

EAST OF SCOTLAND OBJECTIVE 2 PROGRAMME 2000 - 2006

MONITORING COMMITTEE

**PROGRAMME EXECUTIVE OFFICES, ENTERPRISE WAY, CARNEGIE CAMPUS
SOUTH, DUNFERMLINE**

28 NOVEMBER 2000

Note of Meeting:

Present:

Colin Imrie (Convener)	Scottish Executive Development Dept.
Alan Boyle	West Fife Enterprises
Cllr. Linda Gow	Falkirk Council
Lorna Jack	Scottish Enterprise Forth Valley
Joyce Johnston	Fife College
Graham McKee	Scottish Enterprise Tayside
Julia Palmer	SCVO
Sue Pinder	Scottish University for Industry
Selma Rahman	Fife Racial Equality Council
Robert Sargent	SEPA
Bob Smailes	University of Edinburgh
Colin Smith	Angus and City of Dundee Tourist Board
George Thomson	STUC
Gordon McLaren	Programme Management Executive (PME)

In Attendance:

Tim Figures	European Commission, DG Regional Policy
Colin Brown	Scottish Executive Development Dept.
Louise Brown	Scottish Executive Development Dept.
Nigel Thomas	Programme Management Executive
Fiona Thomson	Programme Management Executive

1. Introduction

- 1.1 The Convener welcomed everyone to the first meeting of the East of Scotland Programme Monitoring Committee for the period 2000 - 2006.

2. Apologies

- 2.1 Apologies were received from Lesley Bale (nominated by SCDI), Cllr Raymond Bisset (Aberdeenshire Council), Rhona Grant (Scottish Fishmerchants Federation) and Cllr David Hamilton (Midlothian Council).

3. Terms of Reference and Rules of Procedure

ES/PMoC/00/1/3

- 3.1 The Convener introduced the paper and explained the role of the Monitoring Committee within the Structural Fund Programme. He emphasised the strategic nature of the Committee and the important role of the Partnership within it. He outlined the key responsibilities, which included the preparation of the Programme and the management of the implementation and evaluation phases. He also referred to the proposed subordinate structures, the Programme Management Committee (PMC) and the Advisory Groups, which were in line with normal Scottish practice.
- 3.2 Gordon McLaren confirmed the reporting mechanisms that would be used to inform the Committee of the work undertaken by the subordinate groups. The option of agreement by written procedure was also outlined. The Committee agreed that the minutes of meetings should be circulated to members within 10 working days and if they were satisfactory they would be posted on the Scottish Executive and PME web sites within 20 working days.
- 3.3 It was also agreed that whilst the Committee would be interested to see examples of good practice from the Programme they would not have any direct involvement in the appraisal of projects. However, they would be able to influence the process through the review and evaluation of the project selection criteria, the Annual Implementation Reports and Review process as well as more formally at the Mid Term Review.

Committee Decision: The Committee noted the Monitoring Committee Terms of Reference and agreed the Rules of Procedure.

4. Policy Coherence

ES/PMoC/00/1/4

- 4.1 The Convener emphasised the need to demonstrate the links between the Programme and local and nationally agreed policy documents in order to maximise the impact of activity supported by the Programme.
- 4.2 Colin Brown stressed the importance of coherence between the Funds and broader Scottish policies across the Programme. The horizontal themes could play a significant role in creating a lasting legacy of activity beyond the Programme. He asked the Committee to note the annex to the paper that had been extracted from the Single Programming Document (SPD). The Committee acknowledged the significance of the mapping exercise and felt that it was important that the annex was as accurate and up to date as possible. They also considered it a useful tool to demonstrate the role of Structural Funds in local and national policies. The Committee would have a useful role to play in ensuring compatibility between management of the Funds and future policy development.

Action point: Committee members to forward additional information on policy linkages in their respective areas to Gordon McLaren.

5. Revised paper on Roles and Responsibilities

- 5.1 Colin Brown circulated copies of the paper to the Committee for their information. The paper describes the respective roles and responsibilities of the key players under the new round of Structural Fund Programmes. The paper had also been presented to the Highlands and Islands and Objective 3 Monitoring Committees and was a result of the Report of the Review of the PMEs, and discussion within the Structural Fund Liaison Group and the Scottish Co-ordination Team.

6. Programme Complement

ES/PMoC/00/1/5

- 6.1 Tim Figures outlined the progress of the SPD from its submission to the Commission in September 2000. He told the Committee that an in principle approval of the document was expected within days of the meeting but the final decision would not be ratified until early in January 2001, which meant that no money could be received or grant offer letters issued until after this date. He also explained that the Commission approved the SPD and that this could only be changed through the process of Commission

decision. However, the greater level of detail at Measure level contained in the Programme Complement was the responsibility of the Monitoring Committee.

- 6.2 Gordon McLaren added that whilst the Programme Complement was largely derived from the SPD it provided more detail particularly with regard to the Measures and financial allocations. He asked the Committee to note a number of key issues that were detailed in the paper, in particular the focus on spatial targeting within Priorities 2 and 3. He explained the need for Delivery Plans for the Strategic Locations and confirmed the population coverage and methodology for selecting the CED areas. He also asked the Committee to agree minor amendments to Measures 2.1, Strategic Locations and Sectors (Revenue) and 3.2, CED Implementation: Spatial Targeting.
- 6.3 The Committee discussed the contents of the Programme Complement and raised a number of issues which the Convener and Gordon McLaren responded to. In particular, the Committee noted the references to demonstrating a commitment to Equal Opportunities, and sought clarification, particularly on measurement and evaluation of performance. Gordon McLaren acknowledged that considerable effort had been made to ensure that the Programme indicators and targets were sufficiently comprehensive to provide the information necessary to monitor change in this important policy area. The Committee agreed to discuss the issue further at their meeting on 10 September 2001 when monitoring information from the first application round would be available.

Action point: PME to change the wording at par. 3.2 of the paper to "Applicants will be required to...."

- 6.4 The Committee agreed that within the Objectives of Measure 1.1, SME Creation and Development, scope point 3, if the links between the universities, colleges, research institutes and SMEs was to be strengthened, then it must be acknowledged that research activity may take place outwith the Programme Area but the impacts must be generated within SMEs in the Programme Area.
- 6.5 The Programme Complement included the Executive Summaries of the Strategic Location Delivery Plans. Gordon McLaren outlined the process undertaken by the local partners in preparing and agreeing the Plans and confirmed that the documents would be updated to reflect changes in both policy and the local economy.

In particular, it was felt that the documents should reflect the objectives of the new Local Economic Fora once they were established. The Committee agreed that maps delineating the agreed strategic locations should be available to applicants.

Committee Decision: The Committee agreed 8 of the 9 Delivery Plans. The Dundee and Coastal Angus plan would be agreed by written procedure once the text relating to the Food and Drink Sector was finalised by Angus Council. The additional scope point for Measure 2.1, para. 1.5.4 was also agreed as follows;

- “Support for the implementation and management of mini-programmes that result from the delivery plans provided that this is compatible with the proposed development of Local Economic Development Fora and Community Planning arrangements”

Action point: PME to contact Angus Council to finalise the Delivery Plan and arrange for the inclusion of maps for each location in the final document.

6.6 Gordon McLaren outlined the amendments to Measure 3.2 para. 1.9.4. Scope point 1 and 2 and para.1.9.5 scope point 3 as follows;

Para. