to governance/management issues and/or external market issues preventing outputs being met.
- **Recommendation 15:** A thorough risk assessment and due diligence of delivery partners/governance arrangement and financial standing should form part of the assessment and conclusions presented to the Steering Committee as to the capacity of the partnership.
- **Recommendation 16:** There is a need to contextualise the application process to the Programme Rules and Regulations and Lead/Project Partners should be asked to sign that they have fully considered and understand these rules. In addition, for the Lead/Project Partner to confirm that senior staff will be in place with the capacity to deliver projects on time, as per the Letter of Offer.
- **Recommendation 17:** Whilst we acknowledge and appreciate that the Co-operation Programme outlines that a single set of guidance notes and common rules is applied, this is not always an effective approach given the variation of projects. A more tailored pre-application support, application and assessment should be considered. For example, the process adopted for Shared Spaces and Services should be more detailed when compared to the Regional Theme which focus on smaller local, voluntary and community led projects. It is recommended that the application and assessment process should be designed on a Programme theme basis – this will involve more resources and time during the Programme development stages, however this will lead to more effective management of delivery.
- **Recommendation 18:** There should be a central repository for applicant information. For example, a section on the website should be allocated to ‘Essential Information’ including Output Indicator Guidance. For future funding calls/Programmes, SEUPB should consider consolidating ‘The Guide for Applicants’ and Output Indicator Guidance into one document, for ease of reference for applicants. To avoid the document becoming too large, consideration should be given to a tailored guidance per funding call.

Assessment

- The assessment process has taken account of respective Member State guidance, views and best practice.
- The Steering Committee makes the final decision on all funding applications. There is no additional approval process post Steering Committee. The shift to a single assessment process represents a marked improvement as all necessary approvals, including those from Accountable Departments, are in place at the Steering Committee.
- It is noted that in some cases, internal Departmental approval processes have run beyond the Steering Committee date. For instance, for the recent PIV Shared Spaces funding call involved a process post-Steering Committee, to allow Accountable Departments to consider all necessary information to make a final decision. Although this flexibility was valuable and welcomed, the ideal process is to have all approvals in place before the Steering Committee.

- Based on feedback and on a review of the support materials provided to applicants, insufficient emphasis was placed on the economic appraisal process and in particular, aspects such as assessment of need and potential for displacement.
- **Recommendation 19:** It is important that sufficient time is dedicated to explaining the economic appraisal aspect of the assessment process to ensure that applications meet the requirements of same. It is acknowledged that SEUPB has since addressed this issue in the most recent funding call 'Shared Spaces and Services'.
- The excessive clarification process has hampered progress and negatively impacted on perception of a reduction in administration as well as causing delays in the assessment timescales. **Recommendation 20:** The Managing Authority must take action to avoid the introduction of any unnecessary additional procedures or checks. A procedure for clarifications should be set, in terms of the type of clarifications that are permitted, and a reasonable word count applied to responses to avoid excessive additional documentation forming part of the application that is not afforded to all applicants. A maximum of two rounds of clarifications should be sufficient, with the option of one of these via face-to-face discussion with the applicant. Applicants should be permitted one week to provide evidence, as this should be readily available and not generated as a result of the clarification – this will help to maintain a level playing field for applicants in a competitive call.
- **Recommendation 21:** To avoid duplication of effort, Accountable Department and SEUPB comments should be integrated and themed on key areas of the economic appraisal and/or SEUPB assessment report.
- It is evident that the SEUPB's assessment reports are influenced by the economic appraisal commentary. **Recommendation 22:** It is important that SEUPB carries out a due diligence of the economic appraisal process and assumes a higher-level and robust critique of all available information before presenting a conclusion as to the outcome of each application.
- SEUPB's value for money assessments are now being carried out in parallel with the external economic appraisers, as a means of improving efficiencies and ensuring that SEUPB guidance on eligible expenditure is considered at this stage. **Recommendation 23:** To reduce the administration burden and increase efficiencies further, value for money assessments should only take place once need and demand is robustly evidenced – to avoid unnecessary work by appraisers and SEUPB's Financial Control Unit.

Processing Times

- As of April 2018, a total of 184 applications have been received, to include 123 applications for the PIV Programme and 61 applications for the IVA Programme.
- PIV Processing times:
 - 100% applicants met Stage 1 target (12 weeks).
 - 52% applicants met Stage 2 target (36 weeks).
 - 21% applicants met LOO target (36 weeks).
- IVA Processing times:
 - 100% applicants met Stage 1 target (12 weeks).
 - 52% applicants met Stage 2 target (36 weeks).
 - 0% applicants met LOO target (36 weeks).
- It is important to note that SEUPB has been met with extenuating circumstances in the aftermath of the UK decision to leave the EU resulting in the Programmes operating in an environment of unprecedented uncertainty in the weeks that followed the referendum. This clearly has an adverse effect on processing times. It is evident that every effort has been put in place to minimise the impact on the Programme and on applicants.

- Other factors impacting on processing times are also evident: issues relating to the quality of the applications; time taken to clarify applicant's project activity and assumptions to enable a value for money assessment to be completed; need for information to be updated to take account of the lapse of time (from application submission to Letter of Offer); some applicants experienced delays in collating relevant documentation to support their application – hampered by the complexity of working within a partnership arrangement requiring input from all Project Partners.
- Processing times have also been extended to fit with eMS processes. For example, prior to the introduction of eMS Letters of Offer were issued upon Steering Committee approval. However the process now involves additional steps i.e. upon Steering Committee approval the Project Partners must reprofile their budget on eMS (if necessary- to reflect value for money assessment), which requires sign-off by the project partnership and any relevant trustees/boards, SEUPB reviews and approves this reprofiling and modification exercise and the Letter of Offer is subsequently generated from eMS and issued to projects for their signature before the project can be mobilised.
- The issues outlined have collectively contributed to a negative perception among some project beneficiaries and influenced their opinion that the level of bureaucracy associated with the Programme remains high. **Recommendation 24:** The processing times are in excess of what is anticipated, and processes should be brought forward in a more efficient structure and in line with the Co-operation Programme agreed timescales of 36 weeks, to include issuing the Letter of Offer. To expedite the process, Lead/Project Partners should be given a strict timescale in which to reprofile their budget on eMS along with modifying the associated work packages to ensure that the Letter of Offer is reflected and for sign-off to be agreed by SEUPB thereafter to allow projects to be mobilised. The option of issuing the Letter of Offer on the proviso that the reprofiling and modifications are made within 30 days (6 weeks) should be considered as a means of reducing processing times. Although, the focus should remain on issuing and agreeing final Letters of Offers.
- **Recommendation 25:** Given the importance of value for money and to minimise the number of project modifications and budget reprofiling, pre-development support should focus on providing more tailored guidance on eligible expenditure and how the FCU assesses value for money to facilitate the development of more robust applications and thereby reducing processing times.

Outputs focused

- There is support for the move towards a 'results'-based approach, with 62% of the online survey respondents agreeing that it has helped them to develop projects with measurable outputs to make a contribution to the result indicator(s), as per the Cooperation Programme.
- Due to the diverse nature of the projects there is a need for SEUPB to be flexible and responsive to ensure that overall output targets will be met, for example SEUPB has permitted a change to some output indicators, for example, in the second funding call for Shared Spaces, adjustments have been made to allow a split in project participants which is more aligned to the demographic profile of the Border Region of Ireland.
- **Recommendation 26:** It is incumbent on SEUPB to communicate to projects the requirements of the EC and the fact that the Programme is outcomes focused. There is a minimum requirement to achieve at least 85% of the agreed outputs and outcomes to meet the performance framework targets. It is important that this is effectively communicated to all projects and that failure to reach targets may result in a reduction in funding. If targets are not met, funds may be stalled and adjusted going forward until corrective action is taken to address shortfall in outputs. In cases where outputs are being exceeded, projects should be supported to maximise achievements.

Claims and Payment

- A greater focus on projects with high error rates will be given to examine any issues or risks to expenditure targets. Applying risk-based methods of sampling for controls by the Managing Authority will allow for a more efficient use of resources.
- Effective management and control of funds will be demonstrated by a low error rate of the Programme (i.e. below the 2% EC threshold. In the previous Programming period most errors related to procurement, resulting in ineligible expenditure.
- 77% of the online survey respondents agreed that they are confident that they understand the rules relating to eligible expenditure. 67% agreed that FCU adopts a robust process to verification. 59% agreed that all Project Partners submit accurate and timely documentation to FCU to evidence claims. In terms of payment, only 30% agreed that they are satisfied that payment has been received in a timely manner.
- It is evident that there are blockages in the systems with regard to submission of claims, verification and payments to Lead Partners, and corresponding reduced drawdowns for the EC. There is evidence where a significant project has not met the targets set, which was only uncovered upon submission of the first-year claim, which will result in a potential underspend. This was not foreseen by SEUPB due to the lack of forthcoming information from the project and SEUPB checks not identifying this at an earlier stage. This has significant implications on the achievement of expenditure levels.
- **Recommendation 27:** It is imperative that SEUPB has efficient systems for determining the amount of spend and that checks are more robust and timelier to identify any issues, to allow for reprofiling and remedial action to be taken. There is a requirement to review this aspect of operations in more detail to identify any areas where activity can be streamlined to ensure effective resource utilisation. It is acknowledged that SEUPB has recently commissioned a review of same, the outcome of which will inform processes for this Programme and future Programme periods.
- Processes adopted as part of the submission of claims has resulted in partners working in isolation, for example, claims are submitted by individual partners and the Lead Partner has no oversight role until all Project Partner claims are verified, where they are then responsible for collating a consolidated progress report. **Recommendation 28:** There should be a requirement on Lead Partners to have a resource in place to monitor the partnership's claims prior to submission to SEUPB, this resource/individual could liaise directly with the FCU as one contact point per partnership.
- **Recommendation 29:** The level of clarifications and sampling errors identified suggests a training need for claims and verification. This will be best served via the one-to-one visits to Project Partners. Whilst this will be resource intensive initially, it is anticipated that this will help to resolve issues and establish best practice approaches, ultimately reducing errors and sampling levels to greater efficiencies going forward.
- Payments are only made upon a First Level Control (FLC) Certificate being issued to each Project Partner and the receipt of the consolidated Lead Partner report. This effectively means that partners who are compliant and timely with their claim submissions are subject to waiting for payment until all partners are approved – this issue becomes more apparent in larger partnerships. Early warning signs of potential partnership breakdown should be monitored by Lead Partners, and actions put in place to address any issues.
- **Recommendation 30:** SEUPB should consider a penalty or notice period for Project Partners that are consistently underperforming and negatively impacting the effectiveness of the overall partnership.

- **Recommendation 31** For future Programmes, a cap on the number of partners should be explored to enhance opportunities for greater relationship building and cohesion (the optimum number to be determined and to be based on a benchmarking review).

Simplified Cost Options (SCOs)

- The Managing Authority proactively promoted the use of simplified costs, for example: calls for applications identified opportunities for SCOs and encouraged projects (via funding calls and pre-application workshops), where possible, to adopt these in their projects. The Managing Authority also introduced some mandatory unit costs and flat rates tailored to each theme. Despite efforts to promote the uptake of additional SCOs, these have not been applied to an optimum level (where relevant), and, consequently, has resulted in additional admin burden associated with the verification of actual costs.
- **Recommendation 32:** A more concentrated effort by SEUPB should be taken to encourage the wider adoption and application of unit costs across projects, as this would not only reduce administration but also act as an incentive to meet and exceed targets - as eligible costs are based on the real output. Although, it is noted that not all Project Partners would have the three years of evidence required by the EC to prove specific unit costs. Going forward for any future Programmes (post 2020), Project Partners will be able to use the evidence gained from this Programme period.

e-Cohesion

- Following a period of bespoke development to ensure that the eMS system could host the specific needs of the Programme, the eMS went live on 1st March 2017. The first claims were received from projects via eMS by the 30 June 2017 with verification and payment of valid claims following.
- At this stage of implementation all Lead Partners and Project Partners have experience using the system (although not all have submitted claims). Overall, feedback about eMS is very negative, with the majority (57%) disagreeing or strongly disagreeing that 'eMS is easy to use', 46% disagree that it is an efficient tool for submitting claims. Almost half (47%) disagree or strongly disagree that overall, they are satisfied eMS is an effective tool.
- It was anticipated that eMS would have the capacity to generate analysis and output/financial reporting, however this function is not yet available (at the time of writing report). Therefore, often information is not readily available in a useable format, requiring a lot of downtime to align data and address queries. Various case officers/units have adopted their own monitoring systems, but there is an inconsistent approach. SEUPB has engaged CPB, the eMS host and service provider, to develop a bespoke suite of additional reports and one centralised reporting tool – this will remove the need for internal reporting databases currently in use. However, a full reporting function is not yet available.
- In the absence of a timely solution from eMS, SEUPB commissioned the development of a PIV and IVA Dashboard. This Dashboard has been developed as an online survey tool with SEUPB interface and aims to capture timely information from each Project Partner, which will be consolidated at a theme level to quickly assess the extent to which targets are being met – therefore allowing for an immediate response to any issues.
- The Year 1 Implementation Evaluation recommended that SEUPB respond to the demand for training on the use of eMS, particularly as Lead/Project Partners are embarking on the submission of their first claim. However, SEUPB considers eMS to be an intuitive system and has released comprehensive user guidance to all users. It is the evaluator's view that early introductory sessions to eMS was a missed opportunity, as the demand for training remains, and in the meantime, projects have become increasingly anxious and frustrated with the perceived inflexibility of the system, coupled with technical glitches.

- As well as projects requesting support, it is evident that SEUPB staff would have welcomed training as well. At this stage of project implementation, introductory sessions on eMS are not required (although introductory sessions on eMS should be provided for Project Partners to any forthcoming approved projects). Project Partners have, through a process of trial and error, navigated their way through the system and are becoming increasingly confident in its use. The biggest challenge now relates to the technical problems associated with eMS which have been experienced by SEUPB staff and Project Partners alike. There is significant downtime waiting for the system to respond, coupled with cumbersome processes to email and communicate with projects, as well as having to repopulate information for each reporting period.
- **Recommendation 33:** eMS as an EU wide system, fully meets designation requirements, however difficulties have emerged with system glitches and downtime evident during submission/processing claims and is therefore not operating at an optimum level. This can only be addressed at a programming level and requires detailed discussions with the developers.

Support and Training

- SEUPB currently manages 130 projects across 8 specific themes within the PIV and IVA Programmes, therefore the task of providing support to this number of projects, with in excess of 400+ partners, is resource intensive.
- All projects are allocated a specific JS and FCU case officer to provide a high level of support in relation to implementing projects. To increase efficiencies in the recording and reporting of JS quarterly monitoring visits, SEUPB is currently scoping the design of an online tool, based upon the 8 specific themes, to capture project information associated with the monitoring visits (e.g. progress against work packages, performance against contracted outputs and record any areas of concern).
- The Managing Authority has developed a comprehensive support and training programme, commencing with information seminars, workshops and various resources/guidance materials at the early pre-application stage. This support has evolved in line with the stage of implementation, which will now focus on supporting project beneficiaries as they progress project mobilisation.
- **Recommendation 34:** Investment in capacity building such as training, information exchange platforms and networking are essential at this stage of the Programme, and it is encouraging that SEUPB is responding to this demand with a comprehensive programme for Local Authorities. For PIV Local Action Plans, this includes training on peace and reconciliation issues (such as racism, sectarianism and conflict resolution). Importantly training will upskill lead and Project Partners in the creation of standardised monitoring tools and methods to best capture short and medium-term outcomes achieved by projects funded. Effective monitoring will ensure that money is being effectively spent across the eligible jurisdiction.
- Further training is planned for next year on developing partnership working, which the evaluators consider to be of utmost importance, as this will form the foundation and underpin the extent to which outcomes are achieved – as a strong, effective partnerships will be able to meet and, in some cases, exceed targets set. SEUPB has also planned Thematic Sessions for all projects focusing on: output indicator guidance; accuracy of claims; simplified cost options; project reporting and performance; fraud and irregularities; and the General Data Protection Regulation (GDPR).
- Lead/Project Partners must be proactive and use resources and ask for assistance, where required. It is expected that individuals will avail of the training provided and the Managing Authority is committed to meeting/reacting to demand.
- The allocation of a dedicated JS and FCU case officer to support the Lead Partner in the implementation of the project is seen as a very beneficial element of Programme management.

- **Recommendation 35:** Resources permitting, there is a demand for increased visibility of case officers among project beneficiaries to support implementation. Onsite input from the FCU team prior to the submission of a claim should be considered as a means of reducing the level of verification and improving error rates.
- **Recommendation 36:** Prior to any onsite visits, either the JS and/or FCU case officer should prepare in advance and be equipped with the most up-to-date information, for example, outputs achieved, spend, financial drawdowns and financial forecast. A short project status form should be created and issued to projects 1-2 weeks in advance of the onsite visit to minimise follow-up requests for information.
- **Recommendation 37:** Staff use of eMS also appears to differ, with some citing various short-cuts and better means of working, of which others are not aware. This further highlights the need for systems mapping to create better efficiencies and ensure that a consistent approach is adopted. Training will be reviewed on an ongoing basis and will be amended as required to ensure effective internal staff training.
- **Recommendation 38:** Consideration should be given to creating short YouTube videos and/or webinars as a suite of training for projects. For example, basic videos of case officers' walking through a claim process and/or applying a simplified cost.

Rebid and Modifications

- The total allocation set aside for Local Authority Actions Plans (LAPs) was €81,176,479. At the end of 2017, all LAPs had been assessed, resulting in 83% (€67,313,465) of the allocation approved by the Steering Committee, an underspend of €13,863,014. SEUPB introduced a rebid exercise which permitted Councils to reapply for these unallocated funds (relating to 16 of the 17 councils). The aim of which was to ensure maximum benefits towards peace building activity in each of the council areas. This has resulted in the award of an additional €5,387,675, equating to 90% of the total budget committed to date. There is a further €8,341,771 pending Steering Committee approval, which if awarded will result in a small overall underspend of €153,567.
- The rebids effectively represent a project modification. It was originally conceived that project modifications would only occur in exceptional circumstances; however, this has not been the case. SEUPB has permitted project modifications, mainly as a result of underspend across LAPs rendering the need for a rebid process to meet commitment levels. This extensive process, coupled with the limitations of eMS to permit project modifications and claims taking place in parallel, has resulted in a significant backlog of claims and payments. Modifications have not been confined to rebids, but are also apparent in other strands of activity in PIV and IVA.
- **Recommendation 39:** The Managing Authority is committed to working in partnership with project beneficiaries to respond to local demand, but project modifications should not be a constant and iterative amendment process. On reflection, the rebid process should not have been introduced, instead a separate pool of funding should have been set aside as a competitive call (possibly as part of a small grants scheme to enhance accessibility to EU funds and to maintain the levels of grass roots work associated with LAPs).

Partnership Working

- At this stage of implementation, the approved partnerships appear to be working effectively, although partnerships are at different stages of their project lifecycle. Overall, partners agree that communication is good and there is an exchange of experience and mutual learning.
- Diverse partners and complexities resulting from new partnership arrangements may present challenges as the projects evolve and circumstances change.

- The Lead Partner role has been diminished in some cases, as projects are often divided into separate delivery parts, this coupled with individual partners submitting claims without Lead Partner oversight, has resulted in partners working in isolation.
- Partnerships working across different jurisdictions can be challenging, with different policy environments to consider. This is further compounded by geographic separation, reducing opportunities for face-to-face contact which is more conducive to relationship building. Therefore, Project Partners have had to make a concentrated effort and willingness to invest in building structures to support partnership working.
- It is imperative that the Managing Authority maintains close contact with Lead Partners to identify any issues that may impact effective partnership working. The PIV Managers Forum (comprised of Local Authorities) represents a good vehicle in which the Managing Authority can answer queries, dispel any myths/uncertainties and ensure that a consistent response is presented to all projects.
- **Recommendation 40:** The development of Forums (either via face-to-face meetings and/or electronic means) should be encouraged for other PIV and IVA themes, with input provided by SEUPB, should Project Partners require representation. This could also facilitate real-time learning and information sharing, as well as document exchange. This will become increasingly important as mid-term and Post Programme Evaluations become available and can act as a central repository of information for projects and wider audience to access and appreciate the benefits of PIV and IVA funding.
- **Recommendation 41:** Creative means of communicating should be encouraged, as evident in some partnerships. As part of the planned thematic workshops on networking, SEUPB should consider introducing partnerships to online tools for real time communications and draw on the experience from existing partnerships that are operating effectively.
- **Recommendation 42:** The need for capacity building to ensure that partnerships are working at an optimum level has become increasingly apparent. It is acknowledged that, as part of SEUPB's training programme a leadership and networking workshop is planned for Local Authorities as part of the PIV Programme. It is recommended that leadership and capacity building training is rolled out for all themes, as issues are not isolated to LAPs. Case studies of effective partnership working should be presented as part of this training programme.
- **Recommendation 43:** The Lead Partners and Project Partners should be asked to review their respective responsibilities (as per the Programme) and ensure that they are committed to same – this could form part of any future networking events and/or the introduction of capacity building training for partnerships. These responsibilities should also be listed on SEUPB's website as a reference point.
- **Recommendation 44:** Every effort should be made to identify opportunities for strong and sustainable cross-border partnerships, as a key basis of the Programmes. Investing in partnership development is vital, especially when creating new cross-border alliances.

Compliance with Programmes' Review Procedure

- Based on a review of SEUPB's 'Review Procedure for Unsuccessful Applications', it is clear that a robust process has been devised and implemented. The notification letter outlines the assessment scores and the rationale against the selection criteria. In the interest of fairness and transparency, a de-briefing session is offered to *all* applicants (to be availed of within 14 days of the notification letter, although SEUPB has accommodated debriefing sessions after this deadline).
- In the event that an applicant appeals the decision of the Steering Committee at Stage 1 and/or Stage 2, the Project Review procedures have been met.

- From April 2018, an alternation to the Review Procedure was incorporated. This involved the introduction of a 'Review Request Template' which provided a structure and word limit to capture the required evidence to support an appeal. This change was in response to the excessive documentation, in varying formats, being provided by applicants and ensures that, going forward, a consistent approach will be adopted for all.
- Up to May 2018, only seven unsuccessful applicants requested a formal Project Review procedure (six decisions made by the Steering Committee were upheld). This suggests that the assessment process is effective and that applicants are content that the outcome was justified based on either the written notification and/or the debriefing session offered to all unsuccessful applicants.

Communications and Awareness Raising

- SEUPB has demonstrated a strategic approach to communication, evidenced by the robust Communications Plan, which meets EU regulatory requirements.
- Although the Communications Team is small, they are experienced, dedicated and have effectively managed an extensive programme of communication and publicity work.
- Significant levels of communications activity have taken place to reflect the progress in the approval of projects. This includes 66 case studies (for PIV and IVA) which highlight the achievements of the Programme and 93 press releases in relation to funding announcements, representing 33% and 47% of overall 2023 Performance Framework targets.
- To address lower levels of media awareness, a PR company based in Western Scotland was commissioned to assist SEUPB with enhanced media relations activity within this eligible area, as recommended in the Year 1 Implementation Evaluation.
- Feedback from the Implementation Evaluation online survey and consultations also confirms that the majority of projects are satisfied that the Programmes are effectively promoted.
- **Recommendation 45:** To create more value-added, it is recommended that the General Public Survey is maintained and used as a control group, with an additional survey (with same/similar questions) commissioned to target areas/communities/general public where PIV and IVA funds are directed – in order to gain an appreciation of the programme's reach and whether it is having a positive impact in targeted areas.
- **Recommendation 46:** Increase SEUPB's combined social media presence in terms of engagement on all of its existing channels. A social media strategy should be developed to increase engagements and content dissemination (e.g. use of dynamic digital content, promote use of campaign hashtags (#) for events; drive content between media channels to reinforce messages, increase use of infographics, focus on increased engagements, for example, introduce a more conversational tone and opinion polls, seeking interaction with audience.

1 INTRODUCTION & APPROACH

1.1 Introduction

The Special EU Programmes Body (SEUPB) commissioned SJC Consultancy to undertake the Implementation Evaluation of the European Union’s Programme for Peace and Reconciliation 2014-2020 (otherwise known as the PEACE IV Programme (PIV)) and the European Union’s Cross-border Programme for Territorial Co-operation, Northern Ireland, the Border Region of Ireland and Western Scotland 2014-2020 (otherwise known as the INTERREG VA Programme (IVA)).

SEUPB is a North/South Implementation Body sponsored by the Department of Finance (DoF) in Northern Ireland and the Department of Public Expenditure and Reform (DPER) in Ireland. It is responsible for the implementation and delivery of the PIV Programme and IIVA Programme which are designed to enhance cross-border co-operation, promote reconciliation and create a more peaceful and prosperous society.

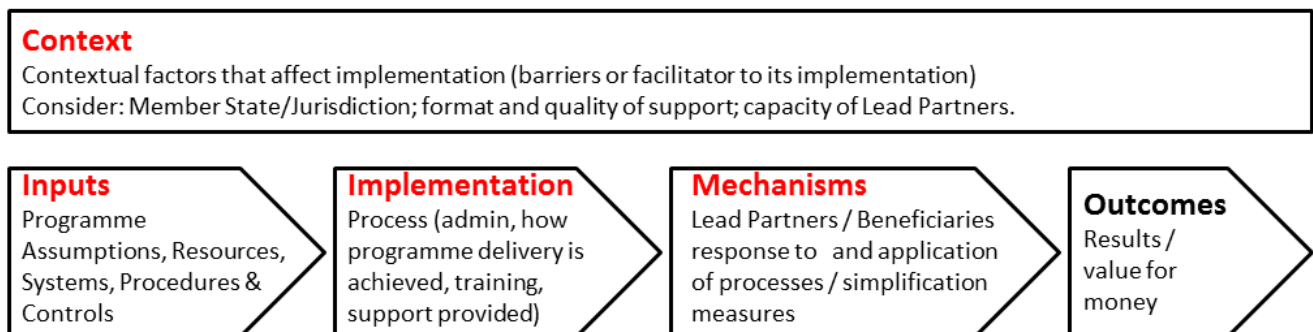
The Implementation Evaluation, as reflected within its Terms of Reference, is required to evaluate the extent to which the Programmes have been implemented as defined by the EC adopted Cooperation Programme for PIV and IVA, with an emphasis on the reduction of the administrative burden.

The Implementation Evaluation will be carried out over a three-year period and will result in three reports - first interim report (2017), second interim report (2018) and a final report (2019). The link to the Year 1 (2017) Implementation Evaluation Executive Summary can be found on SEUPB’s website: <https://www.seupb.eu/piv-evaluation-plan>

1.2 Method Summary

The key components of the Implementation Evaluation involve an assessment of the ‘Context’, ‘Inputs’, ‘Implementation Processes’ and ‘Mechanisms’ (as per Figure 1.1). These components will ultimately inform the interpretation and achievement of final outcomes, as illustrated in the linkages below. This will ensure that the right processes are set and applied from the beginning of both Programmes to achieve performance framework indicators and desired outcomes (i.e. the final stage in logic model).

Figure 1.1: Implementation Evaluation components in relation to programme logic model



Effective implementation will lead to enhanced outcomes; therefore the Implementation Evaluation plays an important role in ensuring that administrative functions are being delivered effectively and efficiently.

Our approach to the evaluation involved the following research strands: extensive quantitative review of administrative and monitoring data; detailed review of processes; key stakeholder interviews; focus groups with SEUPB staff; online survey of successful and unsuccessful applicants*; interviews with project beneficiaries (including a focus group with the PEACE Managers Forum); and interviews with unsuccessful applicants.

*Online Survey

Three surveys were administered:

- **'Follow-on'** questionnaire for those that replied/eligible to reply to the Year 1 evaluation survey in 2017.
- **'Recent calls'** questionnaire for recent funding calls (from May 2017- April 2018) not within the timeframe of the Year 1 evaluation.
- Unsuccessful applicants.

Successful Applicants

At the time of the survey (May-June 2018), there were a total of 77 successful applicants i.e. 'live projects' – to include 49 PIV projects and 28 IVA projects.

In terms of Lead Partner (LP) respondents, representation of 61% (n=47) of all projects was achieved.

Table 1.1: Successful applicants - response rate

	No. of Projects			No. of respondents			% LP Response Rate		
	PIV	IVA	Total	PIV	IVA	Total	PIV	IVA	Total
Lead Partner (LP)	49	28	77	31	16	47	63%	57%	61%
Project Partner (PP)				10	23	33			
Total				41	39	<u>80</u>			

When Lead Partner and Project Partner respondents are considered together, representation of **73%** (n=56) of all projects was achieved, giving valuable feedback from across both Programmes (PIV: 41 respondents from 35 projects | IVA: 39 respondents from 21 projects).

65% of respondents are based in Northern Ireland, 21% in Ireland, 10% are based in Scotland (relevant to IVA applicants) and the remaining 4% reported a presence in both Northern Ireland and Ireland.

Unsuccessful Applicants

Results for 2017 and 2018 have been added to give a cumulative analysis of all rejected applicants. Almost half (49%) of all rejected applicants to date have provided a response to the online survey. This includes 35 PIV applicants and 11 IVA applicants. 78% (n=36) of respondents are based in Northern Ireland and the remaining are based in Ireland (22%, n=10).

Table 1.2: Unsuccessful applicants - response rate

	No. of rejected applicants			No. of online respondents			% Response Rate		
	PIV	IVA	Total	PIV	IVA	Total	PIV	IVA	Total
Unsuccessful (up to April 2017)	48	24	72	26	9	35	54%	38%	49%
Unsuccessful (May 2017 – April 2018)	19	2	21	9	2	11	47%	100%	52%
Total	67	26	93	35	11	46	52%	42%	49%

1.4 Report Structure

The remainder of this report is set out as follows:

Section 2	Programme Overview
Section 3	Delivery Structures
Section 4	Financial Structures
Section 5	Application and Assessment Process
Section 6	Project Implementation
Section 7	Support and Training
Section 8	Re-bid process and Project Modifications
Section 9	Partnership Working
Section 10	Project Review Procedures – Unsuccessful Applicants
Section 11	Communication and Awareness Raising Activities
Section 12	Conclusions and Recommendations
Annex I	Accountable/Policy Department
Annex II	Programme Budget
Annex III	Achievement against Performance Framework
Annex IV	Simplified Cost Options

2 PROGRAMME OVERVIEW

2.1 Introduction

This section of the report sets out the background to the PIV and IVA for the period 2014-2020.

2.2 Background

The PIV and IVA Programmes represent a long-standing partnership between the European Commission (EC), Northern Ireland, Border Region of Ireland and Western Scotland, supported by the government departments of the UK, Ireland and Scotland. Since 1994, over £3.3 billion has been invested in the eligible region, between EU and national contributions, to cement the journey towards cross-border co-operation, peace and reconciliation - the conditions needed to promote economic growth and prosperity.

The Programmes operate within a clearly defined area including Northern Ireland, the Border Region of Ireland¹ and in the case of IVA the eligible area also includes Western Scotland². PIV has a value of €269.61m and aims to promote peace and reconciliation in Northern Ireland and the Border Region of Ireland. IVA has a value of €282.76m and aims to address the economic and social problems which are exacerbated by the existence of borders by creating a more prosperous and sustainable cross-border region. A breakdown of the budget can be found in **Annex II**.

The PIV and IVA Programmes are cross-border Programmes comprising 85% funding from the EU under European Structural and Investment Funds (ESIF)³ via the European Regional Development Fund (ERDF) and 15% match funding from the Northern Ireland Executive and the Irish Government, and in the case of IVA, from the Scottish partners involved. In some funding calls applicants may be requested to identify other sources of match-funding to ensure that total project costs are met.

Key changes introduced for the programming period 2014-2020 include:

Concentrated and focused Programmes

In line with the Europe 2020 strategy, the EC requires that all of the 2014-2020 Programmes be more 'concentrated'. It is evident that the PIV and IVA are focused on a smaller number of larger scale projects with a narrower range of activities, when compared to PEACE III and INTERREG IVA, to ensure that there is sufficient concentrated funding to bring about significant change.

Result orientation - with clear and measurable outputs, milestones and targets

EC guidance dictates the need to establish specific objectives and related measures (output indicators and one or two result indicators⁴), baselines and targets (for the years 2018 and 2023) in the eligible jurisdictions.

¹ Counties Cavan, Donegal, Leitrim, Louth, Monaghan, and Sligo

² Lochaber, Skye & Lochalsh, Arran & Cumbrae and Argyll & Bute, Dumfries and Galloway, East Ayrshire and North Ayrshire mainland, and South Ayrshire

³ ESIF includes money from five funds: ERDF; European Social Fund (ESF); Cohesion Fund (CF); European Agricultural Fund for Rural Development (EAFRD); and European Maritime and Fisheries Fund (EMFF)

⁴ NB. Output Indicators: Link to activities of operation. They are measured in physical or monetary units (e.g. number of people trained, number of initiatives developed) and contribute to result indicators. Result Indicators: Relate to specific objectives and capture the expected change.

Focusing on core common indicators will ease monitoring and reporting requirements and will facilitate aggregation of data and reporting on achievements at EU level. If there is failure to achieve selected outputs, the EC have a clause in place that financial penalties may be incurred at a Programme level.

Introduction of Simplification Measures

In response to opportunities presented in the new Programme, EC regulations and feedback from the consultative process, there is renewed focus on administrative simplification to assist beneficiaries in the implementation of their projects and to help reduce the level of bureaucracy associated with previous PEACE and INTERREG Programmes.

The following simplification measures were introduced to reduce administrative costs and burden:

- **Project Assessment** – a two stage process has been introduced to determine the success of an application. The overall assessment period is 36 weeks, including the issuing of a Letter of Offer.
- **Letter of Offer Conditions** – additional conditions in the Letter of Offer have been reduced to a minimum.
- **Monitoring** – the number of indicators within a Letter of Offer reflect the result and output focus of the Programmes.
- **Budget Structure** – a simplified budget structure is used within the Letter of Offer.
- **Simplified Cost Options (SCOs)** – the Programmes proactively promote and implement simplified costs. All relevant projects avail of flat rate for overheads.
- **Verification** – risk-based sampling methodology adopted.
- **E-Cohesion** – the Programmes embrace the principles of e-cohesion.

The ambitious agenda for simplification was agreed and buy-in gained from relevant Governments and Accountable/Policy Departments. These simplification measures have largely been successful, but there have been some issues with implementation reflected as part of this Implementation Evaluation; subsequent sections provide further details and conclusions as to the extent to which these systems have reduced the administrative burden for applicants and project beneficiaries.

A study, commissioned by the EC, on the '*Use of new provisions on simplification during the early implementation phase of ESIF (2017)*'⁵ indicated that overall, the efforts to reduce administrative costs and burden are paying off. In terms of ERDF/CF the simplification measures imply a reduction of administrative costs of 2 to 5% and a reduction of administrative burden of 8 to 14%. The most important simplification measures are SCOs and e-cohesion followed by simpler rules for revenue-generating projects and the harmonisation of rules.

In support of simplification, the EC has launched various initiatives, notably: High Level Group (HLG) of independent experts on monitoring simplification for beneficiaries of the ESI funds⁶ to assess Member States' take-up of simplification measures, analyse their implementation, identify good practice, and make recommendations; and the 'Simplify European Structural and Investment (ESI) Funds Platform', which is an online forum for sharing ideas on simplifying measures.⁷

⁵Sweco, t33 and Spatial Foresight 'Use of new provisions on simplification during the early implementation phase of ESIF (June 2017) [Online] Available at http://ec.europa.eu/regional_policy/en/information/publications/studies/2017/use-of-new-provisions-on-simplification-during-the-early-implementation-phase-of-esif

⁶ http://ec.europa.eu/regional_policy/en/policy/how/improving-investment/high-level-group-simplification/

⁷ <https://ec.europa.eu/futurium/en/simplify-esif>

Focus on 'open data'

There is an increased focus on open data for ESIF, due to changing political context and the need to justify expenditure, influence policy decisions and to engage citizens. Changes are also evident with the advancement of technology and the drive for big data and demand for instant access and availability of data.

The EC has created an online portal/tool for the purpose of transparency and to facilitate the sharing of data related to ESIF (the tool can be accessed using this link <https://cohesiondata.ec.europa.eu/>). The tool visualises, for the 533 national, regional or interregional Programmes, the latest data on financing and achievements under the ESIF 2014-2020.

Data is presented at EU, Theme, Country and Fund levels. Managing Authorities in various countries, including SEUPB, are responsible for providing information three times a year to feed into the open data platform.

This will become an increasingly valuable tool as implementation progresses and as a means of benchmarking performance with other Member States/Programmes. It is important that SEUPB is cognisant of the key lessons emerging across EU funding Programmes.

Stakeholder	Overview of role and responsibilities
Joint Secretariat (JS)	The Joint Secretariat (JS) is an independent and centralised unit under the aegis of the Managing Authority. Specific responsibilities include: Issuing calls for applications; Project assessment in advance of Steering Committee; Issuing of Letters of Offer; Project monitoring and case management; Project closure. The JS works in close collaboration with the Financial Control Unit to ensure regularity of expenditure.
Financial Control Unit (FCU)	The FCU is responsible for verifying the legality and regularity of expenditure. They undertake eligibility for funding checks on each Lead Partner and carry out both administrative verifications of each claim of expenditure made by a project and on the spot checks. The FCU supports JS in the assessment of applications related to the 'value for money' criteria.
Certifying Authority	The Certifying Authority is responsible for the certification of all expenditure claims submitted to the EC, ensuring eligibility with EU and national rules. Specific responsibilities include: reviewing processes and procedures and ensuring any irregularities are raised and actioned; controlling the cash flow of the Programme, including making payments to lead partners, drawdown of funds from the EC and subsequent reimbursement to each Member State; preparing annual accounts. The Certifying Authority must submit claims to EC with 3 years of budget year (N+3 targets), as failure to do so will result in an automatic budget reduction.
Audit Authority	The Audit Authority is independent of the Managing Authority and is located within an independent unit within the Department of Finance, responsible for working on a cross-border basis to carry out audit and control functions. Specific responsibilities include: preparing an audit strategy; carrying out audits on management and control system; sampling audit declared expenditure; drawing up an audit opinion; drawing up annual control reports setting out the main findings.
Programme Monitoring Committee (PMC)	<p>The Programme Monitoring Committee (PMC), chaired by the Managing Authority, has been established to review the implementation of PIV and IVA and to monitor progress made towards achieving the objectives of the Programmes. The PMC operates within the institutional, legal and financial framework of the Member States. The PMC meets twice a year. PMC members take an active role, reviewing various documentations, raising questions and offering considered views to aid the implementation of the Programme.</p> <p>The PMC has the authority to appoint Working Groups to consider in more detail specific areas of its responsibility. The PMC requested the establishment of an Evaluation Steering Group (ESG) to monitor and provide advice on the PIV and IVA Evaluation Plan and ensure its effective design and implementation. Membership of the ESG includes PMC members, representatives from the Member States, NISRA and SEUPB and it is chaired by the Managing Authority. As part of the Year 2 Implementation Evaluation, the evaluators met with the ESG on 5 July 2018 and have welcomed the input and valuable contributions of all members.</p>
Steering Committee	<p>The PMC delegated its responsibility for project selection to a Steering Committee to: approve calls for applications; make decisions on project applications and the allocation of grant award; ensure that projects approved for funding address key aims and requirements of the Programmes, namely; make decisions demonstrating the most efficient use of grant aid and ensure delivery of the outputs required within the Cooperation Programme; ensure project approvals are within the financial confines of the relevant theme; ensure all decisions are in accordance with EU law and Programme requirements; be the final decision making body to allocate monies to projects.</p> <p>The Steering Committee has access to relevant technical and financial expertise when required in order to make an informed decision. The Steering Committee is constituted on a cross-border basis. As per the PMC, the composition of the Steering Committee includes a balanced representation from across the eligible region.</p>
Project Beneficiaries - Lead Partners / Project Partners	<p>Lead Partners have full responsibility for the delivery of project outputs; and ensure eligibility of expenditure, as well as compliance with Programme rules and regulations. The Lead Partner must ensure all Project Partners adhere to standard conditions of grant and must play an active role to educate Project Partners on their respective responsibilities.</p> <p>Lead Partners and Project Partners represent a wide range of organisations. For PIV this includes: Local Authorities; Voluntary and Community Sector Organisations, Public Bodies; and for IVA this includes: Public Sector Bodies; Government Departments; Voluntary and Community Sector Organisations; Universities and Institutes of Technology; Colleges of Further Education.</p>

Key Findings

Strategic

- As Managing Authority, SEUPB has significant experience, spanning over 19 years⁸ managing large-scale EU funded Programmes.
- SEUPB has also engaged in effective negotiations with the EC, Member States and Accountable/Policy Departments to agree an ambitious agenda for simplification to reduce the administration burden of the Programme.
- SEUPB is active in the ERDF community and has attended various international conferences for the purpose of knowledge sharing and networking.
- SEUPB has taken a lead role in promoting the PIV and IVA Programmes across the EU community. There has been an increased level of communication and advocacy work to promote the outcomes of the funding to enhance sustainability of funds.
 - In November 2017, SEUPB held a major, high-profile event in Brussels to showcase projects funded under the PIV and IVA Programmes. The exhibition which was held in the European Parliament, was co-sponsored by MEPs across Northern Ireland and Ireland. A project panel discussion was also held on the impact of Structural Funds across the eligible region. On 16 May 2018, SEUPB delivered a similar showcasing event at the Houses of the Oireachtas, Dublin.
 - SEUPB was also invited to attend and to showcase projects at the All Island Civic Dialogue (AICD) conference on Brexit (Dundalk, 30 April 2018), the EU's chief Brexit negotiator, Michel Barnier delivered a keynote address at the event, highlighting the advantages of EU funding for the region. Importantly, he stated that *“Northern Ireland should be able to retain access to the EU's peace funding programme set up to support the peace process after Brexit”*.
- The respective governments are committed to the successful implementation of current Programmes and exploring the potential of successor Programmes post 2020.

Financial Management

- Based on a review carried out by the Audit Authority, notification of formal Designation took place on 27 April 2017, which is evidence of the Managing Authority and the Certifying Authority meeting EC requirements with regard to procedures.
- The HM Treasury funding guarantee to March 2019 has now been extended until the end of the programming period (2020), including Technical Assistance.
- Considerable efforts have been made by SEUPB to achieve full commitment of the Programme and mobilisation of approved projects. For PIV, 78% of total project budget has been approved. For IVA, 81% of total project budget has been approved (as of April 2018).
- This activity will ensure progress towards the 2018 Performance Framework milestones that are yet to be achieved. **Annex III** outlines achievement against targets. Whilst some targets have been met and others are on schedule to be met, targets relating to expenditure will be challenging as SEUPB is currently behind schedule at this programming stage.

⁸ SEUPB was set up under the “Agreement between the Government of Ireland and the Government of the United Kingdom of Great Britain and Northern Ireland establishing implementing bodies” signed on 8 March 1999.

- Expenditure levels are behind what would be expected and represent 22% of the overall annual expenditure target. It is important to note that these year-to-date (YTD) out-turn figures are as of July 2018, therefore there are still opportunities for expenditure levels to increase.
- SEUPB will continue to work closely with the finance departments to clarify future financial flows especially in the aftermath of Brexit – where the partnership will be different with the UK being a non-Member State. .

Operational

- The Programme Monitoring Committee and Steering Committee have good cross-representation and high levels of engagement are evident.
- SEUPB currently manages 130 projects across 8 specific themes within the PIV and IVA Programmes, therefore the task of providing support to this number of projects, with in excess of 400+ partners, is resource intensive.

Staffing

- There are 57 full-time equivalent members of staff in SEUPB. Based on the evaluators' interaction with staff members, it is evident that they are highly committed to the success of the Programme implementation and supporting project beneficiaries.
- In the last 18 months, there has been staff turnover of four senior positions, for reasons relating to personal circumstances and development opportunities. Whilst, this presents challenges in terms of loss of corporate knowledge and memory, it also presents an opportunity to reflect on and improve structures. SEUPB has responded by actively recruiting and filling posts.
- Notwithstanding the above, any period of staff flux is met with uncertainty by other staff and should be managed accordingly as part of a change management process. New staff members bring with them a renewed energy and desire to improve and change, however this should be managed sensitively to ensure that staff are bought-in to any new system/process change. Efforts have been made to increase the level of staff communication and engagement to minimise any degrees of uncertainty.

Training and Development

- Given the recent staff turnover and the induction of new staff members, coupled with amendments to various processes, it is an opportune time to review SEUPB's staff training and development strategy and create a coordinated approach across the organisation. This should include a skills audit/training needs analysis which will identify key strengths and any skills gaps to be met via training, for example: project management, client engagement, and leadership/managerial training, as well as assessor training for reviewing applications. This investment will enhance the competencies, confidence and capacity of SEUPB and will empower and motivate staff to manage project delivery more effectively.
- Training should be supplemented with a suite of guidance and references points, available on SEUPB's website or internal staff portal. Consideration should be given to short videos on how to carry out processes.
- Staff indicated that there are limited opportunities for career advancement. Clear job specifications, with a list of competencies, should be communicated to each unit and relevant grade. This should be supplemented with on-the-job training and the creation of job manuals. This will help focus the attention of staff, particularly for those who are ambitious for self-development with an appetite for greater responsibility and promotion to the next grade. This measure will also support succession planning and job mobility opportunities.

- It is important that recruitment drives and promotional opportunities continue to be aligned to business needs, but that opportunities for development are provided in all three offices, to ensure that staff maintain motivation levels and have access to personal development opportunities.
- Feedback from staff related to key performance indicators (KPIs) suggests that there is unease as to their fairness, given the perceived difference across teams and due to some KPIs being considered outside of their control. It is important that KPIs are fair and within the control of staff to deliver, as often external factors and project partnerships' performance can affect achievement levels.

Communication

- Internal Communications provide a quarterly newsletter and various briefings to keep all staff members abreast of new Programme developments. All staff would welcome communication on any immediate actions or acknowledgements from the PMC (to maintain engagement levels) and for minutes to be circulated thereafter ensuring communication is consistent across the organisation.

Processes

- There appears to be silo working across the various functions of SEUPB, with teams largely working independently of each other and not fully appreciating the linkages and the impact of their work on others. A clear process design and system map should be documented in the first instance, to help understand why processes are designed in such a way. This will help to identify potential inefficiencies in the system. Subsequently, staffing requirements and allocation should be aligned to required processes to deliver the programmes.
- For example, there are instances where both the JS and FCU are carrying out similar exercises relating to checking expenditure and output targets, albeit each has a different focus for the same task (JS – outputs and FCU – expenditure).
- Also, there are some examples provided by staff where a decision made by JS and agreed with the Project Partner(s) has not been communicated to FCU (and vice versa), which gives a sense of units working in isolation. It has highlighted the need for individuals to work across various units, and to encourage a greater degree of partnership working, also providing staff with a span of control and clearly identifying what they are accountable for.
- There are reported instances of inconsistency of approach between case officers and examples of different/conflicting advice given to Project Partners. There needs to be a more consistent and holistic approach to client engagement.
- Case officers are provided with a caseload of projects, which have been split evenly across individuals (however, the optimum number of projects per case officer is yet to be determined). Efforts have been made to split projects fairly, given the variance in number of partners, and complexity levels. In periods of annual leave and/or sickness, there are issues that caseloads are not advancing. This should be monitored by relevant managers so ensure that unnecessary delays, particularly regarding expenditure, are not incurred.
- Currently case officers are responsible for separate elements of a project. There is a lack of ownership of a project, leading to SEUPB not having a firm grasp of issues in a timely manner. Consideration should be given to creating Key Account Managers (KAM), particularly for projects representing large amounts of spend and of strategic importance to the success of both the PIV and IVA Programmes. This will provide a single point of contact for the Lead/Project Partner and ensure that SEUPB is close to each project to identify any issues in meeting spend or output targets, as per agreed contracts.

- Project teams (including MA, JS and FCU representation) should be set up on a theme basis, and where possible said theme should be within the same office location to allow for case officers to liaise and share learning. This will help to create efficiencies and also offer a greater level of consistency and quality assurance per theme.
- Resources permitting, there is a demand for increased visibility of case officers among project beneficiaries to support implementation. Case officers should build a positive relationship with projects and have the skills and confidence to challenge in instances of targets not being met.

The above areas are discussed in further detail in the relevant sections.

4 FINANCIAL STRUCTURES

4.1 Introduction

An overview of the key financial structures and expenditure to date is presented below.

4.2 Overall Programme Budgets

The budget for PIV is €269.61m (ERDF and Government Department match funding) and for IVA is €282.76m (ERDF and Government Department match funding); totalling a substantial investment of **€552.37m** across the eligible area for the period 2014-2020. A breakdown of the budget can be found in the Table 4.1 and a more detailed breakdown is provided in **Annex II**.

All projects within the Programmes receive funding from the following sources: ERDF (Northern Ireland); ERDF (Ireland); match funding (Northern Ireland); match funding (Ireland); match funding (Scottish partners and/or private sector match funding – for IVA only). 100% grant aid is available for all projects, made up of 85% from ERDF monies and 15% match funding from Accountable Departments. In some cases, Projects were encouraged and elected to bring additional funding over and above the 100%⁹. The level of grant aid may also be adjusted to take due account of state aid¹⁰ and/or anticipated future revenue streams.

It is important to note that the HM Treasury funding guarantee to March 2019 has now been extended until the end of the programming period (2020), including Technical Assistance.

Table 4.1: PIV and IVA Budget (2014-2020) – figures are in millions

PIV	Northern Ireland	Ireland	PIV Budget
ERDF (85%)	€ 179.62	€ 49.55	€ 229.17
Match (15%)	€ 31.70	€ 8.74	€ 40.44
Total	€ 211.32	€ 58.29	€ 269.61
% of overall budget	78%	22%	100%
IVA	UK	Ireland	IVA Budget
ERDF (85%)	€ 169.12	€ 71.23	€ 240.35
Match (15%)	€ 29.84	€ 12.57	€ 42.41
Total	€ 198.96	€ 83.80	€ 282.76
% of overall budget	70%	30%	100%
Combined PIV / IVA	UK	Ireland	Overall Budget
ERDF (85%)	€ 348.74	€ 120.78	€ 469.52
Match (15%)	€ 61.54	€ 21.31	€ 82.85
Total	€ 410.28	€ 142.09	€ 552.37
% of overall budget	74%	26%	100%

SEUPB's Certifying Authority requests, on a quarterly basis, ERDF and match funding in advance from each Accountable Department. It is important to note that every project, whether single jurisdiction or cross-border in nature receives funding which utilises the EU allocation and match contribution from Northern Ireland and Ireland. The Managing Authority manages and administers this process before it is distributed to project beneficiaries.

⁹ In relation to the 26 IVA projects, 16 have brought other funding at a cumulative value of circa €12.5m. To date 4 projects in PEACE IV have brought 'other' funding at a cumulative value of circa €3m.

¹⁰ If there is no State Aid, then the maximum level of grant may be awarded. Where State Aid is identified, the de minimis regulation may apply (i.e. allows small amounts of aid – less than €200,000). Where State Aid is identified, the General Block Exemption Regulation (GBER) may apply (i.e. allows assistance for a range of aid measures considered not to unduly distort competition). For some projects some elements may be deemed to be 'not aid' while other components may be considered to be State Aid. In this case a lower intervention rate will be applied to a part of the grant.

4.3 Programme Budgets & Commitment Values – per theme

The following section outlines expenditure against budget for each of the two Programmes. (The figures are correct as of April 2018). Overall, **€412,628,035** has been committed, representing 79% of the combined budget for PIV and IVA.

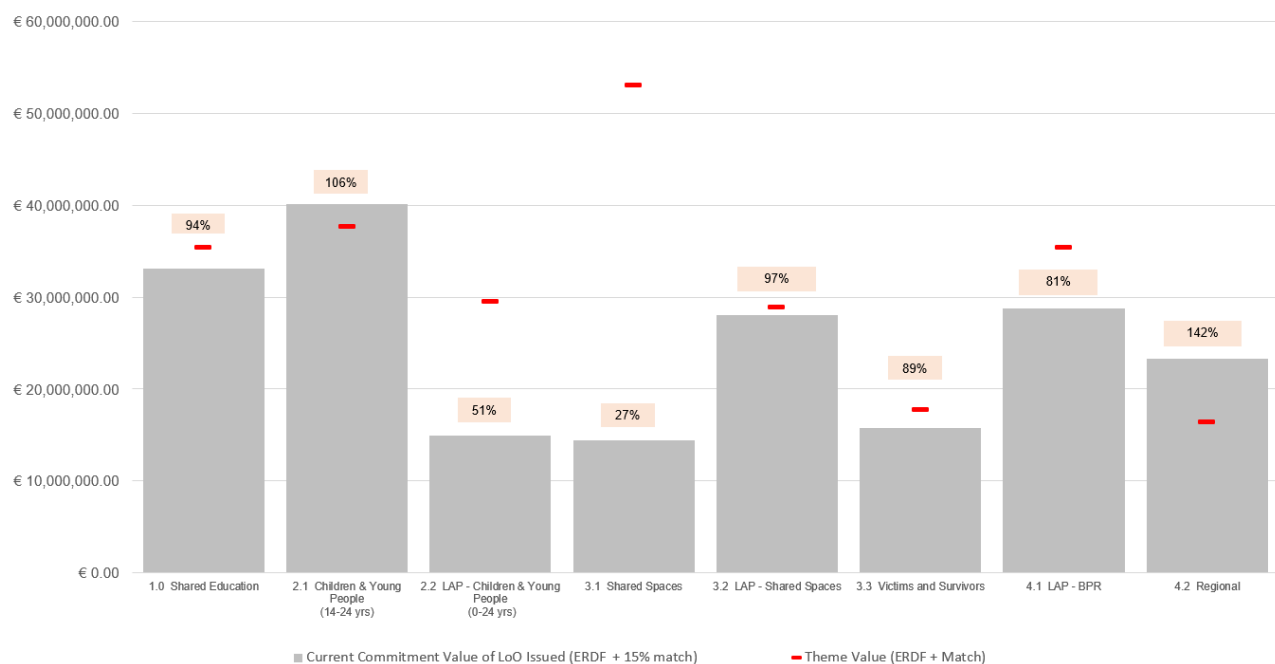
- **PIV - 78%** of funds (€198,480,577) have been committed to PIV for project activity (this is significant progress when compared to the Year 1 Implementation Evaluation where 26% of funds had been allocated – highlighting the efforts made to expedite the allocation of funding).
- **IVA - 81%** of funds (€214,147,458) have been committed against the IVA for project activity, which is a 7% uplift from this time last year.

4.3.1 PIV Programme – Budget and Expenditure

For PIV, the total budget of €269,610,965 is divided across the four specific objectives (94%) and Technical Assistance (6%). Shared Spaces and Services represent the highest allocation with 37% of the total budget, followed by Local Authority Action Plans (across three themes) representing 35% of the total budget.

The total project activity budget is €253,434,308 (i.e. excluding TA). As of April 2018, the sum of **€198,480,577** has been allocated, representing **78%** of the total project budget. Figure 4.1 illustrates commitment and percentage of commitment against allocation.

Figure 4.1: PIV Programme – ERDF + Match Funding Expenditure (April 2017)



For Priority 2, Children and Young People (14-24 years) there is a financial commitment of 106% of the overall budget, with a corresponding over-commitment on outputs by 5%, to address a possible attrition rate. For Shared Spaces, it is expected that the outcome of the second funding call assessment process will result in additional allocations against this theme.

For Priority 4, Regional, a reallocation of funds is planned, which will result in a higher allocation for this theme, over and above the original theme value.

Local Authorities across Northern Ireland and the Border Region of Ireland were invited to develop a Local Authority Action Plan (LAP) for their areas. The total allocation was €81,176,479. Belfast City Council, represented the highest budget allocation (21%), followed by Derry City and Strabane (10%), the remaining LAs each averaged 5% of the budget. At the end of 2017, all applications for LAPs had been assessed, resulting in 83% (€67,313,465) of the allocation approved by the Steering Committee, an underspend of €13,863,014, which will be allocated via the ongoing re-bid process. See section 6.2 for details.

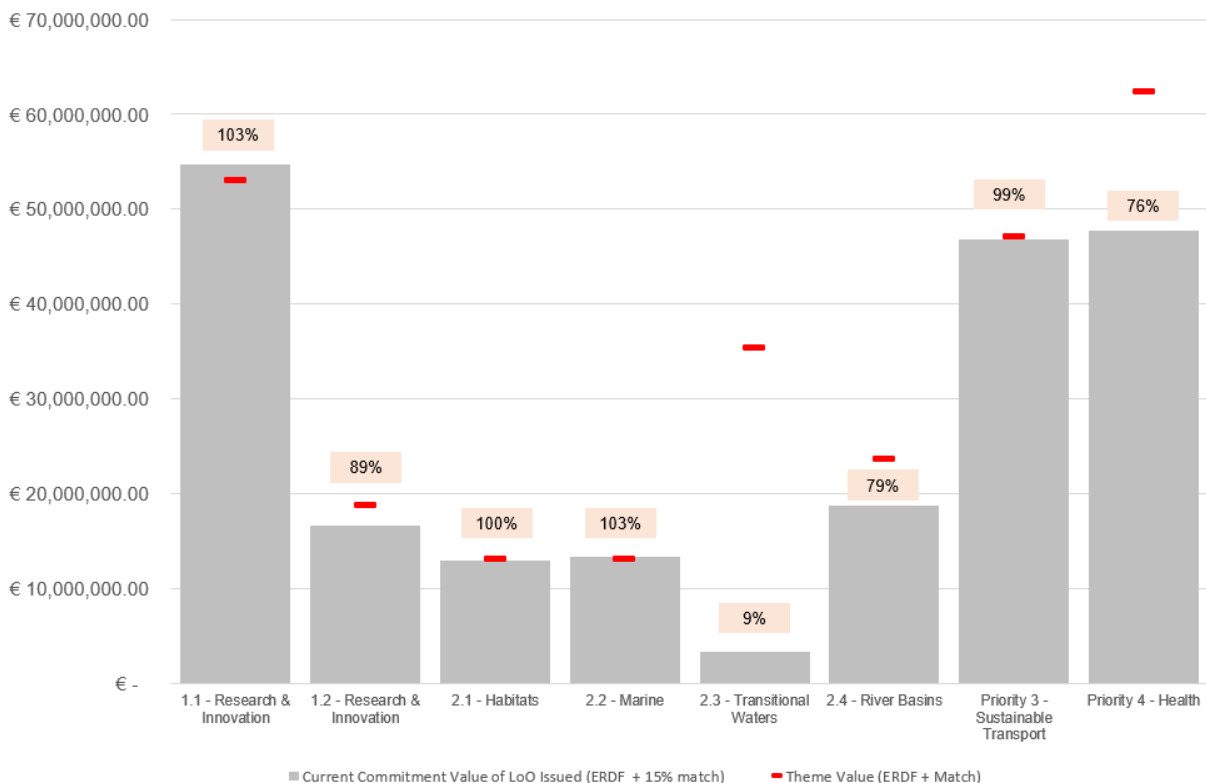
Technical Assistance (TA) represents 6% of the total PIV Programme budget (€16,176,656), with expenditure of **€2,510,000** incurred to date (i.e. 16% of TA budget). This has been used for the preparation, management, monitoring, information, communication and control of PIV.

4.3.2 IVA Programme – Budget and Expenditure

For IVA, the total budget of €282,761,995 is divided across the four specific objectives and Technical Assistance (TA). Environment represents the highest allocation with 30% of the total budget, followed by Research and Innovation (25%).

The total project activity budget is €265,764,705 (i.e. excluding TA). As of April 2018, the sum **€214,147,458** has been allocated, representing **81%** of the budget. Figure 4.2 illustrates commitment and percentage of commitment against allocation.

Figure 4.2: IVA - Expenditure (April 2018)



For Priority 2, one project withdrew following approval, due to risks associated with potential exchange rate variations. Further applications are under assessment and it is anticipated that the commitment levels will be met. Transitional Waters will be delivered in a two-phased approach - phase 1 is committed and the remaining budget will be committed as part of the second phase. A further funding call for Health (planned for 2019) is expected to result in approval levels aligned to the budget.

Technical Assistance represents 6% of the total Programme budget (€16,965,719), with expenditure of **€2,570,000** incurred to date (i.e. 15% of TA budget). This has been used for the preparation, management, monitoring, information, communication and control of IVA.

4.4 Financial Performance

4.4.1 Performance Targets

The key performance targets to include budget and year-to-date (YTD) out-turn. This represents funds drawn from Departments and paid to projects; this includes SEUPB Technical Assistance and advance payments.

Table 4.2: 2018 Business Plan – Initial forecast

	Annual Expenditure Target	YTD Out-turn (July 2018)	%
PIV	€34.9m	€6.9	20%
IVA	€34.9m	€8.8m	25%
Total	€69.8m	€15.7m	22%

Expenditure levels are behind what would be expected at this stage of the Programme and represent 22% of the overall annual expenditure target. It is important to note that these YTD out-turn figures are as of July 2018, therefore there are still opportunities for expenditure levels to increase. SEUPB is addressing a backlog in claims and payments (Ref Section 6.7 for discussion).

Annex III outlines the key milestones for 2018 and progress towards meeting these milestones at a mid-year point (June 2018). In general, targets are on schedule to be met, however meeting eligible expenditure targets will be extremely challenging (although, it is noted that SEUPB is hopeful that these will be met by December 2018).

4.4.2 De-commitment Risk

For the PIV and IVA Programmes, the de-commitment rule is set as N+3 i.e. money profiled by EU has to be spent and certified within three years, in other words the 2015 budget must be spent and certified by 2018. All expenditure must be spent and claimed by 2023. Failure to meet agreed N+3 targets will result in automatic budget reduction.

A further challenge is to ensure that Programme milestones are met, therefore considerable efforts have been made by SEUPB to achieve full commitment.

Table 4.3 details the factors to be considered when evaluating the de-commitment risk together with an assessment of that risk.

Table 4.3: Assessment of De-commitment Risk

Factor	Assessment	Risk
Have commitment targets been met to date? % committed and allowance for expenditure slippage within the Projects	<p>For PIV, 78% of total project budget has been committed. For IVA, 81% of total project budget has been committed (as of April 2018).</p> <p>When considering pipeline expenditure, for IVA, the overall anticipated commitment level is 97.5%. For PIV, the anticipated commitment level is 100%. However, there is some risk associated with the award of Shared Space Capital projects (where the first funding call only yielded 2 successful projects and there is in excess of €38m still to be allocated under the second call before the end of December 2018). To mitigate the risk of underspend, additional application and project development support was provided to applicants applying to this theme and to expedite the process a one stage application was adopted. The results of this funding call will be known by January 2019.</p> <p>Overall, it is acknowledged that commitment and expenditure levels will be closely monitored by SEUPB and Member States and remedial action taken as appropriate over the remainder of the programme period. At this stage in the programming period, there is five years of eligible commitment and expenditure remaining to take corrective action which will minimise the de-commitment risk.</p>	Low-Medium
Have expenditure targets been met to date?	Annex III outlines the key milestones for 2018 and progress towards meeting these milestones at a mid-year point (June 2018). In general, targets are on schedule to be met, however meeting eligible expenditure targets will be challenging - representing 22% of the overall annual expenditure target. It is important to note that these year-to-date (YTD) out-turn figures are as of July 2018, therefore there are still opportunities for expenditure levels to increase. SEUPB is addressing a backlog in claims and payments and is hopeful that targets will be met.	Medium-High
Experience of the MA in dealing with European Funds	SEUPB has been managing structural funds since 2000. For previous Programmes, none to minimal funds were de-committed.	Low
External Factors affecting Project completion, planning etc.	Due to unforeseen circumstances there may be delays in projects. It is important that the Managing Authority and JS work closely with Lead Partners and Project Partners to manage the implications of any delays.	Low-Medium
Exchange rate risk	<p>The Certifying Authority will monitor exchange rate variances closely to reduce the de-commitment risk over the duration of the Programme. A sensitivity analysis of the potential programme and project level de-commitment risk would be helpful to understand any potential issues. A key aspect of exchange rate risk in previous programmes was that the Programme was in Euro, but most projects had sterling Letter of Offers. For the 2014-20 programme period, exchange rate risk has been reduced due to all IVA Letter of Offers and most PIV Letters of Offer being in Euro. This has made for much simpler programme management.</p> <p>For PIV projects in receipt of a Letter of Offer in Sterling (the value of the requested approved project is converted to Euro for the eMS using the programming planning rate of 1.18), expenditure incurred in Sterling is entered onto eMS in this currency and the system automatically calculates the Euro value. To avoid exchange rate variances – the Euro expenditure items should be entered in the same month as the claim submission. NB. When a Project Partner submit claims, the Sterling is converted to the EC monthly rate which could be higher or lower, therefore these projects are exposed to foreign exchange risk, which may impact the achievement of project outputs.</p>	Low-Medium
Overall Risk Assessment		Low-Medium

We regard the current de-commitment risk as '**low-medium**' based on the percentage commitment to date, and cumulative expenditure to date. The Managing Authority has experience in managing these funds and previous Programme records indicate that any potential risk will be minimised to avoid de-commitment at the end of the programming period. The Managing Authority will continue to stringently monitor the Programme and have systems in place to take timely corrective action to ensure that the Programme is fully implemented. There are still five years of the programmes remaining to take remedial, therefore minimising the de-commitment risk.

The Managing Authority should consider over-commitment to ensure fund maximisation. The Year 1 Implementation Evaluation recommended that an over commitment of funds should be explored; for example, between 105-110% to allow for underspend across Programme themes. This was based on benchmarking information, for instance, the EC's report 'Analysis of budgetary implementation of ESIF in 2015' (May 2016) stated that ERDF was the principal fund affected by de-commitments up to 2015. The total cumulative de-committed amount related to ERDF is approximately 9.2% of the end 2014 cumulative targets for the operational programmes concerned. Any over-commitment needs to be carefully considered due to the potential financial liability to Member States. It is important to note that the extension of scope of UK government guarantee has reduced immediate need for over-commitment.

In response, the Managing Authority presented an options paper to the Member States which identifies areas for over-commitment in each Programme, with some elements being taken forward and others in the process of implementation (or some on hold due to extension of scope of UK government guarantee in July 2018). This will offset underspend which is expected towards the end of the Programme.

There is a risk that the Shared Spaces funding call will not yield sufficient projects to meet targets, for example the first funding call generated 33 applications, yet only 2 projects have been successful. To address this issue a second funding call was issued, which involved a one stage application with project development support to improve the quality of projects. This is discussed further in Section 5.2.3. Based on the potential under commitment for this funding call, there may be a need to over commit, where appropriate need exists.

It is imperative that the Managing Authority expedites the allocation of funds to achieve project expenditure to ensure that targets are met (whilst balancing the need for robust processes) and adherence to the financial profile (n+3), business plan and performance framework targets. Delays increase the risk of failing to meet these targets and therefore financial penalties to the Programme.

The Certifying Authority should maintain accurate financial forecasting of Programme expenditure, in line with regulatory requirements agreed with the EC. Accurate forecasting will be key to draw down funds from Accountable Departments in relevant jurisdictions, again emphasising the importance of accuracy to allow for budget planning and to ensure that funding is set aside for the Programme priorities. To facilitate accurate forecasting, Lead Partners also have a responsibility to profile/forecast spend as accurately as possible, in line with their agreed business plan, and to declare underspends without delay. Despite training and advice provided by SEUPB to Lead/Project Partners, quality issues are still apparent in forecasts submitted – highlighting the need for support to ensure honest and accurate forecasting. The introduction of Key Account Managers will help to build trust between SEUPB and Lead/Project partners to aid this process.

The SEUPB will continue to work closely with the finance departments to clarify future financial flows especially in the aftermath of Brexit – where the partnership will be different with the UK being a non-Member State.

5 APPLICATION & ASSESSMENT PROCESS

5.1 Introduction

The administrative arrangements between the PIV and IVA Programmes have been harmonised, including alignment of the application process and project selection criteria. This section describes the application and assessment process and whether activity undertaken meets the requirements for the reduction of the administrative burden.

Feedback is based on key stakeholder feedback and results from the online survey of applicants. Please note that the survey questions seeking feedback on the application process were only asked for more recent funding calls (as these questions were already asked of respondents who completed the survey in 2017). To achieve a full profile of feedback, we have added the 2017 results for all respondents to the 2018 results for 'recent calls' for questions related to the application and assessment process.

Table 5.1: Online survey – number of responses

	Successful Applicants	Unsuccessful Applicants	Total
2017 survey	53*	35	88
2018 survey	80 (52 follow-on from 2017 and 28* recent calls)	11	91
Total	81 (respondents surveyed in Year 1 and Year 2)	46	127

*53 + 28 = 81

The survey results for unsuccessful applicants have been combined to reflect those surveyed in 2017 and 2018.

Overall, findings are based on 127 responses.

5.2 Application Process

5.2.1 Pre-application Stage

The table provides conclusions as to the extent to which the requirements within the Cooperation Programme have been met with respect to funding calls and pre-application support delivered via thematic workshops.

Table 5.2: Extent to which Cooperation Programme requirements have been met – Pre-Application

Extract from Cooperation Programme	Has this been achieved?	
<p>Information on calls for grant aid: The Managing Authority will publish a rolling 24-month programme of calls for applications. Calls will have a high degree of focus and will detail the results and outputs required and total financial allocation of each call.</p> <p>A calendar of fixed Steering Committee dates will be published at the time of the call which will provide transparency on the targets for processing times. The decision-making procedures and criteria will be very clearly set out in the terms of reference of each call.</p>	Yes	<p>SEUPB has met the Cooperation Programme requirements by publishing a rolling funding call, to include detailed descriptions of the processes, outputs and funding allocation under each theme. The funding calls are based on the outputs and results within the Cooperation Programme.</p> <p>SEUPB Communications Team, in collaboration with JS, published an annual timetable for calls to give applicants advance warning of when a call is expected and as a means of supporting high quality applications. This approach also benefited Accountable/Policy Departments, giving them the opportunity to align internal resources with the timetable for calls to facilitate forward planning. NB. It is noted that some of the more recent calls have not been planned sufficiently in advance to feature in annual timetable and some flexibility has been necessary.</p>

Extract from Cooperation Programme	Has this been achieved?	
		Based on the online survey results, 62% of applicants agreed that the 'funding call' was effectively promoted.
<i>Support will be available to potential applicants through information seminars and workshops.</i>	Yes	SEUPB has met the Cooperation Programme requirements by facilitating pre-application development workshops and thematic workshops. Thematic workshops were also organised in parallel to funding call announcements. Overwhelmingly positive feedback was received from attendees on the content and delivery of workshops.

5.2.2 Application Process

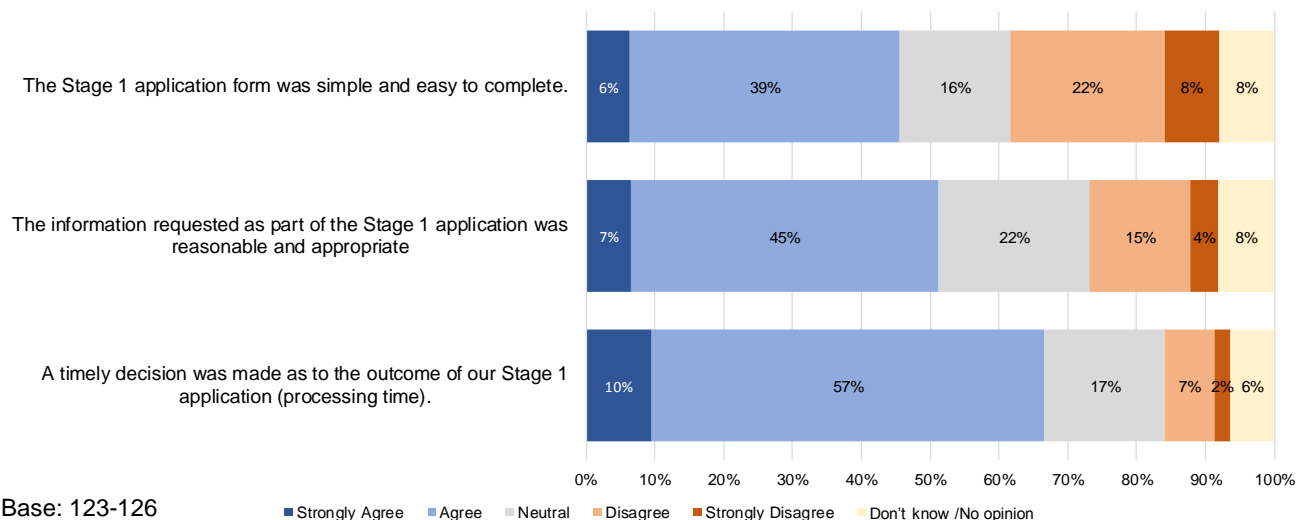
The relatively straightforward Stage 1 application form is used as a means of determining the viability and merit of the project (a decision is made within 12 weeks of applying). Following the Stage 1 Steering Committee decision, successful applicants are invited to move to Stage 2, and given 6 weeks to submit a business plan (a decision is made within 24 weeks). Overall, a final decision is made within a target of 36 weeks. The table provides conclusions as to the extent to which the requirements within the Cooperation Programme have been met with respect to the application process.

Table 5.3: Extent to which Cooperation Programme requirements have been met – Application

Extract from Cooperation Programme	Has this been achieved?	
<i>A two-stage application process will be used. Stage 1 will be a short application form, with applicants receiving a decision within a maximum of 12 weeks of applying. Applications emerging from Stage 1 of the process will then be invited to provide additional detailed information for Stage 2 of the application process.</i>	Yes	SEUPB introduced a two-stage application process, where applicants complete a shorter Stage 1 application and a decision is made within 12 weeks. This is a significant improvement when compared to the PEACE III and INTERREG IVA. For instance, in the one-stage process in PEACE III, applicants had to wait on average 56 weeks before they were notified as to the outcome of their application.

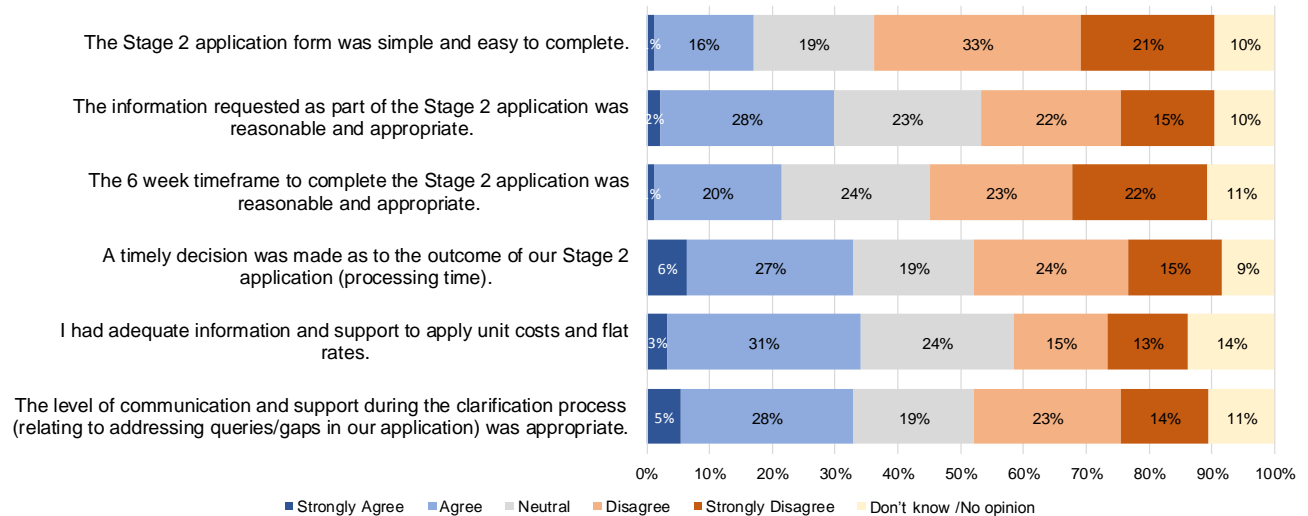
Stage 1: 45% of respondents agreed that the Stage 1 application form was easy to complete, and 52% reported that the information requested was reasonable and appropriate. 30% did not agree that the application was easy, and 19% felt that the information requested at Stage 1 was not reasonable. Of note is the fact that 67% agreed that a timely decision was made as to the outcome of the Stage 1 application.

Figure 5.1: To what extent do you agree with the following statements about the Stage 1 Application?



Stage 2: Given the level of funding and the detail required as part of the Stage 2 application, it is perhaps not surprising that only 17% agreed that the application was simple and easy to complete (with 54% disagreeing with this statement). Although, 30% acknowledged that the information requested was reasonable and appropriate (with 37% disagreeing with this statement).

Figure 5.2: To what extent do you agree with the following statements about the Stage 2 Application?



Base: 93-94

53 – 2017 survey (PIV: 16 | IVA: 37)

28 – 2018 'recent call' survey (PIV: 26 | IVA: 2)

13 unsuccessful (those who progressed to Stage 2)

“The number of questions that required considerable preparation were disproportionate to other comparable applications forms we have completed over recent times.”

“The application process is a lot of work and requires substantial resource within the organisation”

Timeframe

21% agreed that the 6-week timeframe to complete the Stage 2 application was reasonable and appropriate. Although, it is evident that the 6-week timeframe was challenging for 45% of respondents.

All potential applicants were advised of the need to begin the planning of their Stage 2 business plan as part of the stage 1 process for two reasons; firstly, to help focus the Stage 1 application and secondly; to assist with the timeframe between the stages. However, based on feedback, Stage 2 preparation did not occur until the outcome of Stage 1 was known. Applicants did not want to assume a successful outcome and spend time on preparation of a detailed business plan. This resulted in the 6-week period being considered to be challenging. For later calls such as Children and Young People and Shared Spaces the SEUPB did provide a greater amount of time to produce a second stage application.

Guidance on how to apply SCOs

34% of respondents agreed that they had adequate information to apply unit costs and flat rates, suggesting that further support from SEUPB is required to aid the application of Simplified Cost Options.

Clarification and Support

There were mixed opinions with regard to the level of communication and support during the clarification process, relating to addressing queries/gaps in project details in the application form. 33% agreed that the level of communication and support during the clarification process was appropriate, however, 37% disagreed.

The restrictions placed on the number of words/characters was raised by applicants as an inhibiting factor and that this ultimately led to increased level of clarifications at the assessment stage as the parameters of the application did not allow for adequate levels of detail.

The time taken to address 'clarifications' has been raised by applicants as a key issue, citing excessive queries and duplicate requests. The issues contributed to a negative perception among some project beneficiaries and influenced their opinion that the level of bureaucracy associated with the Programme remains high. To minimise the number of clarification points, SEUPB made changes to the applications i.e. re-issued the Stage 2 application form and associated guidance, in order to better align the information requested from applicants and the requirements for a rapid and robust assessment. In addition, the introduction of the application form on eMS (from April 2017) led to a more efficient approach.

It is important that the clarification process is only used to address smaller issues, however at times it seems that the project is being developed through what has become a mentoring process. As the precedent of clarifications has been set, this creates an issue as to the fairness of the process which may afford some applicants with the opportunity to respond to exacting clarifications, whilst others may not have the same opportunity – this additional information was not provided in the initial application as part of a competitive funding call process.

The level of clarification by SEUPB/Accountable Departments, and the corresponding responses by applicants, should be minimised to ensure a level playing field for all applicants. A procedure for clarifications should be set, in terms of the type of clarifications that are permitted, and a reasonable word count applied to responses to avoid excessive additional documentation forming part of the application that is not afforded to all applicants. A maximum of two rounds of clarifications should be sufficient, with the option of one of these via face-to-face discussion with the applicant. Applicants should be permitted one week to provide evidence, as this should be readily available and not generated as a result of the clarification – this will help to maintain a level playing field for applicants in a competitive call.

Overall

Given the above, there were mixed opinions as to whether the overall two-stage application has reduced the administration burden for applicants. A total of 40% agreed that this has streamlined processes, compared to 33% disagreeing with this statement.

5.2.3 Key Learning

There remains merit in maintaining a two-stage process for competitive calls, with a timely (within 12 weeks) decision being made as to the outcome of the application.

On reflection, a different application approach should have been considered for pre-identified projects, such as LAPs to reduce the administration burden for Local Authority applicants. Feedback from stakeholders indicated that the allocated budget set aside for the development of LAPs removed the competitive nature of the process and possibly impacted quality, when compared to other competitive calls. Discussions between SEUPB and councils' leadership teams have taken place to address quality issues.

As already stated, the first funding call for the Shared Spaces and Services generated 33 applications but only 2 projects were approved (6%). Given the restricted timescales upon which to commit funds (up to March 2019), SEUPB had to be flexible in its approach and launched a second funding call with a one-stage application process. This is currently undergoing assessment, therefore the outcomes are not yet known. However, anecdotal evidence suggests that the approach has been welcomed and it is anticipated that higher quality applications and ultimately projects have been developed.

The key difference in this approach was the introduction of more in-depth, tailored pre-development support – comprising of three workshops and technical support for applicants to provide guidance on how to robustly evidence the need for the project. Furthermore, support was also offered in the form of a consultant for 1.5 days to review the applications and to advise applicants on how to strengthen their case. This is a welcomed addition to SEUPB’s application process; the effectiveness of which will be monitored and evaluated.

5.3 Assessment

All projects are assessed against pre-defined selection criteria¹¹. Generally, feedback relating to the assessment process was positive. 41% agreed that the assessment process was fair and transparent. 17% disagreed, but this view was mostly held by respondents who were unsuccessful applicants.

The table provides conclusions as to the extent to which the requirements within the Cooperation Programme have been met with respect to the assessment process.

Table 5.4: Extent to which Cooperation Programme requirements have been met – Assessment

Extract from Cooperation Programme	Has this been achieved?
<p><i>The primary purpose of the assessment process is to assess the potential of the proposed projects to deliver the specified results and outputs of the programme in a cost effective manner.</i></p> <p><i>In stage two of the process, the JS and all other relevant bodies (e.g. accountable departments) will proceed with the full assessment of the application in accordance with the procedures and criteria described in the terms of reference so as to make recommendations to the Steering Committee and to issue letters of offer.</i></p>	<p style="text-align: center;">Yes</p> <p>The JS has the primary responsibility for conducting project assessment. This involves a single assessment process leading to the tabling of recommendations to the Steering Committee.</p> <p>JS forwards all relevant applications and assessment reports to the Accountable/Policy Departments prior to the Steering Committee to allow them to complete all their necessary internal governance procedures in line with their respective delegated limits. The Steering Committee makes the final decision on all funding applications. There is no additional approval process post Steering Committee*. The shift to a single assessment process represents a marked improvement as all necessary approvals, including those from Accountable Departments, are in place at the Steering Committee.</p> <p>*It is noted that in some cases, internal Departmental approval processes have run beyond the Steering Committee date. For instance, for the recent PIV Shared Spaces funding call involved a process post-Steering Committee, to allow Accountable Departments to consider all necessary information to make a final decision. The ideal process is to have all approvals in place before the Steering Committee.</p>

¹¹ Selection Criterion: Contribution of the project to the defined results and outputs of the programme; Quality of project design (including specific requirements detailed in the Cooperation Programme.); Quality of project team and implementation arrangements; Value for money; Quality of cross border co-operation with demonstrable added value; Contribution towards sustainable development; Contribution towards equality [NB. The selection criteria for PIV differs slightly in that it include cross-community and does not require cross-border].

Extract from Cooperation Programme	Has this been achieved?	
<i>The regulations require that the final decision on the allocation of grant aid is made by the Steering Committee (appointed by the Programme Monitoring Committee).</i>	Yes	The Programme Monitoring Committee (PMC) delegated its responsibility for project selection to a Steering Committee. The Steering Committee considers the assessment report and makes the final decision on all funding applications.
<i>The Steering Committee will include representatives of the Member States, accountable/policy departments and social partners.</i>	Yes	The Steering Committee is constituted on a cross-border basis. The composition includes a balanced representation from across the eligible region. Members include: Chair (SEUPB); Member States (DOF and DPER); relevant Accountable/Policy Department for the theme in which the application has been submitted will have one representative on the Committee; Regional/Sub-Regional/Local Government Interests, two from each jurisdiction; Cross Cutting Interests/Social and Economic Partners, one from each category; Equality Organisations; Environmental Organisations; Voluntary and Community Sectors; Trade Unions; Business; Agri-Rural Development).
<i>The Steering Committee will have access to required technical and financial expertise to make an informed decision. There will be no additional approval processes post-Steering Committee.</i>	Yes	<p>The final assessment report by JS to the Steering Committee is based on programme criteria and informed by: any technical assessment report; any economic appraisal carried out and any comments received from the Accountable/Policy Department. This report is considered by the Steering Committee, upon which approvals are made.</p> <p>The Steering Committee has access to relevant technical and financial expertise when required in order to make an informed decision. To support the assessment process, SEUPB can commission Economic Appraisals to help inform decisions, particularly for large scale projects.</p>

5.3.1 Economic Appraisal Process

The Assessment Process is used to assess applications against the criteria of the Cooperation Programme and the specific Call for Applications. It was designed to take account of respective Member State guidance, views and best practice.

In every case it is important to establish clearly the rationale for the project and the need for Programme intervention. The justification for intervention usually falls into one of two categories: the achievement of economic objectives by, for example, addressing inefficiencies in the operation of markets and institutions; or the achievement of equity objectives through, for instance, local or regional regeneration. SEUPB's focus is on the achievement of equity objectives (rather than purely economic objectives), which align to wider government policies on creating a cohesive society.

- Feedback suggests that applicants are not fully aware of the requirements to address the economic appraisal process and would have benefited from pre-application development support.
- Based on a review of the support materials provided to applicants, insufficient emphasis was placed on the economic appraisal process and in particular, aspects such as assessment of need and potential for displacement. The guidance provided by SEUPB to applicants is at high level and does not provide the necessary detail or examples to fully support the application process in terms of demonstrating 'assessment of need'.

- It is important that sufficient time is dedicated to explaining the economic appraisal aspect of the assessment process to ensure that applications meet the requirements of same. It is acknowledged that SEUPB has since addressed this issue in the most recent funding call ‘Shared Spaces and Services’.
- Tailored guidance per funding call should be considered, to include case study/worked example of what is expected. This will result in more robust applications and reduce the level of administration surrounding the clarification process and help improve processing times.
- Clear guidance and templates should be provided on what is accepted research to demonstrate need and demand. For example, a sample letter of support and a table for applicants to populate to include: status quo/baseline position – existing membership and profile of usage, deficiencies in existing facilities, need for new facility and/or service, and intent to use the facility and/or service and schedule of use.
- It is also important that all Consultants/Economic Appraisers, commissioned by SEUPB, are made aware of the guidance offered to applicants. This will ensure that both the applicant and the appraiser will have been afforded with the same information and that expectations and processes are closely aligned.
- A review of points of clarity from Accountable Departments and SEUPB suggests that the issues presented are the same/similar and yet the applicant is tasked with responding to each separately. To avoid duplication of effort, Accountable Department and SEUPB comments should be integrated and themed on key areas of the economic appraisal and/or SEUPB assessment report.
- It is evident that the SEUPB’s assessment reports are influenced by the economic appraisal commentary. It is important that SEUPB carries out a due diligence of the economic appraisal process and assumes a higher-level and robust critique of all available information before presenting a conclusion as to the outcome of each application.
- SEUPB’s value for money assessments are now being carried out in parallel with the external economic appraisers, as a means of improving efficiencies and ensuring that SEUPB guidance on eligible expenditure is considered at this stage. To reduce the administration burden and increase efficiencies further, value for money assessments should only take place once need and demand is robustly evidenced – to avoid unnecessary work by appraisers and SEUPB’s Financial Control Unit.

5.3.2 Overall application and assessment

The overall application and assessment process should be reviewed in more detail. There may be opportunities to increase the efficacy of the assessment process, as some of the successful/approved projects are not performing as would be expected – with outputs and spend behind schedule. It must be determined if the case is that projects score well on paper but in practice these projects are not being implemented effectively, perhaps due to governance/management issues and/or external market issues preventing outputs being met – which must be determined. A thorough risk assessment and due diligence of delivery partners/governance arrangement and financial standing should form part of the assessment and conclusions presented to the Steering Committee as to the capacity of the partnership.

There is a need to contextualise the application process to the Programme Rules and Regulations and Lead/Project Partners should be asked to sign that they have fully considered and understand these rules. In addition, for the Lead/Project Partner to confirm that senior staff will be in place with the capacity to deliver projects on time, as per the Letter of Offer.

Whilst we acknowledge and appreciate that the Co-operation Programme outlines that a single set of guidance notes and common rules is applied (i.e. harmonisation), this is not always an effective approach given the variation of projects. A more tailored pre-application support, application and assessment should be considered – in keeping with the principle of proportionality. For example, the process adopted for Shared Spaces and Services should be more detailed and rigorous when compared to the Regional theme which focuses on smaller local, voluntary and community led projects. It is recommended that the application and assessment process should be designed on a Programme theme basis – this will involve more resources and time during the Programme development stages, however this will lead to more effective management of delivery.

In terms of applicant guidance, there should be a central repository for information. For example, a section on the website should be allocated to 'Essential Information' including Output Indicator Guidance. Applicants should be asked to sign that they have given full consideration to all the essential information. For future funding calls/Programmes, SEUPB should consider consolidating 'The Guide for Applicants' and Output Indicator Guidance into one document, for ease of reference for applicants. To avoid the document becoming too large, consideration should be given to a tailored guidance per funding call.

5.4 Processing Times

As of April 2018, a total of 184 applications have been received, to include 123 applications for the PIV Programme and 61 applications for the IVA Programme. Table 5.6 and 5.7 present a summary of processing times for both Programmes. Processing times are calculated from 'Funding Call Closure Date' to 'Steering Committee Date' or 'Letter of Offer (LoO) Issued Date'. Stage 2 includes Stage 1 processing times.

Stage 1 targets have been met. For Stage 2 and issuing the Letter of Offer, the processing times are in excess of what is anticipated, mainly as a result of the poor quality of applications received which resulted in excessive clarifications by JS and the Steering Committee. This has hampered progress and negatively impacted on the perception of a reduction in administration as well as causing delays in the assessment timescales. The Managing Authority must take action to avoid the introduction of any unnecessary additional procedures or checks. Based on the quality issues identified (particularly relating to some Local Authority Action Plans) it suggests the need for further support.

Processing times have also been extended to fit with eMS processes. For example, prior to the introduction of eMS Letters of Offer were issued upon Steering Committee approval. However the process now involves additional steps i.e. upon Steering Committee approval the Project Partners must reprofile their budget on eMS (if necessary- to reflect value for money assessment), which requires sign-off by the project partnership and any relevant trustees/boards, SEUPB reviews and approves this reprofiling and modification exercise and the Letter of Offer is subsequently generated from eMS and issued to projects for their signature before the project can be mobilised.

To expedite the process, Lead/Project Partners should be given a strict timescale in which to reprofile their budget on eMS along with modifying the associated work packages to ensure that the Letter of Offer is reflected and for sign-off to be agreed by SEUPB thereafter to allow projects to be mobilised. The option of issuing the Letter of Offer on the proviso that the reprofiling and modifications are made within 30 days should be considered as a means of encouraging Project Partners to respond more timelier and thereby help to reduce processing times. Although, the focus remains on issuing and agreeing final Letters of Offers.

Given the importance of value for money and to minimise the number of project modifications and budget reprofiling, pre-development support should focus on providing more tailored guidance on eligible expenditure and how the FCU assesses value for money to facilitate the development of more robust applications, thereby reducing processing times.

PIV processing times

- **100% applicants met Stage 1 target** (12 weeks).
- **52% applicants met Stage 2 target** (36 weeks).
 - The average length of time for Steering Committee decision was **36 weeks** from the call closure date.
 - The shortest time to make a decision was 15 weeks. The longest time to make a decision was 57 weeks which related to each of the 13 applications under the Shared Spaces Capital Development theme. 21 applications took 38 weeks, just missing the target by 2 weeks.
- **21% applicants met LoO target** (36 weeks).
 - The average length of time to LoO issued was **46 weeks** from the call closure date.
 - The shortest time was 28 weeks. The longest time to was 67 weeks which related to a Local Action Plan. 4 applicants took between 37-42 weeks.

IVA processing times

- **100% applicants met Stage 1 target** (12 weeks).
- **52% applicants met Stage 2 target** (36 weeks).
 - The average length of time for Steering Committee decision was **37 weeks** from the call closure date.
 - The shortest time to make a decision was 29 weeks. The longest time to make a decision was 46 weeks.
- **0% applicants met LoO target** (36 weeks).
 - The average length of time to LoO issued was **50 weeks** from the call closure date.
 - The shortest time was 38 weeks. The longest time was 66 weeks.

The table provides conclusions as to the extent to which the requirements within the Cooperation Programme have been met with respect to processing times.

Table 5.5: Extent to which Cooperation Programme requirements have been met – Processing Times

Extract from Cooperation Programme	Has this been achieved?	
<p><i>Except in duly justified cases, stage two of the process shall not exceed 24 weeks, including the issuing of the letter of offer to the applicant.</i></p> <p><i>The principle of proportionality will be applied in the assessment and decision-making process so as to take adequate account of the different types and scale of projects and project applicants and the levels of financial support sought.</i></p>	<p>Not fully</p>	<p>As of April 2018, a total of 184 applications have been received, to include 123 applications for the PIV programme and 61 applications for the IVA programme.</p> <p>Processing times:</p> <p>PIV</p> <ul style="list-style-type: none"> • 100% applicants met Stage 1 target (12 weeks). • 52% applicants met Stage 2 target (36 weeks). • 21% applicants met LOO target (36 weeks). <p>IVA</p> <ul style="list-style-type: none"> • 100% applicants met Stage 1 target (12 weeks). • 52% applicants met Stage 2 target (36 weeks). • 0% applicants met LOO target (36 weeks). <p>As per Section 5.3.2, a more tailored pre-application support, application and assessment should be considered – in keeping with the principle of proportionality.</p>
<p><i>Except in duly justified cases endorsed by the Steering Committee, processing of applications shall be completed in a maximum of 36 weeks</i></p>		<p>Last year, the knock-on effect of the UK Referendum resulted in extenuating circumstances and clearly had an adverse effect on processing times. However, it is evident that every effort has been put in place to minimise the impact on the Programme and on applicants.</p> <p>Other factors impacting on processing times are also evident:</p> <ul style="list-style-type: none"> • Issues relating to the quality of the applications meant that JS had to seek further clarification on project activity and assumptions to enable a value for money assessment to be completed; this resulted in a protracted iterative process to source the required data from applicants. • Time taken to update the Stage 2 application/business plan to take account of the lapse of time (i.e. from the initial submission of application to Letter of Offer stage). • Some Project Partners experienced delays in collating relevant documentation to support their application and/or address case officer queries – hampered by the complexity of working within a partnership arrangement requiring input from all Project Partners. • Processing times have also been extended to fit with EMS processes.
<p><i>Should the maximum processing times not be met, an update indicating the reasons for the delay will be published on the website of the programme so as to ensure transparency for all applicants and the programme monitoring committee will be informed in the framework of its meetings.</i></p>	<p>No</p>	<p>The Managing Authority has published the minutes and papers from the PMC on SEUPB's website. However, SEUPB do not currently publish the delays on its website. This is an action for SEUPB to address.</p>

Table 5.6: PIV Processing Times – Theme level (April 2018)

	Stage 1				Stage 2				LoO Issued			
	Number of Applications	Ave no of weeks to Steering Committee	Target (Maximum Processing Time)	% of Applications Processed Within Target	Number of Applications	Ave no of weeks to Steering Committee	Target (Maximum Processing Time)	% of Applications Processed Within Target	Number of Applications	Ave no of weeks to LoO Issued	Target (Maximum Processing Time)	% of Applications Processed Within Target
Shared Education	5	6	12	100%	0		36		0		36	
Victims and Survivors	1	6	12	100%	1	31	36	100%	1	37	36	0%
Local Authority Action Plans	17	6	12	100%	16	21	36	100%	16	42	36	50%
Regional	31	8	12	100%	21	38	36	0%	14	54	36	0%
Children & Young People	36	8	12	100%	18	34	36	100%	11	43	36	9%
Shared Spaces Capital Development	33	8	12	100%	11	57	36	0%			36	
Programme Level	123	8	12	100%	67	36	36	52%	42	46	36	21%

Table 5.7: IVA Processing Times – Theme level (April 2018)

	Stage 1				Stage 2				LoO Issued			
	Number of Applications	Ave no of weeks to Steering Committee	Target (Maximum Processing Time)	% of Applications Processed Within Target	Number of Applications	Ave no of weeks to Steering Committee	Target (Maximum Processing Time)	% of Applications Processed Within Target	Number of Applications	Ave no of weeks to Loo Issued	Target (Maximum Processing Time)	% of Applications Processed Within Target
Health and Life Sciences & Renewable Energy	10	8	12	100%	6	29	36	100%	5	38	36	0%
Enhance Innovation capacity of SMEs	3	5	12	100%	2	46	36	0%	1	60	36	0%
Habitats	4	7	12	100%	2	35	36	100%	2	56	36	0%
Marine	8	6	12	100%	3	35	36	100%	2	48	36	0%
Transitional Waters	1	4	12	100%	1	39	36	0%	1	66	36	0%
River Basins	2	7	12	100%	1	35	36	100%	1	50	36	0%
Greenways	5	6	12	100%	4	32	36	100%	3	45	36	0%
Multi-modal Transport Hub	1	6	12	100%			36				36	
Health and Social Care	27	8	12	100%	12	42	36	0%	7	57	36	0%
Programme Level	61	7	12	100%	31	37	36	52%	22	50	36	0%

6 PROJECT IMPLEMENTATION

6.1 Introduction

This section describes the key stages of project mobilisation and implementation, to include:

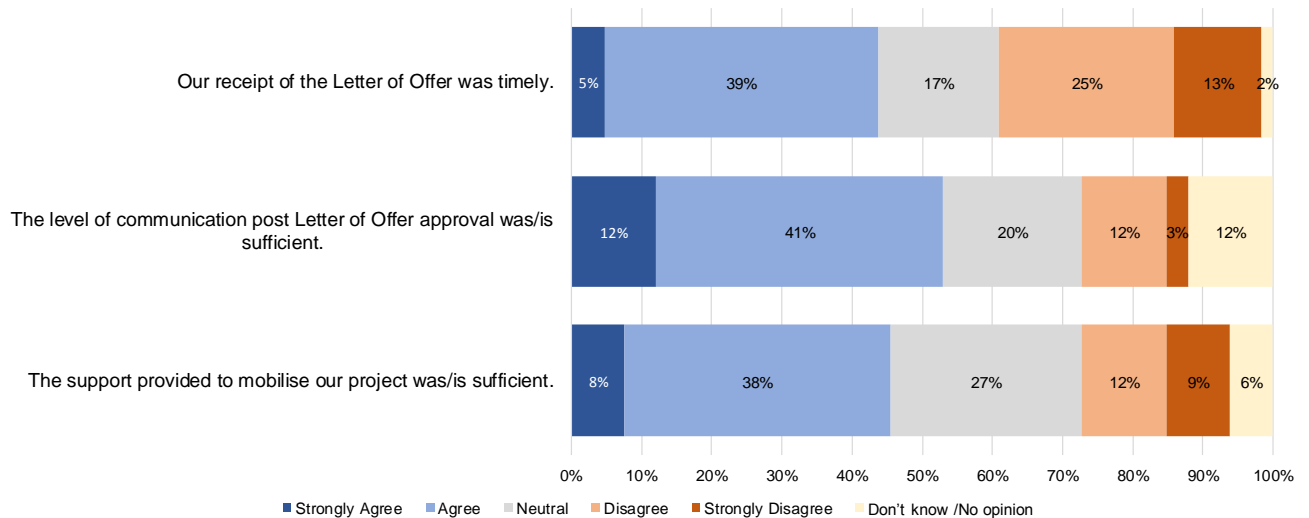
- Receipt of Letter of Offer.
- Output-results focused.
- Claims and payments.
- Uptake of simplified costs.
- E-cohesion.

6.2 Receipt of Letter of Offer

44% agreed that the receipt of their letter of offer was timely, however 38% either disagreed or strongly disagreed with this statement.

Over half (53%) agreed that the level of communication post letter of offer was sufficient and 46% agreed that the support provided to mobilise their project was/is sufficient. However, given the proportion stating neutral and disagree, it suggests that there are opportunities for SEUPB to provide further communication and support at this stage of implementation.

Figure 6.1: To what extent do you agree with the following statements about the Letter of Offer?



Base: 64-66

38 – 2017 survey (those in receipt of LoO at time of survey) (PIV: 9 | IVA: 29)

28 – 2018 'recent call' survey (PIV: 26 | IVA: 2)

6.3 Output-Results Focused

'Output Indicator Guidance' has provided a framework for applicants and subsequent project beneficiaries to structure their project to focus on how it will deliver the specified outputs and make a contribution to the result indicator(s), as per the Cooperation Programme.

The Managing Authority issued 'Output Indicator Guidance', with the support of NISRA, as reference guidance for applicants, who are required to demonstrate tangible outputs and results in the delivery of their projects which are aligned with the overall objectives of the Programme. The required outputs were communicated as part of the pre-application training events and the Output Indicator Guidance document was available to all applicants on SEUPB's website.

It is incumbent on SEUPB to communicate to projects the requirements of the EC and the fact that the Programme is results focused. There is a minimum requirement to achieve at least 85% of the agreed outputs and results to meet the performance framework targets. It is important that this is effectively communicated to all projects and that failure to reach targets may result in a reduction in funding. If targets are not met, funds may be stalled and adjusted going forward until corrective action is taken to address shortfall in outputs. In cases where outputs are being exceeded, projects should be supported to maximise achievements.

There is support for the move towards a 'results'-based approach, with 62% of the online survey respondents agreeing that it has helped them to develop projects with measurable outputs to achieve results-outcomes. This is an improvement from the Year 1 results, where 55% agreed with this statement, highlighting that the project beneficiaries are increasingly seeing the benefits of such an approach.

The Managing Authority recently commissioned various independent evaluators to carry out separate Impact Evaluations related to individual PIV/IVA themes, which will consider the achievement of output and result-outcome indicators and will make recommendations as to the suitability of indicators. However, a number of areas were raised during consultations and survey of projects, including:

- The PIV Shared Education output of 30 hours of pupil contact on a cross-community basis (annual output target) was set for the Programme, however as the project approval and launch was delayed, activity commenced in January 2018 (instead of the start of the school year, September – four months behind schedule). To address this, the year 1 output targets were reduced to 20 hours of contact (with corresponding reduction in the unit cost allocation).
- The PIV Children and Young People (14-24 years) strand is subject to a review after phase 1, as there are concerns about the suitability of output targets given the likely reduction in the number of available participants due to other competing Programmes and the very specific nature of the target group.
- The criterion relating to PIV Shared Space and Services theme i.e. to be used on a cross-community and/or cross-border basis, with variation between participating groups of the two main community backgrounds not normally more than 20%), is challenging particularly for Border Counties. In the second funding call for Shared Spaces, adjustments have been made to allow a split in project participants which is more aligned to the demographic profile of the Border Region of Ireland.

"The targets for cross-community contact are not realistic to the demographics of different areas. In our area where we have 23% PUL community and a target of 48% PUL this is highly difficult. When you consider that we are also encouraged to work cross-border where the demographics would put it into an even more difficult situation in terms of PUL % it is very discouraging to cross-border work."

- As part of the IVA Research and Innovation theme, there was an output requirement that researchers must be PhD level or above, however due to issues relating to recruitment for one project, SEUPB permitted the project to recruit individuals with a Masters or above, as this presented a wider pool to recruit from.

The above highlights the diverse nature of the projects and the need for SEUPB to remain flexible and responsive to ensure that overall output targets will be met. As post programme evaluations become available, there is a requirement for a central repository of information for projects and a wider audience to access and appreciate the benefits of PIV and IVA funding.

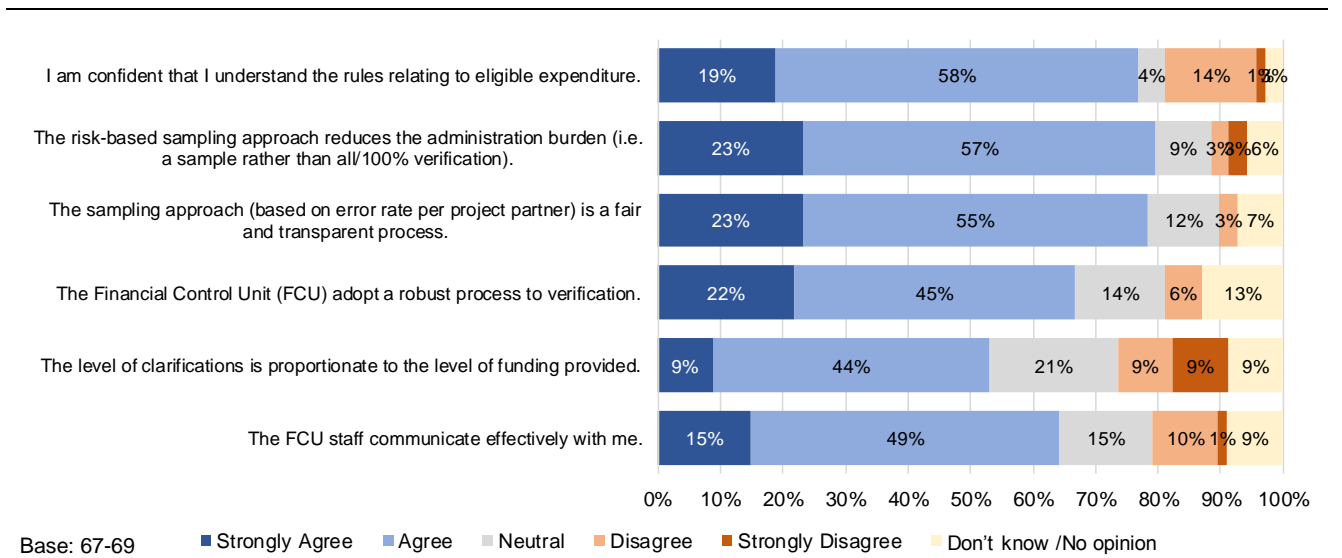
6.4 Claims and Payments

Each Project Partner submits a progress report and associated claim to the FCU via the electronic monitoring system (eMS) (see Section 6.6). The timing of reporting is not the same for all projects as the Letter of Offer start date will dictate the reporting date (not quarterly calendar year as per previous Programmes) – this is advantageous to the Managing Authority as it allows for a continuous work flow, rather than projects submitting at the same time on a quarterly basis.

Once the report is received, the FCU issues a first level control (FLC) certificate to each respective partner, which is followed by the Lead Partner’s consolidated claim and progress report. JS approves the consolidated claim and progress report, which is then approved by the Managing Authority. The Certifying Authority is responsible for the final sign-off and payment is made to the Lead Partner, who is responsible for reimbursing Project Partners.

As part of the Training Programme, all Project Partners are invited to attend seminars focusing on eligibility of expenditure, followed by individual clinics (where required). These sessions provide a high level of detail in relation to the level of information required when submitting claims and the extent of verification. To date, a total of 9 sessions have been delivered (8 sessions in 2017 and 1 session in 2018) with 423 attendees benefiting, an average of 47 attendees per session. 77% of the online survey respondents agreed that they are confident that they understand the rules relating to eligible expenditure.

Figure 6.2: To what extent do you agree with the following statements about the claims and payment process?



Risk-based sampling methodology is used by the FCU in carrying out its administrative checks. A greater focus on projects with high error rates will be given to examine any issues or risks to expenditure targets. The error rate is based on a minimum of 5% sampling of project expenditure across the programme in a given year, increasing in sample size depending on the error rate, as per the table below:

Table 6.1: Error Rates & Sample Sizes

Error Rate	Sample Size
>0%, <=2%	5%
>2%, <=5%	20%
>5%, <=10%	50%
>10%	75%

Reassuringly, 80% of online survey respondents agreed that the risk-based sampling approach reduces the administration burden and 78% agreed that the sampling approach is fair and transparent.

Effective management and control of funds will be demonstrated by a low error rate of the Programme (i.e. below the 2% EC threshold). Applying risk-based methods of sampling for controls by the Managing Authority will allow for a more efficient use of resources. Although individual beneficiaries (e.g. with low error rate projects) may be audited less, risk-based sampling does not reduce the burden for the Audit Authority (functionally independent of the SEUPB) who will still have to audit all projects over the lifetime of the programme.

Most respondents (67%) agreed that the FCU adopts a robust process to verification and the majority agreed (64%) that the FCU communicate effectively. However, inconsistencies in communications are evident across a few projects.

“FCU are very professional but we also find different officers give different projects different advice. We are getting a clearer picture on procurement but sometimes it is trial and error/drip feed.”

53% agreed that the level of clarification is proportionate to the level of funding provided, although 18% disagreed with this statement. Demand for project specific training is evident, particularly for the submission of first claims.

“The level of clarifications is proportionate to the level of funding provided but the depth of verification required sometimes appears disproportionate and unnecessarily rigid. The sampling approach is a fair system but is harsh in the case where errors have arisen as a result of the inflexibility of the eMS system itself or a genuine misunderstanding of the process. More effective training would have reduced both the number of errors and the frustration of partners when an error is highlighted, and a 'penalty' given without the ability to rectify.”

“My experience of the claims process has not been positive, and I believe this is due to lack of training in advance of making the claims. While all the information required to make a claim was technically provided by SEUPB the reality of making the claim itself was very different, and the process again became one of 'trial and error'. One face to face support session with a SEUPB staff member, effectively 'walking' projects through the claims process would have helped significantly. I think time invested at this stage by SEUPB would have paid dividends in respect of the error rates later on.”

“At times the level of clarifications required has been excessive and we have been asked to provide very extensive information for very small items of expenditure (less than £100). Occasionally we have withdrawn an item from the claim for this reason.”

A range of queries and uncertainty ensued following the introduction of General Data Protection Regulation (GDPR) regulations (enacted on 25 May 2018), in particular regarding how to share confidential information such as pay slips and employment contracts for the process of verification of claims towards salary costs. The Data Controllers (projects) are required to issue a Data Processing Agreement for the Data Processors (SEUPB) to sign which informs them of how data is stored and handled. To support projects, SEUPB developed a compliant template for projects to populate and send to SEUPB to sign.

For project beneficiaries, partnership arrangements are generally positive, and effective collaborations are evident. However, in some cases there are delays in submitting timely and accurate claims by some partners ultimately effecting the entire partnership's receipt of payments. 59% agreed that all Project Partners submit accurate and timely documentation to FCU to evidence claims, with issues apparent, specifically in 6 projects (IVA: 4 | PVI: 2).

Processes adopted as part of the submission of claims has resulted in partners working in isolation, for example, claims are submitted by individual partners and the lead partner has no oversight role until all Project Partner claims are verified, where they are then responsible for collating a consolidated progress report. There should be a requirement on Lead Partners to ensure that they have a resource in place to monitor the partnerships claims prior to submission to SEUPB, this resource/individual could liaise directly with the FCU as one contact point per partnership.

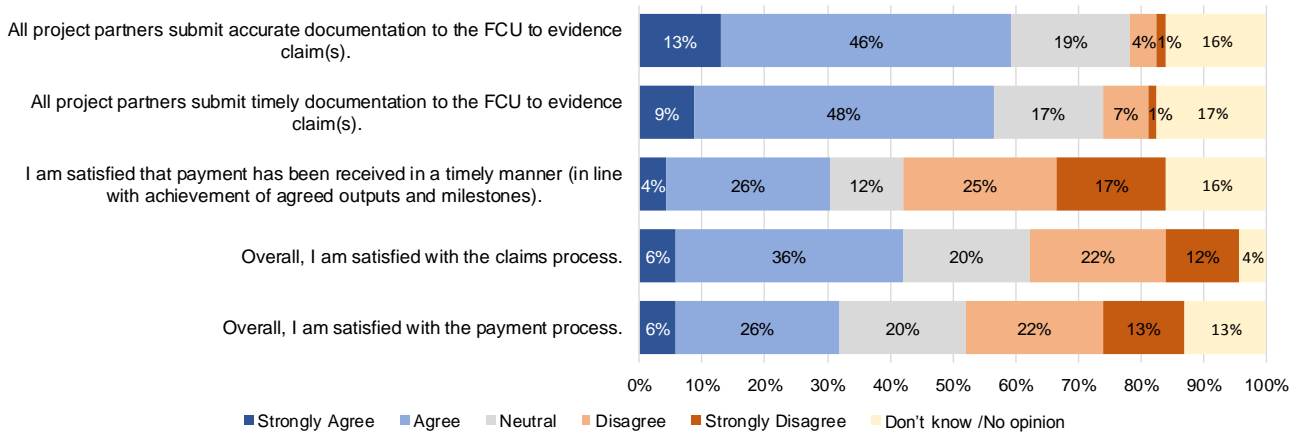
“There is a disconnect between the lead partner’s role and the assumed role of the partners for entering claims. This removes control of the partner budgets from the lead partner, yet they are ultimately responsible for the overall budget and forecasting.”

Payments are only made upon a FLC certificate being issued to each Project Partner and the receipt of the consolidated lead partner report. This effectively means that partners who are compliant and timely with their claim submissions are subject to waiting for payment until all partners are approved – this issue becomes more apparent in larger partnerships.

“... the strength of a partnership is reflected in the timeliness of getting the claims and progress reports in. You may have a case where there are partners who are waiting on their expenditure... they are timely and compliant, but because some other partner is slow and holding everything up means that everyone in the partnership is at a pace of the slowest partner.”

Early warning signs of potential partnership breakdown should be monitored by lead partners, and actions put in place to address any issues. SEUPB should consider a penalty or notice period for partners that are consistently underperforming and negatively impacting the effectiveness of the overall partnership. For future Programmes, a cap on the number of partners should be explored to enhance opportunities for greater relationship building and cohesion (the optimum number to be determined and to be based on a benchmarking review).

Figure 6.3: To what extent do you agree with the following statements about the claims and payment process?



Base: 67-69

A few project partners mentioned the support provided by their lead partner as being valuable and has aided the claims process, emphasising the importance of an effective lead.

“Our project has the benefit of having a good Project Partner - their role in the verification of expenditure ensures the partners comply with the rules, undertakes procurement effectively and holds the required backup. We constantly seek guidance from them in terms of eligible expenditure and I am not sure we would be able to comply with the rules.”

“Project Partners have been uploading too much documentation in our claim 1 and 2 periods and are unsure as to where things should be uploaded. We have had to introduce extra support visits for Project Partners to look over their supporting documentation before they complete their reports. This should improve in upcoming reports once they get used to the system.”

Overall, 42% are satisfied with the claims process, however 34% disagreed with this statement, citing issues of entering repetitive information and technical issues.

“Claims process is generally clear and our finance team became familiar and comfortable with the process following the first claim submission.”

“Central costs have to be entered on to eMS for each theme (3 times), therefore this makes the claims process onerous and repetitive. In addition, the Project Report requires duplication of information already provided in the Partner Report.”

Payments may take any of the following forms: reimbursement of eligible costs actually incurred and paid; standard scales of unit costs; or flat-rate financing, available for overhead costs or salary costs.

30% agreed that they are satisfied that payment has been received in a timely manner, compared to 42% who disagreed that payment was timely. Delays have negatively impacted overall satisfaction rates, with 35% disagreeing that overall, they are satisfied with the payment process, compared to 32% who are satisfied.

“Faster turnaround in claims is needed, as cash flow can be challenging.”

“I believe there has been a significant delay in reimbursing the Lead Partner in this project which can have a negative effect on some Project Partners - particularly those who are community/voluntary/charity sector.”

One Project Partner suggested that 50% of claim be paid and the remaining 50% released upon verification (with any deductions made for ineligible spend).

“Whilst we understand the need for a robust system of verification and sampling, delays in processing and verifying claims can put organisations under considerable financial pressure. We would recommend that 50% payment is released once claim has been submitted, with remaining 50% released after the verification process is completed. Any items within the claim that are deemed to be ineligible can then be deducted from the remaining 50%.”

It is evident that there are blockages in the systems with regard to submission of claims, verification and payments to Lead Partners, and corresponding reduced drawdowns for the EC. There is evidence where a significant project has not met the targets set, which was only uncovered upon submission of the first-year claim, which will result in a potential underspend. This was not foreseen by SEUPB due to the lack of forthcoming information from the project and SEUPB checks not identifying this at an earlier stage. This has significant implications on the achievement of expenditure levels. It is imperative that SEUPB has efficient systems for determining the amount of spend and that checks are more robust and timelier to identify any issues, to allow for reprofiling and remedial action to be taken. There is a requirement to review this aspect of operations in more detail to identify any areas where activity can be streamlined to ensure effective resource utilisation. It is acknowledged that SEUPB has recently commissioned a review of same, the outcome of which will inform processes for this Programme and future Programme periods.

6.5 Uptake of Simplified Cost Options

Simplified cost options (SCOs) are an alternative to reimbursing real costs in order to reduce the likelihood of error and the administrative burden associated with financial management, control and audit, both for the beneficiaries and the Managing Authority. Simplified costs consist of three different options applicable to projects if agreed in advance:

- Flat rate costs – calculated as a percentage of other direct costs.
- Unit costs - an agreed cost calculated using fair, equitable and verifiable methodology.
- Lump sums – one off payment of not more than €100,000 for a project delivered on the basis of agreed output(s).

SCOs are established at Stage 2 of the application process in consultation with the applicant and in accordance with EC guidance.

The Managing Authority proactively promoted the use of simplified costs, for example: calls for applications identified opportunities for SCOs and provided practical application of the same; thematic workshops (held prior to stage 2 applications are submitted) also dedicated time to SCOs. In addition, the Financial Controller provides an additional level of support to assist applicants in determining appropriate SCOs and calculating such costs for their applications.

The Managing Authority also introduced some mandatory unit costs and flat rates tailored to each theme, as documented in each funding call - please refer to **Annex IV**. All PIV and IVA projects must avail of the flat rate for overheads. Lump sums are eligible, but these have not been applied.

Based on the online survey of applicants, 34% of respondents agreed that they had adequate information to apply unit costs and flat rates, whilst 28% disagreed, suggesting the need for further support and advice to encourage the adoption of SCOs.

Despite efforts to promote the uptake of SCOs, these have not been applied to an optimum level (where relevant), and, consequently, has resulted in additional admin burden associated with the verification of actual costs. A more concentrated effort by SEUPB should be taken to encourage the wider adoption and application of unit costs across projects, as this would not only reduce administration but also act as an incentive to meet and exceed targets - as eligible costs are based on the real output. Although, it is noted that not all Project Partners would have the three years of evidence required by the EC to prove specific unit costs. Going forward for any future Programmes (post 2020), Project Partners will be able to use the evidence gained from this Programming period.

6.6 E-Cohesion

The implementation of e-Cohesion is one of the elements aimed at simplifying the implementation of ESIF funded Programmes during the new Programme period. The concept of e-Cohesion involves the electronic exchange of documents and data and is intended to reduce the administrative burden for beneficiaries. This section describes the extent to which the PIV and IVA Programmes have embraced the principles of e- Cohesion. This has been achieved by SEUPB adopting the INTERACT Electronic Monitoring System (eMS).

Following a period of bespoke development to ensure that the eMS system could host the specific needs of the Programme, the eMS went live on 1st March 2017. eMS is a central feature in the management of the Programme and unfortunately the delay in its roll out has had a negative impact on Programme implementation (as documented in the Year 1 Implementation Evaluation). Whilst a high level of retrospective inputting had to be completed in relation to calls previously opened, the system was utilised in 2017 for the submission of applications under 2.1 Children & Young People 14-24.

The financial processing module was operational to receive claims from beneficiaries in June 2017. To test the functionality of the financial interface, SEUPB uploaded Technical Assistance claims in early June 2017. The first claims were received from projects via eMS by the 30 June 2017 with verification and payment of valid claims following.

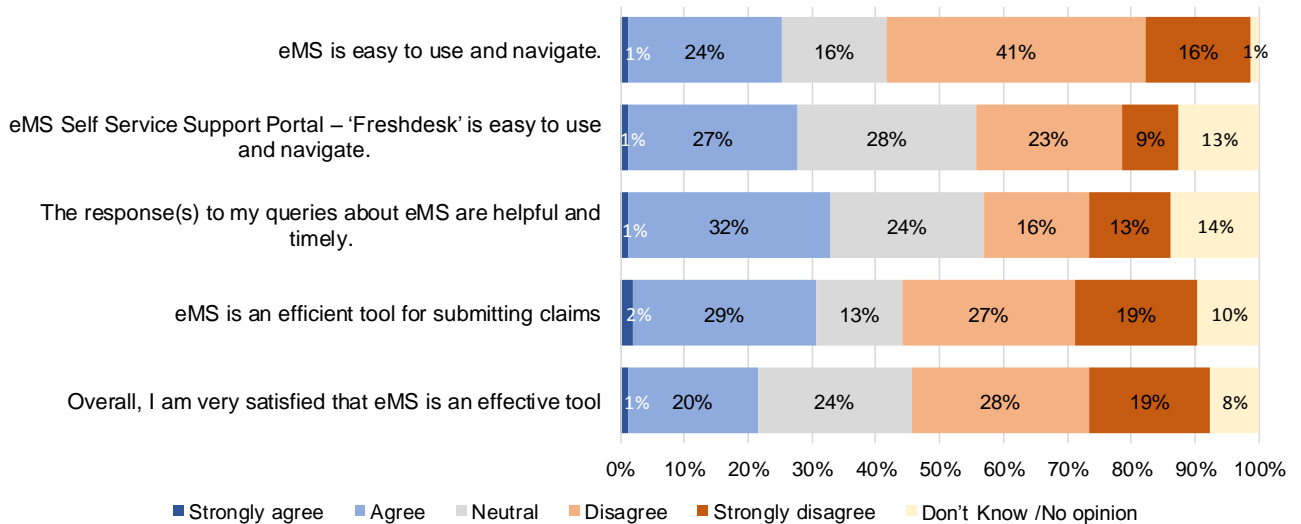
eMS Self Service Support Portal – **'Freshdesk'** is an online helpdesk to support to projects using the eMS. Freshdesk involves a ticketing system where applicants/project beneficiaries can field questions to SEUPB staff to answer.

At this stage of implementation all Lead Partners and Project Partners have experience using the system (although not all have submitted claims). Overall, feedback about eMS is negative, with the majority (57%) disagreeing or strongly disagreeing that that 'eMS is easy to use', compared to one-quarter (25%) agreeing with this statement.

"With a lot of trial and error, eMS has become a very useful tool."

“The concept is good but the system itself is not particularly user-friendly.”

Figure 6.4: To what extent do you agree with the following statements about eMS?



Base: 79 (52: statement 4)

Mixed opinions are evident regarding ‘Freshdesk’ and whether responses to queries are helpful and timely.

“The response from ‘Freshdesk’ has been helpful, however other queries/inquiries have not been dealt with as efficiently.”

“We, as well as our partners, have had to contact the support desk numerous times and there have been long delays in the response times. However, the responses were helpful when we got them.”

“We have raised a number of queries via ‘Freshdesk’ - the responses received simply reference a page number in the manual. Had we been able to follow the information provided in the manual we would not have contacted ‘Freshdesk’.”

“I think we should have had a ‘dummy run’ through the eMS system - including a few deliberate mistakes - the Freshdesk took too long to get back with answers to queries and the eMS system would not let you move on until an answer was put in.”

In terms of eMS as a tool for submitting claims, 46% disagree that it is an efficient tool, although 31% agree.

“eMS has been extremely slow/unavailable for crucial periods which has caused real problems and delays to enter claim information. A solution needs to be developed as soon as possible to avoid this. All supporting data was uploaded with original claims, but verifying officers seemed to be unable to see this, which lead to uploading / emailing again.”

“Tedious and time consuming having to enter in every quarter the stage/status of the deliverables (lead partner report) as no information is retained from previous quarter.”

“eMS is not user-friendly. It is difficult to view information in the claiming screens. It is repetitive in that you have to input same info for lead partner reports. Limited in that you can only have one window open at a time so takes time to exit and re-enter various programme screens.”

Large partnerships, in particular, have found the claims process challenging as all partner claims have to be approved individually, prior to submission of the Lead Partners consolidated report.

“I have found that with 12 partners it is difficult to manage. I wonder would it be best to restrict the number of partners to allow for effective management / implementation of the projects. This is especially evident when the partners have responsibility for reporting on claims and activities, but the lead partner has ultimate responsibility. The eMS does not allow for the partners to report sufficient information so in effect the partners need to report claims and activities to the eMS and the lead partner. This would not be a problem if there were fewer partners.”

Of concern is that almost half (47%) disagree or strongly disagree that overall, they are satisfied eMS is an effective tool, compared to 21% who agree with this position.

“While the eMS may have potential, at this stage we have experienced too many difficulties rendering the system ineffective.”

eMS training

The Year 1 Implementation Evaluation recommended that SEUPB respond to the demand for training on the use of eMS, particularly as Lead/Project Partners are embarking on the submission of their first claim. However, SEUPB considers eMS to be an intuitive system and has released comprehensive user guidance to all users. There are mixed opinions as to whether there is a training need, with some asserting that it is a self-taught model as a result of use, compared to others that would have appreciated an introduction to the system to minimise issues.

“I think in time the eMS will work. But I do think training should have been provided.”

“There is a bit of work and effort required by everybody with that approach, but you invest yourself and you take time to learn it and then you know it. The manual was very supportive, because you had ... now taken in isolation the manual was useless, because it was like a foreign concept of what they were speaking about. But when you align it with the actual tool itself, then it was very useful. And then there was web-based seminars and things if you wanted more information, so I think overall the approach did work.”

“There wasn’t training at the start. It was just kind of procedures and videos and you kind of trained yourself. And that was the same with the projects as well.”

“eMS is not user-friendly. The lack of face-to-face training and over-reliance on handbook meant that a significant amount of time that should have been invested in the project itself has been 'wasted' in a trial and error approach to navigating eMS. Had SEUPB allowed for even one face to face training session per project, it would have significantly reduced the frustration caused by the introduction of the system.”

“eMS is more complex than previous system and the lack of training is not beneficial.”

“Lead Partner training was provided that had slides on eMS however only a manual is provided with no walk throughs or tutorials. In addition, eMS changes are happening without any user input, consultation or testing of the changes being made. Efficiency of eMS could be improved significantly if the end user (Project Partners) were engaged for their feedback or input into improvements that are possible within the system.”

It is the evaluator’s view, that early introductory sessions to eMS was a missed opportunity, as the demand for training remains, and in the meantime, projects have become increasingly anxious and frustrated with the perceived inflexibility of the system, coupled with technical glitches. As well as projects requesting support, it is evident that SEUPB staff would have welcomed training as well.

“I think we all use it in different ways as well. There is no standard. The way that we use it for forecasting is maybe different from the Belfast office, to the Monaghan or the Omagh office. Same with progress reports. We will kind of review them in a different way. Look for different information and things like that.”

“Projects come to us with queries and sometimes we are probably not any more in the know than what they are. There is only a certain number of things that you have to go on. Whereas if we had had specific training, you could be more help to them”

At this stage of project implementation, introductory sessions on eMS are not required (although opportunity exists for any recent or forthcoming calls). Project Partners have, through a process of trial and error, navigated their way through the system and are becoming increasingly confident in its use. The biggest challenge now relates to the technical problems associated with eMS (such as the system being slow to respond, glitches resulting in information being lost etc.) which have been experienced by SEUPB staff and Project Partners alike. There is significant down-time waiting for the system to respond, coupled with cumbersome processes to email and communicate with projects, as well as having to repopulate information for each reporting period. This has resulted in a system not operating at an optimum level, which requires immediate action. This can only be resolved at a programming level and requires detailed discussions with the developers.

eMS Reporting

It was anticipated that eMS would have the capacity to generate analysis and output/financial reporting, however this function is not yet available (at the time of writing report). Therefore, often information is not readily available in a useable format, requiring a lot of downtime to align data and address queries. Various case officers/units have adopted their own monitoring systems, but there is an inconsistent approach. SEUPB has engaged CPB, the eMS host and service provider, to develop a bespoke suite of additional reports and one centralised reporting tool – this will remove the need for internal reporting databases currently in use. However, a full reporting function is not yet available.

In the absence of a timely solution from eMS, SEUPB commissioned the development of a PIV and IVA Dashboard. This Dashboard has been developed as an online survey tool with SEUPB interface and aims to capture timely information from each Project Partner, which will be consolidated at a theme level to quickly assess the extent to which targets are being met – therefore allowing for an immediate response to any issues.

7 SUPPORT AND TRAINING

7.1 Introduction

This section outlines the support provided by SEUPB to project partnerships and the training programme delivered in to date.

7.2 Support

SEUPB currently manages 130 projects across 8 specific themes within the PIV and IVA Programmes, therefore the task of providing support to this number of projects with in excess of 400+ partners is resource intensive. All projects are allocated a specific JS and FCU case officer to provide a high level of support in relation to implementing projects.

The JS team monitors the delivery of the Programmes. They carry out quarterly visits to projects and use a generic note and checklist to review progress (e.g. progress against work packages, performance against contracted outputs and record any areas of concern). To increase efficiencies in the recording and reporting of these visits, SEUPB is currently scoping the design of an online reporting tool, based upon the 8 specific themes, to capture project information. This will link to the PIV and IVA Dashboard (in development).

The JS team is invited to project steering meetings (which occur every quarter), and where possible case officers attend 1-2 meetings as they provide an insight as to the effectiveness of partnership working and early identification of delivery issues.

“Going to the steering meeting gives you a good oversight because the partners are all there and they are discussing progress or maybe there is something that they need to make a decision on that is going to be coming up next within their deliverables. It is the only opportunity where the partners can access you, so you sometimes get questions from the partners.”

A few issues were raised as part of the consultation process: instances where Project Partners have reported areas of inconsistency in advice provided between and across units and the focus on having an audit trail has meant that a lot of communication is via email, in the absence of relationships being built with Project partners via telephone and/or face-to-face conversations.

Overall, the allocation of a dedicated JS and FCU case officer to support the Lead Partner in the implementation of the project is seen as a very beneficial element of Programme management. Resources permitting, there is a demand for increased visibility of case officers among project beneficiaries to support implementation. Onsite input from the FCU team prior to the submission of a claim should be considered as a means of reducing the level of verification and improving error rates.

Prior to any onsite visits, either the JS and/or FCU case officer should prepare in advance and be equipped with the most up-to-date information, for example, outputs achieved, spend, financial drawdowns and financial forecast. Case officers should build a positive relationship with projects and have the skills and confidence to challenge in instances of targets not being met.

A short project status form should be created and issued to projects 1-2 weeks in advance of the onsite visit to minimise follow-up requests for information. Staff use of eMS also appears to differ, with some citing various short-cuts and better means of working, of which others are not aware. This further highlights the need for systems mapping to create better efficiencies and ensure that a consistent approach is adopted. Training will be reviewed on an ongoing basis and will be amended as required to ensure effective internal staff training.

7.3 Training Programme

The Managing Authority developed a comprehensive training programme, commencing with information seminars, workshops and various resources/guidance materials at the early pre-application stage. This support has evolved in line with the stage of implementation, which will now focus on supporting project beneficiaries as they commence project mobilisation.

Throughout 2017 and up to April 2018, a total of 25 training sessions have been organised and facilitated with 1,109 individuals in attendance across both Programmes. To ensure that all projects could avail of the training, training was held across the eligible region. Overall, feedback monitoring forms are positive about the training experience.

A few suggestions have been made to improve training, for example: events on a project theme basis to allow specific project issues to be raised that are common to all; for questions to be asked at the end of session as interruptions breaks the flow; for trainers to be sensitive to the fact that there are different levels of experience with regard to EU Programmes and respond to queries accordingly; facilitate more round-table discussion; case study examples relevant to project theme; and smaller groups sessions.

A further 14 sessions are planned up to the end of December 2018, with at least 560 individuals expected to attend.

Investment in capacity building such as training, information exchange platforms and networking are essential at this stage of the Programme, and it is encouraging that SEUPB is responding to this demand with a comprehensive programme for Local Authorities. For PIV Local Action Plans, this includes training on peace and reconciliation issues (such as racism, sectarianism and conflict resolution). Importantly training will upskill lead and Project Partners in the creation of standardised monitoring tools and methods to best capture short and medium-term outcomes achieved by projects funded. Effective monitoring will ensure that money is being effectively spent across the eligible jurisdiction.

Table 7.1: Training Programme

Training	Description	2017	2018
Actual		Actual No. Sessions/ Attendees	
Programme Information Seminar	This seminar provided partnerships with an overview of their roles and responsibilities as lead partners and partners as set out in the Programme Rules. It also provided an opportunity to focus on key aspects of the Letter of Offer and Standard Conditions of Grant. The session revisited the result orientation, evaluation framework and financial structure of Programme.	3 sessions 194 attendees	1 session 38 attendees
Eligibility of Expenditure	The session focused on eligibility of expenditure, including documentation requirements and procurement of services contracts. Training comprised of worked examples and a question and answer sessions. The session covered key sections of the	8 sessions 357 attendees	1 session 66 attendees

Training	Description	2017	2018
	Programme Rules including financial management/forecasting/budgets. Following this, individual clinics were held.		
Information and Communications	This seminar detailed the communication and reporting/evaluation activities required of projects. It also included an interactive workshop on press release writing and effective media engagement.	3 sessions 138 attendees	4 session 111 attendees
	Shared Space Applicants Awareness Seminar	1 session 76 attendees	
	Shared Space Second Call Workshops	3 sessions 95 attendees	
	Scottish Partners Event: 1. Programme Info Seminar 2. Info & Communications 3. State Aid: 4. Accuracy Of Claims	1 session 34 attendees	

Further training is planned for next year on developing partnership working, which the evaluators consider to be of utmost importance, as this will form the foundation and underpin the extent to which outcomes are achieved – as strong, effective partnerships will be able to meet and, in some cases, exceed targets set. SEUPB has also planned Thematic Sessions for all projects focusing on: output indicator guidance; accuracy of claims simplified cost options; project reporting and performance; fraud and irregularities; and the General Data Protection Regulation (GDPR.)

Table 7.2: Planned Training Programme

Planned (August 2018 - December 2018)	Max. no. anticipated
Electric Vehicles Call Workshop	1 session, 30 attendees
Interreg Sustainable Transport Session: Baseline Data & Performance Measurement	1 session, 40 attendees
Local Authority Sessions; 1.Peace and Reconciliation; 2.Leadership; 3.Networking	3 sessions, 240 attendees
Thematic Sessions; 1.Output Indicator Guidance; 2.Accuracy of Claims 3.Simplified Cost Options; 4. Project Reporting & Performance; 5.Fraud & Irregularities; 6.GDPR	9 sessions (approx. 250+ attendees)

Lead/Project Partners must be proactive and use resources and to ask for assistance, where required. It is expected that individuals will avail of the training provided and the Managing Authority is committed to meeting/reacting to demand.

Consideration should be given to creating short YouTube videos and/or webinars as a suite of training for projects. For example, basic videos of case officers' walking through a claim process and/or applying a simplified cost.

Eligibility of expenditure

Feedback from some Project Partners and JS staff indicated that although high numbers of individuals attended the eligibility of expenditure training, at that stage projects had not commenced their claims process and therefore the learning was based on theory and not applied, limiting its effectiveness.

The level of clarifications and sampling errors identified suggests a training need for claims and verification. This will be best served via the one-to-one visits to Project Partners. Whilst this will be resource intensive initially, it is anticipated that this will help to resolve issues and establish best practice approaches, ultimately reducing errors and sampling levels to greater efficiencies going forward.

Information and communication

Feedback from attendees is positive, with almost all agreeing that they have a greater understanding of Programme requirements for PR/marketing. Examples of other types of communications training that would be of interest, as cited by Project Partners include: showcasing methods of best practice; creating social media content; creating engaging content for press releases (including samples); media/interview training to promote benefits of project; how best to respond to media queries/press engagement and queries from elected representatives; crisis communications planning; monitoring of reach e.g. Google analytics; event planning.

8 RE-BID PROCESS & PROJECT MODIFICATIONS

8.1 Introduction

This section outlines the rebid process undertaken by Local Authorities and the impact of the project modification process.

8.2 Local Authority Re-bid Process

The total allocation set aside for Local Authority Actions Plans (LAPs) was €81,176,479. Belfast City Council represented the highest budget allocation of LAPs (21%), followed by Derry City and Strabane (10%). The remaining Councils each averaged approximately 5% of the budget.

LAPs are the visible presence of the EU Programme on the ground/at grass roots levels. This funding, as it currently stands, represents the primary means of community groups accessing money from PIV, and as such the Councils must continue to promote the Programme and ensure that EU funding is visible at a local level.

At the end of 2017, all LAPs had been assessed, resulting in 83% (€67,313,465) of the allocation approved by the Steering Committee, an underspend of €13,863,014.

The competitive nature of the funding call was removed as each Council had an allocated budget, which may have impacted on the quality issues of some of the applications. Therefore, SEUPB introduced a rebid exercise which permitted Councils to reapply for these unallocated funds (relating to 16 of the 17 Councils), the aim of which was to ensure maximum benefits towards peace building activity in each of the Council areas. This has resulted in the award of an additional €5,387,675, equating to 90% of the total budget committed to date. There is a further €8,341,771 pending Steering Committee approval, which if awarded will result in a small overall underspend of €153,567 (to take account of over an underspend per Council area, as per the table below).

The allocation for Belfast City Council is behind schedule, as it was initially deferred due to issues with the application and clarifications being sought by the Managing Authority.

Table 8.1: LAP Budget and Allocations (including rebid)

Local Authority Area	Maximum Local Authority Allocation	LoO (initial amount approved by SC 2016/17)	%	underspend	Rebid amount approved	Total LoO Award (inc. all Rebid amount approved by SC)	%	Total amount of rebids still to be approved by SC	Overspend (Underspend not utilised)
Antrim and Newtownabbey	€3,863,290	€3,614,749	94%	€248,541	€187,435	€3,802,184	98%	€ -	(€61,106)
Ards and North Down	€3,933,918	€3,742,280	95%	€191,638	€198,632	€3,940,912	100%		€6,994
Armagh City, Banbridge and Craigavon	€6,116,245	€ 5,816,758	95%	€299,487	€299,487	€6,116,245	100%		All allocated
Belfast	€17,212,573	€10,372,623	60%	€6,839,950	€-	€10,372,623	60%	€6,825,730	(€14,219)
Causeway Coast and Glens	€4,502,084	€4,103,412	91%	€398,672	€ 364,769	€4,468,181	99%		(€33,903)
Derry City and Strabane	€7,964,210	€7,322,141	92%	€642,069	€642,069	€7,964,210	100%		All allocated

Local Authority Area	Maximum Local Authority Allocation	LoO (initial amount approved by SC 2016/17)	%	underspend	Rebid amount approved	Total LoO Award (inc. all Rebid amount approved by SC)	%	Total amount of rebids still to be approved by SC	Overspend (Underspend not utilised)
Fermanagh and Omagh	€3,357,781	€3,126,465	93%	€231,316	€240,821	€3,367,286	100%		€9,505
Lisburn and Castlereagh	€2,993,261	€2,804,386	94%	€188,875	€194,197	€2,998,583	100%		€5,322
Mid and East Antrim	€3,697,122	€3,152,316	85%	€544,806	€544,806	€3,697,122	100%		All allocated
Mid Ulster	€3,953,615	€3,347,386	85%	€606,229	€353,396	€3,700,782	94%	€256,994	€4,161
Newry, Mourne and Down	€5,610,616	€5,005,036	89%	€605,580	€603,834	€5,608,870	100%		(€1,746)
Louth	€3,507,152	€2,248,105	64%	€1,259,047	€-	€2,248,105	64%	€1,259,047	€0
Leitrim	€1,882,318	€1,678,144	89%	€204,174	€143,790	€1,821,934	97%		(€60,384)
Sligo	€860,866	€773,287	90%	€87,579	€87,219	€860,506	100%		(€360)
Cavan	€3,128,825	€3,120,183	100%	€8,642	€8,642	€3,128,824	100%		(€1)
Donegal	€5,552,691	€4,047,626	73%	€1,505,065	€1,498,580	€5,546,206	100%		(€6,485)
Monaghan	€3,039,912	€3,038,568	100%	€1,344	€-	€3,038,568	100%		(€1,344)
Totals	81,176,479	€67,313,465	83%	€13,863,014	€5,367,675	€72,681,141	90%	€8,341,771	€153,567

SEUPB carried out a detailed process of revising the original Letter of Offer to include the rebid allocation of funding and associated activities. There was a delay in issuing revised Letters of Offer to allow SEUPB to make necessary changes to the LoO and eMS (the alternative was to issue an addendum to the original LoO or an additional LoO for the rebid amount – however, this would result in additional administration burden for projects in the future).

Based on the online survey, 93% of Councils agreed that they welcomed the opportunity to re-bid for additional funding. 43% agreed that the information requested as part of the application process was reasonable and appropriate, however 35% disagreed.

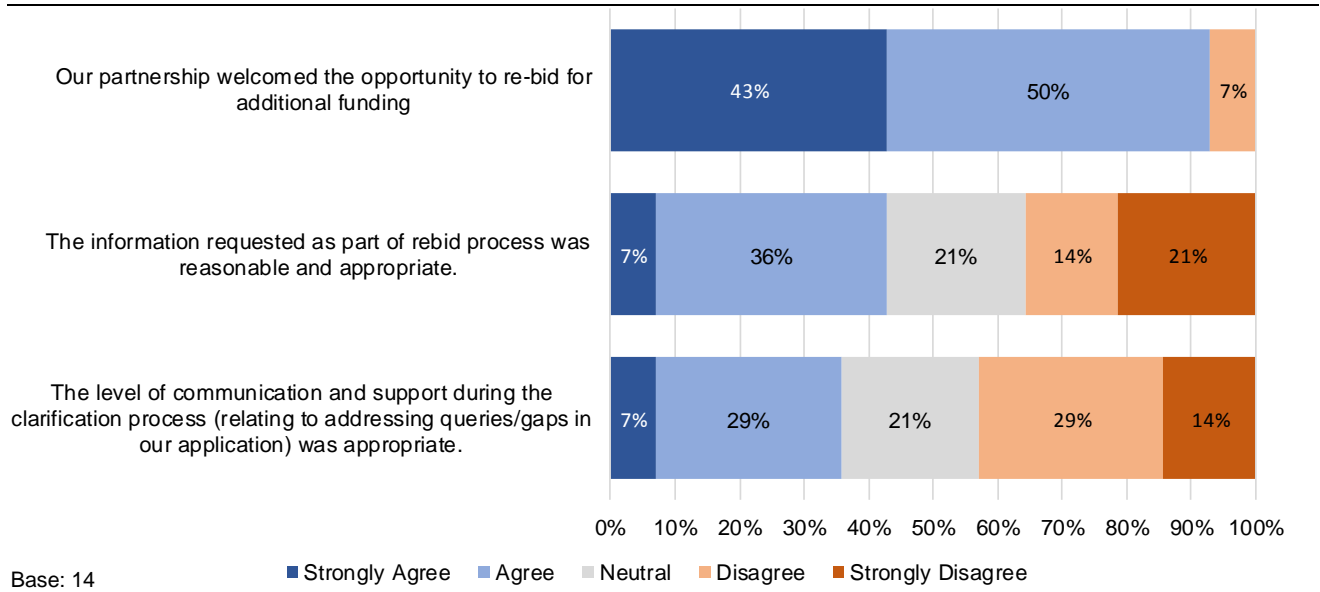
“Rebid support was challenging to say the least. Asked for information that had already been approved in initial submission. Asked to breakdown budgets that had been submitted and agreed previously. Asked about actual time and place a cross border visit would take place even though the project was going to be tendered out. Very frustrating.”

36% agreed that the level of communication and support during the clarification process was appropriate, however, the majority (43%) disagreed of this statement.

“Re-bid - worthwhile conversation with assessor really helped.”

“The re-bid process has been a nightmare. The actual application was fine but the level of questions is not appropriate to the content, especially since we are already managing a programme worth millions so you would expect a degree of trust/relationship already established. Timescales are so long (and so unclear and constantly extending) they have actually damaged trust with communities.”

Figure 8.1: To what extent do you agree with the following statements about the re-bid process



8.3 Project Modifications

If projects are not delivering as expected and outputs are not being met, the project beneficiaries have a mechanism to go back to Steering Committee with a project amendment – but this will create a time lag i.e. time to reapply and to reconvene the Steering Committee. Furthermore, eMS controls and financial flows do not easily allow for project modifications, which has caused further delays. Therefore, project modifications are not encouraged and emphasises the importance of submitting a robust business plan in the first instance.

“Have not received any payments to date. The processes regarding lead partner reports were not made clear at the outset. Can't do claims and modification at the same time. The system won't allow it.”

The rebids effectively represent a project modification, with 16 of the 17 Councils having to undergo a modification of their letter of offer and output and budgetary information on eMS. SEUPB dedicated resources to minimise issues and to ensure as seamless a transition as possible. For example, a FCU Officer made all required budgetary changes on eMS to reflect the revised budgets, upon which a revised Letter of Offer was issued. NB. Each project modification takes approximately 4 days of input from inception (review of application) to completion (issuing LoO) - increasing to 12 days to allow for the three separate stands in LAPs).

Projects/LAs were responsible for updating work plans on eMS to reflect the revised project activity. Claims can only be processed for payment when the budget profiles on eMS reflect the revised funding from the re-bid process.

It was originally conceived that project modifications would only occur in exceptional circumstances; however, this has not been the case. SEUPB has permitted project modifications, mainly as a result of underspend across LAPs rendering the need for a re-bid process to meet commitment levels. This extensive process, coupled with the limitations of eMS to permit project modifications and claims taking place in parallel, has resulted in a significant backlog of claims and payments. Modifications have not been confined to rebids but are also apparent in other strands of activity in PIV and IVA.

The Managing Authority is committed to working in partnership with project beneficiaries to respond to local demand, but project modifications should not be a constant and iterative amendment process. On reflection, the rebid process should not have been introduced, instead a separate pool of funding should have been set aside as a competitive call (possibly as part of a small grants scheme to enhance accessibility to EU funds and to maintain the levels of grass roots work associated with LAPs).

9 PARTNERSHIP WORKING

9.1 Introduction

This section outlines the key principles of partnership working and effectiveness of partnership working to date.

9.2 Partnership Principle

Working in partnership is a long-established principle in the implementation of the ESI Funds. Partnership implies close cooperation between public authorities, economic and social partners and bodies representing civil society at national, regional and local levels throughout the whole Programme cycle consisting of preparation, implementation, monitoring and evaluation.

Key partnership principles comprise of: good communication within partnership; development of good working relationships; clearly defined roles and responsibilities; engage with all partners on an equal basis; and accountability. Partnership principles should be reflected in partnership arrangements, which should promote an open, co-operative, transparent and inclusive process in decision making and dispute resolution.

9.2.1 *Benchmarking – Implementation of Partnership Principle*

The EC carried out a review of the establishment of the partnership principle and the application of the European Code of Conduct on Partnership (CoC) in the Partnership Agreements and Programmes financed by the European Regional Development Fund (ERDF) and the Cohesion Fund (CF) (2016)¹². Key findings and extracts from the study are presented below, for consideration by SEUPB.

Benefits:

- Working in partnership brings an added value.
- Ensures that experience and technical know-how is considered during decision-making processes.
- Enables better thematic balance and focus.
- Strengthens commitment and ownership and thus facilitates policy implementation.
- Introduces complementarities with other policies, strategies and funding sources.

Challenges:

- Complexity of the topics at stake and of the diversity of partners involved.
- Mobilisation of partners remains a challenge in many cases.
- Conflicting interest between partners need to be managed.
- Releasing the added value of the partnership work requires efforts.
- Managing the partnerships and ensuring that all partners have the capacities needed.
- Stakeholder involvement and working in partnership constantly need to be adjusted to changing cooperation circumstances.

¹² European Commission, Implementation of the partnership principle and multi-level governance in 2014-2020 ESI Funds (July 2016) [Online] Available at http://ec.europa.eu/regional_policy/sources/policy/how/studies_integration/impl_partner_report_en.pdf

The following points for consideration for national and Programme authorities derive from the study:

- Partnerships providing added value for a Programme need to be thoroughly managed. Accordingly, resources for the management are important – although there may be trade-off between efficiency and effectiveness in partnerships.
- Planned actions to involve partners in the implementation process should be followed-up and assessed regularly to see whether things can be improved further.
- As the implementation moves on, the composition of the partnership may change, and partnerships might benefit from taking on board new partners.
- Capacity building schemes for partners and a clear focus on the added value of the partnerships (both for the Programmes and the individual partners) may help, especially when mobilising the relevant partners raises a challenge.
- Avoiding imbalances in the partnership both as regards its formal composition as well as the actual role and influence of partners can be crucial.
- The role of the partners and the competences required to fulfil this role varies throughout the Programme lifecycle. Measures for capacity building for the partnership can help the partnership to adjust to its changing roles.

9.3 Effectiveness of Partnership Working

At this stage of implementation, the approved partnerships appear to be working effectively, although partnerships are at different stages of their project lifecycle. It is however important to appreciate that the majority of partnerships are new, comprised of a combination of known and new partner relations. This complex dynamic may present challenges as the projects evolve and circumstances change.

All projects are allocated a specific JS and FCU case officer to provide a high level of support in relation to implementing projects which includes onsite visits and attendance a select partnership meetings.

It was expected that once partners engaged and were approved for funding they would be responsible for mobilising the partnership and addressing any issues, without input from the Managing Authority. However, the reality is that a lot of partnerships are in their infancy and require support and/or guidance to enact the partnership principles.

“A lot of the implementation is influenced by how well the partnership is established and how quickly they are established.”

“If you are engaging partners who are well established and have previous delivery experience in the field, and preferably if they have previous experience of using funding, then the challenges are less.”

The Lead Partner role has been diminished in some cases, as projects are often divided into separate delivery parts, this coupled with individual Project Partners submitting claims without Lead Partner oversight, has resulted in partners working in isolation.

“It just feels like it is not a full project. Everyone is working individually. And the lead partner doesn’t have the same responsibility any more for checking these things.”

“Previously the lead partner principle would have been that the lead partner was our one point of contact. We didn’t talk to partners. Everything came through the lead partner which meant that the partners were forced to talk to the lead partner, the lead partner would get consensus and spread the same information among their partners”

It is imperative that the Managing Authority maintains close contact with Lead Partners to identify any issues that may impact effective partnership working. The PIV Managers Forum (comprised of Local Authorities) represents a good vehicle in which the Managing Authority can answer queries, dispel any myths/ uncertainties and ensure that a consistent response is presented to all projects. The development of Forums (either face-to-face and/or electronic) should be encouraged for other PIV and IVA themes, with input provided by SEUPB, should Project Partners require representation. This could also facilitate real-time learning and information sharing, as well as document exchange. This will become increasingly important as mid-term and Post Programme Evaluations become available and can act as a central repository of information for projects and wider audience to access and appreciate the benefits of PIV and IVA funding.

The need for capacity building to ensure that partnerships are working at an optimum level has become increasingly apparent. It is acknowledged that, as part of SEUPB’s training programme a leadership and networking workshop is planned for Local Authorities as part of the PIV Programme. It is recommended that leadership and capacity building training is rolled out for all themes, as issues are not isolated to LAPs. Case studies of effective partnerships working should be presented as part of this training programme.

“...you could never, ever provide enough investment in partnership development, because it is so critical to the delivery of the project.”

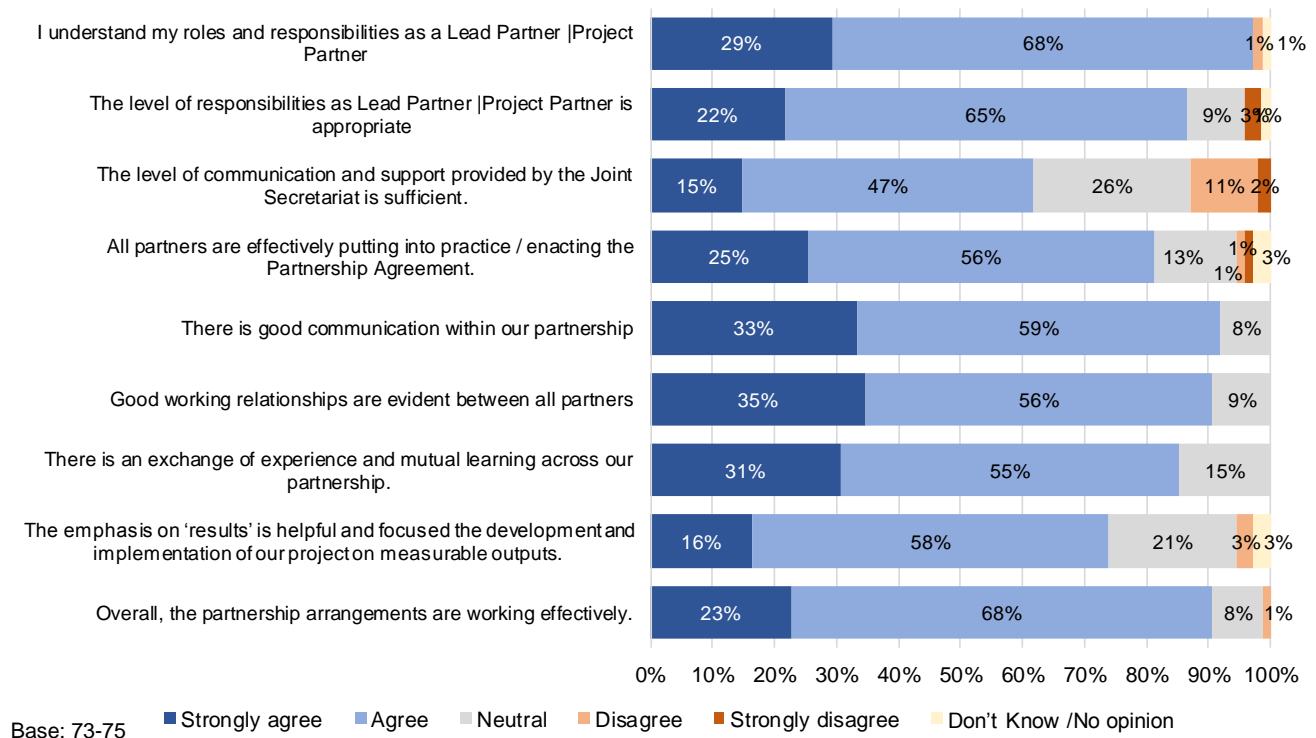
The Lead Partners and Project Partners should be asked to review their respective responsibilities (as per the Programme Rules) and ensure that they are committed to same – this could form part of any future networking events and/or the introduction of capacity building training for partnerships. These responsibilities should also be listed on SEUPB’s website as a reference point.

Feedback from Project Partners

Reassuringly, the vast majority (97%) of respondents agreed that they understand their roles and responsibilities and over three-quarters (87%) agreed that the levels of responsibilities are appropriate for their role as either Lead Partner or Project Partner.

“Working with two strong partners ensures confidence and programmes will progress according to their targets and outputs.”

Figure 9.1: To what extent do you agree with the following statements about Partnership Working?



Good partnership working is evident, with 81% agreeing that all partners are effectively enacting the Partnership Agreement. In terms of SEUPB’s support, 62% agree that the support provided is sufficient. However, 13% disagree with this statement, suggesting improvements could be made to putting into practice the partnership agreement.

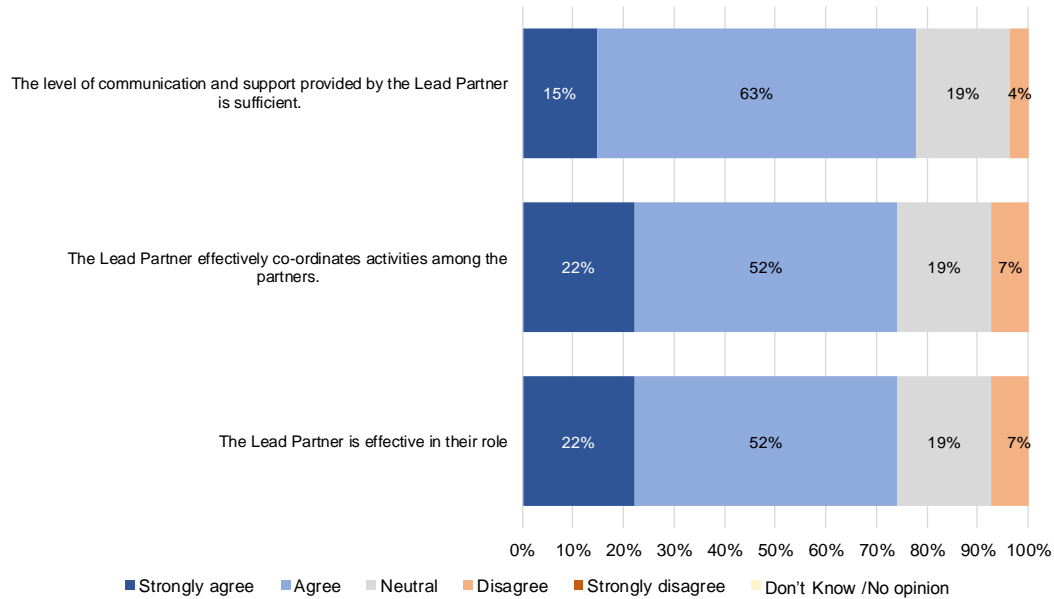
“All partners have bonded well and are working towards implementation and sharing experiences with partners and other projects and stakeholders. JS provide good advice in a timely manner.”

At this stage of project mobilisation, it is encouraging that partnership working is effective, with high levels of agreement that communication is good (92%), good working relationships between all partners (91%), there is exchange of experience and mutual learning (86%) and overall, the partnership is working effectively (91%).

“We are now at full recruitment for the project and as such relationships are building and the consortium is bedding into their activities as a collective entity. Face to face meetings to build rapport and build trust are ongoing, this is an invaluable part of bonding the partnerships to work effectively and proactively together.”

Project Partners were asked a few additional questions to gain feedback on the effectiveness of lead partners. whilst the vast majority of Project Partners agreed that the level of communication provided by the Lead Partner is sufficient and that they effectively co-ordinate activities, and overall are effective in their role. .

Figure 9.2: To what extent do you agree with the following statements about Partnership Working?



Base: 27 (Project Partners only)

“The overall project had to hit the ground running due to delays in funding approval. Partners have focused on immediate work package delivery so little opportunity to engage across project to date but this is a good partnership.”

9.4 Cross-border Working

Partnerships working across different jurisdictions can be challenging, with different policy environments to consider. This is further compounded by geographic separation, reducing opportunities for face-to-face contact which is more conducive to relationship building. Therefore, Project Partners have had to make a concentrated effort and willingness to invest in building structures to support partnership working.

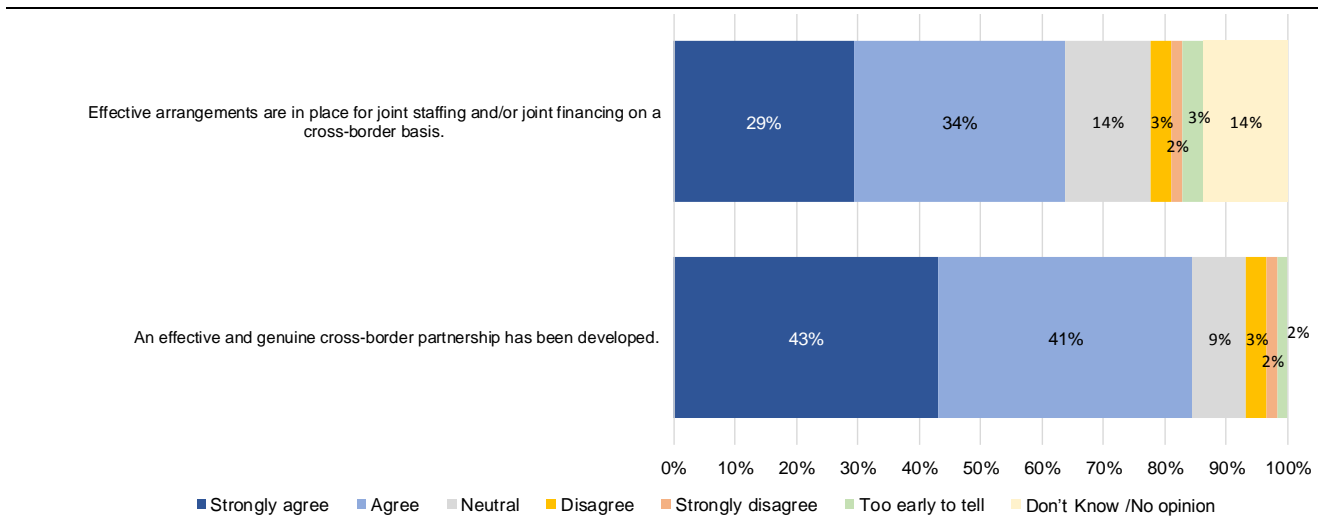
“We have had two-way travel arrangements, as well as tele conferencing. Locality is a challenge, so we are trying to balance limited travel budgets with effective partnership building. The willingness amongst partners is good which we reinforce with general communication via phone and email for updates, advice and community related information.”

Creative means of communicating should be encouraged, as evident in some partnerships. As part of the planned thematic workshops on networking, SEUPB should consider introducing partnerships to online tools for real time communications and draw on the experience from existing partnerships that are operating effectively.

“Our partnership has met three times and we continue to develop and improve communications, such as through a Slack communications channel [online collaboration hub]. We are working to develop more creative working arrangements as we continue to grow.”

Of those that indicated cross-border working (i.e. 58 projects), a high proportion strongly agree or agree that an effective and genuine partnership has been developed (63%) and effective arrangements are in place for joint staffing and/or financing (84%).

Figure 9.3: To what extent do you agree with the following statements about Cross-Border Partnership Working?



Base: 58

“We have established a group where partners can share experiences and learn from each other. Several elements of our project have been procured and are being implemented on a cross border basis.”

“This is a very meaningful Cross Border Partnership, we have been consulted at every stage of the process and very much had the opportunity to give input from design to implementation.”

Although, one PIV and one IVA disagreed with these statements.

“Very difficult to see how the cross-border arrangements effectively operate and often leads to inflexibility in how partners being able to take forward their project activities with need for single approach. Risk that larger partners’ priorities take precedence to project cross-border priorities.”

Every effort should be made to identify opportunities for strong and sustainable cross-border partnerships, as a key basis of the Programmes. Investing in partnership development is vital, especially when creating new cross-border alliances.

10 PROJECT REVIEW PROCEDURE – UNSUCCESSFUL APPLICANTS

10.1 Introduction

This section reflects key processes and feedback from unsuccessful applicants to assess the extent to which processes have been met.

10.2 Review Procedure for Unsuccessful Applications

The Managing Authority has set out 'Review Procedure for Unsuccessful Applications', as agreed with the EC. A Project Review is implemented in the event that an applicant wishes to appeal the decision of the Steering Committee. The purpose of the Project Review is to ensure that the decisions and procedures followed by Steering Committee for individual applications are applied fairly and consistently.

Key processes:

All unsuccessful applicants:

- A de-briefing session is offered to all unsuccessful applicants, to be availed of within 4 weeks of the rejection letter.
- At the de-briefing session, unsuccessful applicants are afforded the opportunity to discuss the reasons for the rejection and the scoring rationale.
- Unsuccessful applicants must be adequately briefed on the project review procedure.

Stage 1 Project Review Procedure:

- In event that an applicant appeals the decision of the Steering Committee at Stage 1.
- The Stage 1 Review Procedure involves the Review Panel considering relevant documentation and written evidence provided.
- The Review Panel's decision is conveyed to the applicant in writing within 14 days of its meeting.

Stage 2 Project Review Procedure:

- In event that an applicant appeals the decision of the Steering Committee at Stage 2.
- The Stage 2 Review Procedure involves the Review Panel considering relevant documentation and written evidence provided.
- Unsuccessful applicants are given the opportunity to orally present their case for review.
- The Review Panel's decision is conveyed to the applicant in writing within 14 days of its meeting.

From April 2018, an alternation to the Review Procedure was incorporated. This involved the introduction of a 'Review Request Template' which provided a structure and word limit to capture the required evidence to support an appeal. This change was in response to the excessive documentation, in varying formats, being provided by applicants and ensures that, going forward, a consistent approach will be adopted for all. [Those surveyed for the Year 2 Implementation Evaluation did not experience using the new template. Feedback on this new approach will be captured next year for any applicants who have appealed the process from May 2018 onwards.]

10.3 Online Survey Results

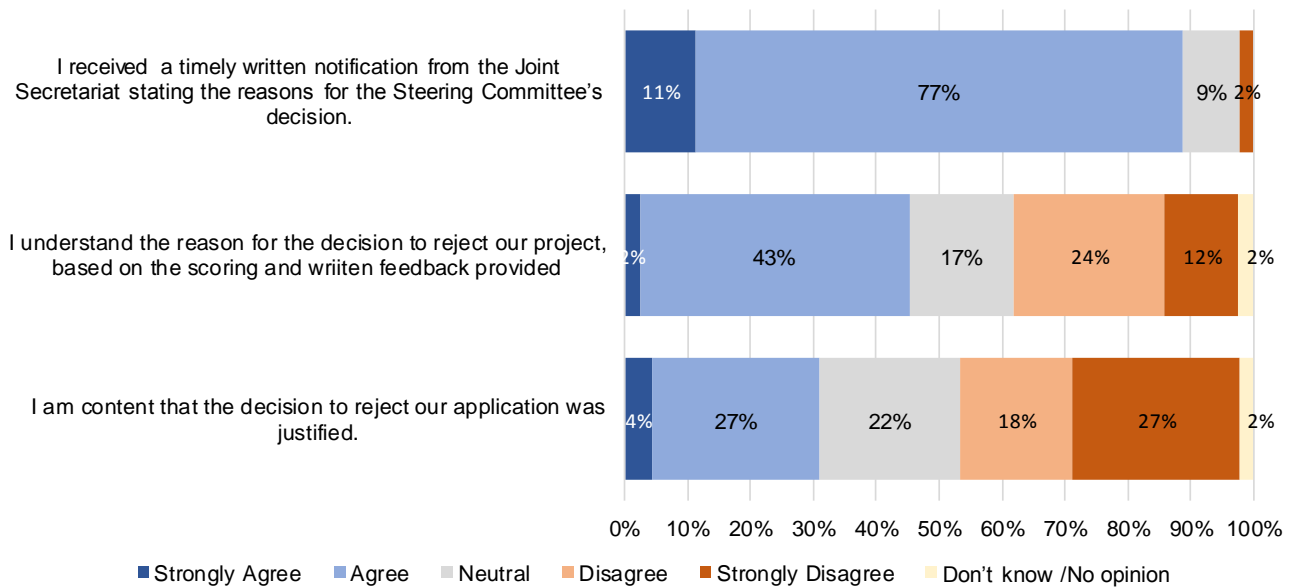
10.3.1 Letter Notification – Unsuccessful Applicants

The vast majority (88%) agreed that they received a timely notification from JS outlining the reason for the Steering Committee’s decision on the outcome of their application.

Almost half (45%) agreed that they understand the reason for the decision to reject their application; however, 36% disagreed with this statement.

31% agreed that they are content that the decision to reject their application was justified, however discontentment is evident among 45% of unsuccessful applicants.

Figure 10.1: To what extent do you agree with the following statements about the letter notification outlining the outcome of your application?



Base: 42-45

“The explanation before we met with SEUPB staff was insufficient for us to understand where our application had fallen down. There were long delays waiting for the panel to meet and we were not always kept informed of these delays - had to phone several times to gauge when we might hear.”

“It was a learning experience - but I do not understand the decision to reject our application on the basis that they did not see it as being impactful enough.”

“We were content that one of the reasons for our project being rejected at Stage 2 was explained - that we did not have enough detail in our application about how the placement element of the project would support peace and reconciliation. However, we were not content that we had been given sufficient rationale for other areas where our application fell down and how our scores had dropped across the board so significantly from Stage 1 to Stage 2.”

10.3.2 De-briefing Session for Unsuccessful Applicants

19 projects out of the 45 rejected requested and received feedback from JS in the form of a debriefing session to discuss the outcome of their application in more detail.

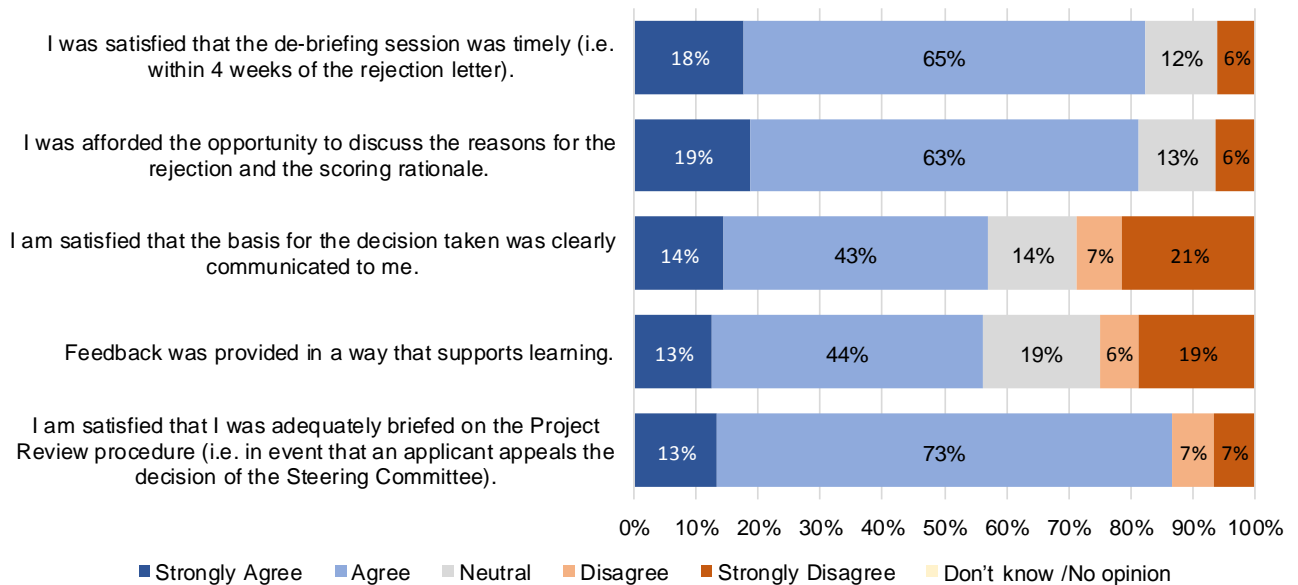
Those that did avail of the de-brief found the experience to be positive, with the majority agreeing that the session was timely (83%) and all respondents agreed that they were given the opportunity to discuss the reasons for rejection and the rationale for the Steering Committee’s scores.

57% agreed that the basis for the decision was clearly communicated, although 28% (n=4, base=14) disagreed.

57% also agreed that feedback was provided in a way that supports learning, with 25% (n=4, base=16) disagreeing with this statement.

Only two unsuccessful applicants disagreed that they were satisfied that they were adequately briefed on the Project Review Procedure.

Figure 10.2: To what extent do you agree with the following statements about the de-briefing session?



Base: 14-17

10.3.3 Stage 1 Review

Unsuccessful applicants were asked if they requested a Project Review at Stage 1 or Stage 2 (i.e. in event that an applicant formally appeals the decision of the Steering Committee). This review was only available to those that had firstly requested and received a formal debriefing session.

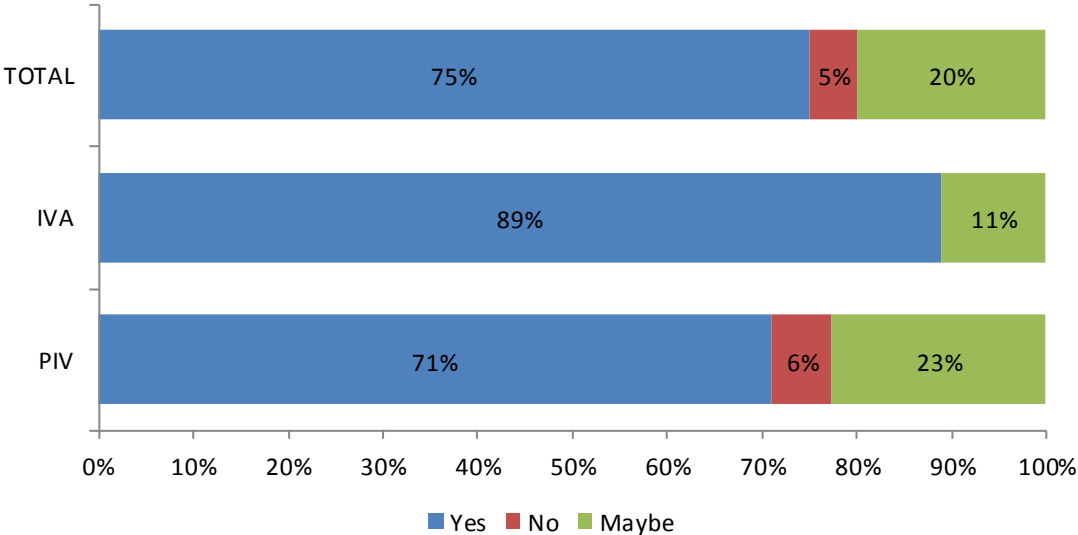
A total of 4 respondents requested a review at Stage 1. These respondents agreed that they were satisfied with the format of the Review Procedure, that the Stage 1 Review Panel’s decision was timely and that the Review Panel adopted a fair, transparent and independent approach.

Only 3 respondents requested a review at Stage 2, two of which reported that they 'strongly disagreed' that they were satisfied that the Review Panel adopted a fair, transparent and independent approach; and 'strongly disagreed' that the Stage 2 'Review' was timely (i.e. within 8 weeks of our request for a review).

10.3.4 Future

The majority (75%) of unsuccessful applicant respondents agreed that 'yes' they would consider applying to the Programme in the future, which is an indicator of satisfaction levels and/or demand for funding.

Figure 10.3: Would you consider applying to the PEACE and/or INTERREG Programme in the future, should funding become available?



Base: Total: 40 | PIV: 31 | IVA: 9

11 COMMUNICATION & AWARENESS RAISING ACTIVITIES

11.1 Introduction

This section considers the effectiveness of the PIV and IVA communication and awareness raising activities, which are funded under the Technical Assistance budget.

11.2 Communications Activity

The Communication Plan 2014-2020 has an overall budget of €1.4m (representing 0.25% of combined PIV and IVA budget) and aims to maximise understanding and awareness of the positive contribution that the EU is making, via the Programmes, to improving the lives of all citizens within the eligible area.

The SEUPB Communications Team is made up of three core members of staff with responsibility for all communications, publicity and event management activities. The team also manages contracts with a number of agencies i.e. Design Agency, Photographer and Media Monitoring. A PR company based in Western Scotland has also been commissioned to assist SEUPB with enhanced media relations activity within this eligible area – to address lower levels of media awareness, as recommended in our Year 1 report.

11.2.1 Showcasing Events

SEUPB has taken a lead role in promoting the PIV and IVA Programme across the EU community. There has been an increased level of communication and advocacy work to promote the outcomes of the funding to enhance sustainability of funds.

- In November 2017, SEUPB held a major, high-profile event in Brussels to showcase projects funded under the PIV and IVA Programmes. The exhibition which was held in the European Parliament, was co-sponsored by MEPs across Northern Ireland and Ireland. A project panel discussion was also held on the impact of Structural Funds across the eligible region. It also included interventions from European Commissioner for Regional and Urban Policy, Ambassador Extraordinary and Plenipotentiary, Permanent Representative of Ireland to the EU, UK Deputy Permanent Representative to the European Union and Member State representatives (where relevant).
- On 16 May 2018, SEUPB delivered a similar showcasing event at the Houses of the Oireachtas in Dublin, to exhibit projects funded by PIV and IVA. This was followed by a panel presentation to highlight the impact of cross-border work.
- SEUPB were invited to attend the All Island Civic Dialogue (AICD) conference on Brexit (Dundalk, 30 April 2018), where six projects exhibited the benefits of EU funding and how funding is making a positive difference to people's lives. The EU's chief Brexit negotiator, Michel Barnier delivered a keynote address at the event, highlighting the advantages of EU funding for the region. Importantly, he stated that *"Northern Ireland should be able to retain access to the EU's peace funding programme set up to support the peace process after Brexit."*

11.2.2 *Achievement against Performance Framework*

The Communication Plan is robust as it sets out a detailed approach and stakeholder mapping aligned to communication objectives and approach. Significant levels of communications activity have already taken place to reflect the progress in the approval of projects. This includes 66 case studies (for PIV and IVA) which highlight the achievements of the Programme and 93 press releases in relation to funding announcements, representing 33% and 47% of overall 2023 Performance Framework targets.

Table 11.1: Achievements against Performance Framework

Project Main Output Description	PIV		IVA		Overall		
	Main Output Target	Number to date (May 2018)	Main Output Target	Number to date (May 2018)	Main Output Target	Number to date (May 2018)	% Achieved
Number of generated case studies (examples of operations) which highlight the achievements of the Programme.	100	20	100	46	200	66	33%
Number of Programme and operation focused press releases issued to the media.	100	54	100	39	200	93	47%

The above said case studies are produced for the YourEU quarterly publication, the quarterly magazine produced by the SEUPB, which offers insights and updates on some of the PIV and IVA funded projects. It also includes all the latest news about the Programmes and information on upcoming events. This magazine is widely disseminated (as an online e-zine) to over 1,000 stakeholders across the eligible area.

SEUPB also disseminates a Public Affairs newsletter called ‘euroPA’ which has been specifically designed to keep elected representatives and their constituents informed about support under the Programmes.

Independently collated media monitoring statistics for the 12-month period from May 2017 to April 2018 demonstrate the extent of communication/references about the Programmes in terms of the ‘volume’ (number of articles) and ‘AVE’ (Advertising Value Equivalency) for both Programmes i.e.

- PIV – a total of 867 articles and a total AVE was £1,614,965.
- IVA – a total of 667 articles and a total AVE was £1,432,129.

On-going media queries from local press and journalists are dealt with by the Communications Team in a timely manner.

11.3 **Training & Support**

11.3.1 *Project Partners Training & Support*

Feedback from Project Partners is positive. Based on the online survey, the majority (62%) either strongly agreed or agreed that SEUPB effectively promotes the Programme using case studies, showcasing and/or exhibition events. It was recognised that promotion activity has increased in line with the implementation phase and project activity is now evident on the ground.

“SEUPB is getting better at promotion, the last 12 months has seen a great improvement.”

Project Launch

Lead Partners are required to organise a project launch event and invite SEUPB and relevant match-funding body or Accountable Department that provided funding to their project. 69% of online survey respondents either strongly agreed or agreed that SEUPB supported/attended their launch event. Those that stated 'neutral' reported that their event has not taken place yet.

“Excellent senior presence at launch and support for organisation of event attendees.”

Project Partner Training

Each project must identify a communication lead who will attend all Communication Network Meetings / workshops held by SEUPB. A total of 4 'Information and Communications' seminars took place in February 2018, with 111 attendees (i.e. Belfast x45 attendees; Derry/Londonderry x21 attendees; Dundalk x17 attendees; and Dungannon x28 attendees). These seminars detailed the communication and reporting/evaluation activities required of projects in receipt of assistance. It also included an interactive workshop on how to use social media.

Based on 39 completed evaluation forms, all respondents agreed that 'yes' they have a greater understanding of Programme requirements for PR/marketing. In addition, all reported 'very good' or 'good' when asked how useful they found the social media presentation.

“Excellent presentation in terms of content and delivery. A very useful overview of tricks and tips on how to harness the power of social media.”

“Really excellent. Engaging, knowledgeable and professional.”

“SEUPB staff are very welcoming and helpful.”

Examples of other types of communications training that would be of interest, as cited by Project Partners include: showcasing methods of best practice; creating social media content; creating engaging content for press releases (including samples); media/interview training to promote benefits of project; how best to respond to media queries/press engagement and queries from elected representatives; crisis communications planning; monitoring of reach e.g. Google analytics; event planning.

Resources

Communication resources, developed by SEUPB, are user-friendly, in plain, easy-to-understand language, for example the dissemination of infographics and a Citizen's Summary of both Programmes to enhance the accessibility of information to a wider audience.

To support project beneficiaries, the Communication Team devised a 'Publicity and Marketing Toolkit for EU funded Projects'. The toolkit outlines how projects can meet the minimum mandatory regulatory requirements to acknowledge financial support that has been provided by the EU and to ensure that they are promoting the aims, objectives and results of their projects to as wide an audience as possible.

To assist with EU regulations, SEUPB has also created a series of poster templates for both Programmes and provided detailed advice on how to use various communications channels and social media platforms effectively.

Minimum mandatory communication requirements for projects comprise of: 3 press releases; project website/web page; launch and closure event; bi-annual e-zine or newsletter; crisis communications plan; attendance at communication workshops; acknowledgement of funding. Each approved project is required to upload their communication activities on eMS as part of the 'Communications work package'.

Based on the online survey, 76% strongly agreed/agreed that SEUPB's Communications Team provide sufficient guidance and templates to support communication activity.

"Communications team at SEUPB offer timely and useful support. They have responded quickly to queries that I have raised and were able to offer clear advice."

"Communications team are straightforward and very helpful to work with. Very clear guidance re: use of logos/branding etc. and good training events. Team are very prompt at providing advice when approached."

"Publicity Toolkit is concise and very clear on communications requirements for programmes. Communications office are always prompt in their responses to us."

One respondent felt that the use of funding department logos on promotional material was unclear, with inconsistent messages provided by SEUPB. SEUPB do provide guidance on all communications activity, however it may be worth providing a few more examples to support some projects.

"There has been an inconsistent message regarding use of sponsor Department's logos on project promotional material."

11.3.2 Staff Training and Support

Internal staff training on Information and Publicity took place in May 2017 (one in each of the three SEUPB offices – Belfast, Monaghan, and Omagh). This involved a short session on 'Information and Publicity' requirements which projects and SEUPB staff must adhere to. The Communications Team is in regular contact with SEUPB's case officers and projects on a wide-range of communications issues.

Internal communications also involve a quarterly newsletter and various briefings to keep all staff members abreast of new Programme developments.

11.4 Awareness Raising Activity

11.4.1 Social Media Activity

SEUPB has a presence in a number of platforms, to include: Twitter, Facebook, YouTube and LinkedIn. This aim is to increase the level of reach and engagement with project beneficiaries as well as those not directly involved in the Programme, thereby creating active dialogue with all relevant sectors and media.

The Communications Team encourages all newly funded projects to become active on social media. This will create a network of social media partners and a reservoir of content that can be used to help promote the impact that EU funding is having across the eligible area.

The Communications Team is committed to a pro-active social media strategy focusing on new project launches/events and roll-out activity. For example, SEUPB commissioned a Video Production Company to capture case studies/vignettes of 3 minutes, which will be created now that projects are progressed.

Key metrics for social media platforms are listed below, indicating that Twitter is the dominant channel for SEUPB communications.

- **Twitter:** There has been a steady increase in the number of followers, from 1,512 followers in May 2017 to 2,062 followers in August 2018 – representing a 36% increase. There is evidence of SEUPB following and sharing/retweeting posts from projects which helps to encourage higher engagement levels and to extend reach of project promotional activities.
- **Facebook:** As of August 2018, SEUPB's Facebook page has attracted 574 page likes, in comparison to 427 likes in May 2017. There has been a slow and steady increase in the number of likes. Engagement levels on individual posts are low.
- **YouTube:** Current content on the channel includes a number of filmed sectoral workshops for potential project applicants. This is an underutilised channel. Consideration should be given to live streamlining a select number of training events and/or interactive demonstrations of eMS.
- **LinkedIn:** SEUPB has 189 followers on LinkedIn. From Jan 2018 to April 2018, the average number of clicks was 39. There will be more opportunities, as projects progress, to develop content and disseminate via this communication channel.

One Project Partner suggested that SEUPB should share select posts to encourage greater reach and as a means of demonstrating SEUPB's support for project activity. It is acknowledged that SEUPB already make efforts to share Twitter and Facebook posts.

“In general, communication is excellent. Potentially more support, shares, follows of social media pages for projects.”

11.4.2 **Website**

The new website was launched in July 2017. Feedback from stakeholders and projects has been very positive. The website is more streamlined and has more interactive content when compared to the previous website. To ensure that content remains up-to-date, it is intended that the Communications Team and other staff will be able to upload information, rather than relying on an external supplier to maintain.

In terms of monitoring the effectiveness of the new website, unfortunately, due to issues with the site build, SEUPB is only able to get verifiable data from Google Analytics from January 2018 onwards.

Figures suggest an increase in users and website activity, for instance:

- From February 2018 – April 2018, the average number of sessions to the website was 3,324 (compared to 1,007 for the month of January 2018 – a 230% increase).
- From February 2018 – April 2018, the average number of users to the website was 1,792 (compared to 655 for the month of January 2018 – a 174% increase).
- From February 2018 – April 2018, the average number of page views to the website was 12,497 compared to 3,441 for the previous four months – a 263% increase).

Half of all respondents to the online survey agreed that SEUPB's new website is easy to navigate. Although 35% reported being 'neutral' and a further 9% had 'no opinion' as to the new format, content and function of the website. Six projects disagreed with this statement. One cited navigational problem with the new website.

11.4.3 Annual Perception and Awareness Survey – General Public & Key Stakeholders

SEUPB commissioned an annual General Public Survey and Stakeholder Awareness Survey to assess the awareness and perceptions of the PIV Programme and the IVA Programme. The results will be used as a benchmark for awareness of the Programmes going forward.

There is annual requirement to report an update to the Programme Monitoring Committee on the implementation of the Communication Strategy, which includes the Perception and Awareness Survey. NB. The Annual Stakeholder Survey was not conducted in 2016 to allow a break between programming periods.

General Public Survey Results (January 2018)

A total of 750 telephone interviews were conducted with the general public, the results are summarised below for the period January 2018. Figures in brackets relate to the previous survey, dated January 2017 for comparison purposes (where available). Key findings:

- Awareness of SEUPB was higher in the border counties (16%) compared to the other areas sampled.
- 86% of Northern Ireland respondents had not heard of SEUPB.
- Awareness of PIV was higher in the border counties than in Northern Ireland, awareness overall has decreased on 2017 findings.
- More Border County than Northern Ireland respondents aware of the PIV Programme believed it was having a positive impact.
- Awareness of IVA was also higher in the border counties than in Northern Ireland and Western Scotland, awareness overall has decreased on 2017 findings.
- More Border County respondents aware of the IVA Programme believed it was having a positive impact.
- Awareness levels lower in Western Scotland.
- Among those aware of the Programmes, 87% of Border County respondents agreed 'EU funding is making a positive difference to communities'; while 75% of Northern Ireland respondents agreed.
- Among those aware of the Programmes, 79% of Border County respondents agreed 'EU funding is investing in your future'; while 68% of Northern Ireland respondents agreed.

Table 11.2 Stakeholder Awareness Survey Results

	January 2018 (January 2017*)		
	Northern Ireland	Border Counties	Western Scotland
Overall Awareness			
Awareness of SEUPB	14% (18%)	16% (14%)	4% (12%)
% aware of the areas receiving funding to help promote cross border working and co-operation, and to encourage peace and reconciliation	66% (67%)	65% (77%)	14% (18%)
% of those that strongly agree/agree that EU funding is making a positive difference to communities	75% (72%)	87% (89%)	62%
% of those that strongly agree/agree that EU funding is investing in their future	68% (65%)	79% (75%)	54%
PIV			
Awareness of PIV	39% (46%)	45% (58%)	Not relevant
% agreed that PIV was having a positive impact	74% (74%)	87% (85%)	
IVA			
Awareness of IVA	12% (19%)	21% (29%)	3% (4%)
% agreed that felt that IVA was having a positive impact	62% (70%)	85% (79%)	29% (*)
Base:	450	150	150

*Low base

SEUPB confirmed that the survey results have informed communications activity, specifically low awareness in western Scotland as a rationale in the business case for PR support in Western Scotland at the start of 2018, with the aim of enhancing media relations activity within this eligible area. SEUPB has also endeavored to encourage the increased use of social media by projects in response to the survey results in awareness of the programmes.

Overall, the annual awareness and perception survey is a useful barometer of key stakeholder and public opinion across the eligible area of both Programmes and will become an important indicator year-on-year as trend data is profiled. However, the questions are based on previous Programmes, yet the new Programmes (2014-2020) are more 'concentrated' with PIV and IVA focusing on a smaller number of larger scale projects with a narrower range of activities - therefore awareness levels may reduce. With this in mind, it is perhaps an opportune time to revisit the questions and methodology employed for the general public survey.

To create more value-added, it is recommended that the General Public Survey is maintained and used as a control group, and with an additional comparator survey commissioned to target areas/communities/general public where PIV and IVA funds are directed – in order to gain an appreciation of the Programme's reach and whether it is having a positive impact in targeted areas.

Stakeholder Survey Results (January 2018)

This general population survey was complemented by a telephone survey conducted amongst 50 approved stakeholders of the Programmes. The stakeholder sample incorporated: 10 involved with PEACE IV; 10 involved with INTERREG 5A; 10 Monitoring and Steering Committee Members; 10 MPs / MLAs / MEPs/TDs/MSPs; 10 Councillors.

A lower proportion of stakeholders involved in PIV agreed that the PEACE IV Programme is achieving its objectives when compared to IVA. This may be due to the fact that the PIV was at a less advanced stage than the IVA Programme at the time of the survey, where respondents may not have been in a position to comment. However, both PIV and IVA stakeholders agreed that the respective Programme is having a positive impact.

The majority of stakeholders agreed that they were satisfied with information received from SEUPB although this is higher for IVA stakeholders. The preferred method of communication is email. The reasons cited for dissatisfaction included: lack of frequent updates; generic information; lack of information on Programmes and events.

Stakeholders were also in agreement that they were satisfied with the interaction with SEUPB, agreed that the support and guidance received was good and were in agreement that they have been kept well informed about progress of the Programme, although figures are higher for IVA stakeholders.

Table 11.3: Stakeholder Survey Results

Question	January 2018 (January 2017)		
	Response	PIV	IVA
The programme is achieving its objectives	Agree	50% (56%)	78% (76%)
Programme is having a positive impact	Positive	74% (74%)	96% (76%)
Satisfaction with level of information received from SEUPB	Satisfied	56% (69%)	65% (76%)
Preferred method of receiving information	Email	85% (90%)	78% (79%)
Satisfaction with interaction with SEUPB	Satisfied	53% (78%)	79% (69%)
Support and guidance received from the SEUPB	Good	74% (79%)	96% (79%)
Kept well informed about the progress of the programme	Agree	53% (75%)	70% (79%)

Stakeholder Survey Results In addition to the above statements, stakeholders were also asked to comment on **how long they ‘think’ it takes to process a funding application**. 40% perceived a funding application to be processed between 3-6 months. 12% suggested 6-12 months, and 24% think that it takes 1-1.5 years. Results differ between Programmes, for instance, 41% of those involved in PIV felt that it takes 3-6 months compared to 30% of IVA respondents.

When commenting on the length of time it ‘should’ take to process a funding application, 22% believed it should take less than 3 months, 54% agreed that it should take between 3-6 months, and 8% felt that it should take between 6-12 months.

86% of stakeholders believed that projects in receipt of financial assistance under the PIV or IVA Programme received adequate guidance support from the SEUPB. Stakeholders were asked to **describe the financial controls** used within PIV and IVA. 30% described these controls as ‘adequate’ whilst 48% found the controls too rigorous and inflexible. Those involved in IVA, were much more likely to find the controls too rigorous and inflexible (52%) compared to those involved in PIV (44%). None of the stakeholders described the financial controls as ‘too lax’.

Stakeholders were also asked to suggest **how the programme delivery could have been improved**. Almost 3 in 10 (28%) were unable to suggest any improvements as they were happy with the situation, 12% felt it was too early to say. Some suggestions put forward include: ‘straightforward/centralised application management/online’ (12%); ‘make process less complicated’ (8%); ‘more flexibility for beneficiary needs’ (6%); ‘realistic deadlines’ (6%).

11.5 Summary

- SEUPB has demonstrated a strategic approach to communication, evidenced by the robust Communications Plan, which meets EU regulatory requirements.
- Although the Communications Team is small, they are experienced, dedicated and have effectively managed an extensive programme of communication and publicity work.
- Significant levels of communications activity have taken place to reflect the progress in the approval of projects. This includes 66 cases studies (for PIV and IVA) which highlight the achievements of the Programme and 93 press releases in relation to funding announcements, representing 33% and 47% of overall 2023 Performance Framework targets.
- Feedback from the Implementation Evaluation online survey and consultations also confirms that the majority of projects are satisfied that the Programmes are effectively promoted.
- It is recommended that the General Public Survey is maintained and used as a control group, with an additional survey commissioned (with same/similar questions) targeted towards areas/communities/general public where PIV and IVA funds are directed – in order to gain an appreciation of the Programme’s reach and whether it is having a positive impact in targeted areas.
- Increase SEUPB’s combined social media presence in terms of engagement on all of its existing channels. A social media strategy should be developed to increase engagements and content dissemination (e.g. use of dynamic digital content, promote use of campaign hashtags (#) for events; drive content between media channels to reinforce messages, increase use of infographics, focus on increased engagements e.g. introduce a more conversational tone and opinion polls, seeking interaction with audience.

12 CONCLUDING COMMENTS

12.1 Conclusions

The key conclusions emerging from the Implementation Evaluation are summarised below:

What has worked well

- The PIV and IVA Programmes represent a long-standing partnership between the EC, Northern Ireland, Border Region of Ireland and Western Scotland, supported by the government departments of the UK, Ireland and Scotland.
- The eligible area has benefited from a substantial investment of €552.37m for the period 2014-2020. The budget for PIV is €269.61m and for IVA is €282.76m (ERDF and Government Department match funding).
- There is evidence of effective practice and of SEUPB's ability to manage and implement the PIV and IVA Programmes. This provides a firm foundation on which to ensure the successful implementation.
- It is evident that SEUPB staff are highly committed to the success of the programme implementation and supporting project beneficiaries.
- SEUPB has taken a lead role in promoting the PIV and IVA Programme across the EU community. There has been an increased level of communication and advocacy work to promote the outcomes of the funding to enhance sustainability of funds.
- The respective governments are committed to the successful implementation of current programmes and exploring the potential of successor programmes post 2020.

Key Areas for Improvement

The recommendations throughout the report (and listed in the Executive Summary) outline the need for SEUPB to focus on the following key areas:

- Enhance delivery structures and systems: There is a need for increased delivery and systems mapping to help understand why processes are designed in such a way to identify potential inefficiencies. Subsequently, staffing allocation can be aligned to the required processes to best deliver the Programmes to meet the financial profile (n+3), business plan and performance framework targets. Issues apparent in eMS have resulted in a system that is not operating at an optimum level, which requires immediate action. This can only be resolved at a programming level and requires detailed discussions with the developers.
- Staff Training: Given the recent staff turnover and the induction of new staff members, coupled with amendments to various processes, it is an opportune time to review SEUPB's staff training and development strategy and create a coordinated approach across the organisation. This should include a skills audit/training needs analysis which will identify key strengths and any skill gaps to be met via training.
- Project Partnership Training, Support and Information Exchange: Investment in capacity building such as training, submission of claims (to expedite payments), information exchange platforms and networking opportunities are essential at this stage of the Programmes. This will become increasingly important as mid-term and Post Programme Evaluations become available requiring a central repository of information for projects and a wider audience to access and appreciate the benefits of PIV and IVA funding.
- Pre-development support: There is a need for a robust pre-development support package, tailored per Programme theme for any future funding calls or successor Programmes. This will result in increased quality applications and reduce the level of administration surrounding the clarification process and value for money assessments and help improve processing times.

ANNEX I: Accountable /Policy Departments

PIV: Accountable Departments

	Specific Objective	Accountable Departments (NI)	Accountable Departments (Ire)
1.1	Shared Education	Department of Education (DE)	Department of Education & Skills (DES)
2.1	Children & Young People (14-24yrs)	Department for the Economy (DfE)	Department of Children & Youth Affairs (DCYA)
2.2	Local Authority - Children & Young People (0-24 yrs)	The Executive Office (Good Relations)	Department of Rural & Community Development (DRCD)
3.1	Shared Spaces Capital Development	Department for Communities (DfC)	DRCD
3.2	Local Authority Shared Spaces	The Executive Office (Good Relations)	DRCD
3.3	Victims & Survivors	The Executive Office (Victims & Survivors Unit)	DRCD
4.1	Local Authority Action Plans	The Executive Office (Good Relations)	DRCD
4.2	Regional Level Projects	The Executive Office (Good Relations)	DRCD

IVA: Accountable/Policy Departments

	Specific Objective	Accountable Departments (NI)	Accountable Departments (Ire)	Policy Advisors (Scotland)
1.1	Research & Innovation - Health & Life Sciences & Renewable Energy	DfE	Department of Business, Enterprise and Innovation (DBEI)	Scottish Government
1.2	Research & Innovation - Enhance Innovation Capacity Of SME	DfE	DBEI	Scottish Government
2.1	Environment - Recovery of Protected Habitats & Species	Department of Agriculture, Environment & Rural Affairs (DAERA)	Department of Housing, Planning and Local Government (DHPLG)	Scottish Government
2.2	Environment - Manage Marine Protected Areas & Species	DAERA	DHPLG	Scottish Government
2.3	Environment - Improve Water Quality in Transitional Waters	DAERA	DHPLG	Scottish Government
2.4	Environment - Improve Fresh Water Quality in River Basins	DAERA	DHPLG	Scottish Government
3.1	Sustainable Transport - Multimodal Hub	Department for Infrastructure (DfI)	Department of Transport, Tourism and Sport (DTTAS)	Scottish Government
3.2	Sustainable Transport - Electric Vehicle Network	DfI	DTTAS	Scottish Government
3.3	Sustainable Transport - Greenways	DfI	DTTAS	Scottish Government
4	Cross Border Health & Social Care	Department of Health (NI)	Department of Health (IRL)	Scottish Government

ANNEX II: Programme Budget

PIV Programme Budget

Priority	ERDF budget	Match Funding	Total	% of total
1. Shared Education	€ 30,000,000	€ 5,294,118	€ 35,294,118	13%
2. Children and Young People	€ 57,000,000	€ 10,058,824	€ 67,058,824	25%
2.1 <i>Young people aged 14-24</i> ¹	€ 32,000,000	€ 5,647,059	€ 37,647,059	14%
2.2 <i>Local Authority Action Plans</i> ²	€ 25,000,000	€ 4,411,765	€ 29,411,765	11%
3. Shared Spaces and Services	€ 84,500,000	€ 14,911,765	€ 99,411,765	37%
3.1 <i>Capital development</i>	€ 45,000,000	€ 7,941,176	€ 52,941,176	20%
3.2 <i>Local Authority Action Plans</i>	€ 24,500,000	€ 4,323,529	€ 28,823,529	11%
3.3 <i>Victims & Survivors</i>	€ 15,000,000	€ 2,647,059	€ 17,647,059	7%
4. Building Positive Relations	€ 43,919,162	€ 7,750,440	€ 51,669,602	19%
4.1 <i>Local Authority Action Plans</i>	€ 30,000,000	€ 5,294,118	€ 35,294,118	13%
4.2 <i>Regional Projects</i> ³	€ 13,919,162	€ 2,456,323	€ 16,375,485	6%
<i>Project Budget</i>	€ 215,419,162	€ 38,015,146	€ 253,434,308	94%
Technical Assistance	€ 13,750,158	€ 2,426,498	€ 16,176,656	6%
Total	€ 229,169,320	€ 40,441,645	€ 269,610,965	100%

¹Note this will be implemented in two phases (Phase 1 will be subject to an independent evaluation which will inform decision making on whether Phase 2 should proceed).

²€17m (including 14.5m ERDF and €2.5m match funding) will be allocated in Phase 1.

³For Priority 4, Regional, a reallocation of funds is planned, which will result in a higher allocation for this theme, over and above the original theme value.

IVA Programme Budget

Priority	ERDF budget	Match Funding	Total	% of total
1. R&I: Strengthening research, technological development and innovation	€ 60,926,835	€ 10,751,794	€ 71,678,629	25%
1.1 <i>Enhancing research and innovation</i>	€ 45,000,000	€ 7,941,176	€ 52,941,176	19%
1.2 <i>Promoting business investment in R&I</i>	€ 15,926,835	€ 2,810,618	€ 18,737,453	7%
2. Environment: Preserving and protecting the environment and promoting resource efficiency	€ 72,000,000	€ 12,705,882	€ 84,705,882	30%
2.1 & 2.2 <i>Protecting and restoring biodiversity</i>	€ 22,000,000	€ 3,882,353	€ 25,882,353	9%
2.3 & 2.4 <i>Investing in the water sector</i>	€ 50,000,000	€ 8,823,529	€ 58,823,529	21%
3. Sustainable transport: Promoting sustainable transport and removing bottlenecks in key network infrastructure	€ 40,000,000	€ 7,058,824	€ 47,058,824	17%
4. Health: Investing in health and social infrastructure	€ 53,000,000	€ 9,352,941	€ 62,352,941	22%
<i>Project Budget</i>	€ 225,926,835	€ 39,869,441	€ 265,796,276	94%
Technical Assistance	€ 14,420,861	€ 2,544,858	€ 16,965,719	6%
Total Budget	€ 240,347,696	€ 42,414,299	€ 282,761,995	100%

ANNEX III: Achievement of Milestones

Progress towards 2018 milestones (Status: June 2018)

PIV - Achievement against Performance Framework

Priority axis		P1 - PROMOTING PEACE AND RECONCILIATION					
Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Progress towards 2018 Milestone (June 2018)	Projected Achievement December 2018	Comment
O	The number of participants in shared education classrooms.	Pupil per school year	19,200	144,000.00	13,206	25,000	2018 milestone will be exceeded
O	Phase 1. The number of participants aged 0 -24 completing approved programmes that develop their soft skills and a respect for diversity	Persons	5,000	21,000.00	2,838	5,000	On target to meet 2018 milestone
O	Capital developments to create new shared spaces.	Number	0	8.00	2.00 approved	8.00	A second call should secure an additional 6 projects before year end: 2018 milestone should be met.
O	Local action plans that result in meaningful, purposeful and sustained contact between persons from different communities	Number	0	17.00	17.00	17.00	Target achieved.
F	The total amount of eligible expenditure entered into the accounting system of the certifying authority and certified by the authority	Euro	23,322,193 (ERDF + match)	253,434,310.00	1,500,000	36,100,000	2018 milestone should be exceeded
I	Value of letters of offer issued concerning projects intending to create new shared spaces	Euro	Letters of Offer issued to the value of €52,941,176		0	€53m	The second call should facilitate delivery of this target.
I	Local action plans that result in meaningful, purposeful and sustained contact between persons from different communities	Number of Letters of Offer issued	17	0.00	17	17	Target achieved

IVA - Achievement against Performance Framework

Priority axis		P1 - RESEARCH AND INNOVATION						
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Progress towards 2018 Milestone (June 2018)	Projected Achievement December 2018	Comment
CO24	O	Research, innovation: Number of new researchers in supported entities	Full time equivalents	0	514.00			635 forecast by 2023
F11	F	The total amount of eligible expenditure entered into the accounting system of the certifying authority and certified by the authority	Euro	6,596,196.00	71,678,630.00	1,590,000	13,830,000	2018 target should be exceeded
IS1.1	I	Value of letters of offer issued concerning projects intending to increase new researchers in supported entities	Euro	25,000,000		54,659,136	54,659,136	2018 Milestone achieved

Priority axis		P2 - ENVIRONMENT						
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Progress towards 2018 Milestone (June 2018)	Projected Achievement December 2018	Comment
CO23	O	Nature and biodiversity: Surface area of habitats supported to attain a better conservation status	Hectares	0	4,500.00			5,333 committed in LOOs
2.213	O	Marine management plans for designated protected areas complete	Number of management plans	0	6.00			9.00 Committed in LOOs
2.311	O	Sewage network and waste water treatment projects to improve water	Projects complete	0	2.00			2.00 final target forecast

Priority axis			P2 - ENVIRONMENT					
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Progress towards 2018 Milestone (June 2018)	Projected Achievement December 2018	Comment
		quality in shared transitional waters						
F12	F	The total amount of eligible expenditure entered into the accounting system of the certifying authority and certified by the authority	Euro	7,795,023.00	84,705,883.00	1,140,000	8,970,000	2018 target should be exceeded
IS2.1	I	Nature and biodiversity: Amount of the letters of offer issued regarding projects intended to improve conservation status	Euro	4,000,000		11,292,821	11,292,821	2018 Milestone achieved

Priority axis			P3 - SUSTAINABLE TRANSPORT					
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Progress towards 2018 Milestone (June 2018)	Projected Achievement December 2018	Comment
3.111	O	Cross-border multimodal public transport hub encompassing cross-border integrated services	Number of multimodal hubs	0	1.00			1.00 final target forecast
FI3	F	The total amount of eligible expenditure entered into the accounting system of the certifying authority and certified by the authority	Euro	4,330,568.00	47,058,824.00	1,630,000	8,160,000	2018 target should be exceeded

Priority axis			P3 - SUSTAINABLE TRANSPORT					
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Progress towards 2018 Milestone (June 2018)	Projected Achievement December 2018	Comment
IS3.1	I	Design/master plan approved	Plan	1		1	1	2018 target met

Priority axis			P4 - HEALTH					
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Progress towards 2018 Milestone (June 2018)	Projected Achievement December 2018	Comment
4.111	O	Beneficiaries supported by new cross-border area initiatives for positive health and wellbeing and the prevention of ill health	Number of beneficiaries	2500	15,000.00	0	2500	On track to achieve 2018 target
4.119	O	Patients benefitting from scheduled and unscheduled care streams	Number of patients	2500	15,000.00	612	2500	On track to achieve 2018 target
4.120	O	Patients availing of e health interventions to support independent living in caring communities	Number of patients	700	4,500.00	160	700	On track to achieve 2018 target
FI4	F	The total amount of eligible expenditure entered into the accounting system of the certifying authority and certified by the authority	Euro	5,738,003.00	62,352,942.00	270,000	6,960,000	2018 target should be exceeded.

ANNEX IV: Simplified Cost Options

SCOs for the PIV Programme:

Specific Objective		SCO	
1.1	Shared Education	Indirect Costs – Flat Rate of 15% of Direct Staff Costs	Article 68(1)(b) of Regulation (EC) 1303/2013 refers.
		Staff Costs - Hourly rate calculated as the latest documented annual gross employment cost divided by 1720 hours	Article 68(2) of Regulation (EC) 1303/2013 refers.
		Unit Cost(s) – to be confirmed	
2.1	Children & Young People (14 – 24)	Other Costs (except Direct Staff Costs) - Flat Rate of 40% of Direct Staff Costs	Article 14(2) of Regulation (EC) 1304/2013 (ESF) refers.
		Staff Costs - Hourly rate calculated as the latest documented annual gross employment cost divided by 1720 hours	Article 68(2) of Regulation (EC) 1303/2013 refers.
2.1 3.1 4.2	Children & Young People (Oversight Body) Shared Spaces Building Positive Relations (Regional)	Indirect Costs – Flat Rate of 15% of Direct Staff Costs	Article 68(1)(b) of Regulation (EC) 1303/2013 refers.
		Staff Costs - Hourly rate calculated as the latest documented annual gross employment cost divided by 1720 hours	Article 68(2) of Regulation (EC) 1303/2013 refers
3.3	Victims & Survivors	Staff Costs - Hourly rate calculated as the latest documented annual gross employment cost divided by 1720 hours	Article 68(2) of Regulation (EC) 1303/2013 refers.
4.1	Local Authority Action Plans	Staff Costs – flat rate of 12% of Other Direct Costs	Article 19 of Regulation (EC) 1299/2013 refers.
		Indirect Costs – Flat Rate of 15% of Direct Staff Costs	Article 68(1)(b) of Regulation (EC) 1303/2013 refers.

The following SCO are used in the implementation of IVA projects:

SCOs for the IVA Programme:

Specific Objective		SCO	
1.1	R&I – Health & Life Sciences & Renewable Energy	Indirect Costs – Flat Rate of 25% of Eligible Direct Costs	Based on Horizon 2020 in accordance with Delegated Regulation 480/2014 & Art 29(1) of Regulation (EC) 1290/2013).
		Staff Costs - Hourly rate calculated as the latest documented annual gross employment cost divided by 1720 hours	Article 68(2) of Regulation (EC) 1303/2013 refers.
		Unit Cost (1) - STIPEND payments to PhD researchers in the UK.	
		Unit Cost (2) - STIPEND payments to PhD researchers in Ireland.	
		Unit Cost (3) - Training, Support & Networking costs for PhD researchers	Based on the Marie Skłodowska-Curie programme (Innovative Training Networks).
1.2	R&I - SMEs	Indirect Costs – Flat Rate of 15% of Direct Staff Costs	Article 68(1)(b) of Regulation (EC) 1303/2013 refers
		Staff Costs - Hourly rate calculated as the latest documented annual gross employment cost divided by 1720 hours	Article 68(2) of Regulation (EC) 1303/2013 refers.
		Unit Cost (1) – Strand 1 Workshop per participant SME	
		Unit Cost (2) – Strand 2 Business Process Review per participant SME.	

Specific Objective		SCO	
		Unit Cost (3) – Innovation Audit & Interpretation per participant SME.	
2.1 2.2 2.3 2.4 3.1 3.3 4.1	Environment – Habitats & Species Environment – Marine Environment – Transitional Waters Environment – River Basins Sustainable Transport – Multi Modal Hub Sustainable Transport – Greenways Health & Social Care	Indirect Costs – Flat Rate of 15% of Direct Staff Costs	Article 68(1)(b) of Regulation (EC) 1303/2013 refers.
		Staff Costs - Hourly rate calculated as the latest documented annual gross employment cost divided by 1720 hours	Article 68(2) of Regulation (EC) 1303/2013 refers.

End.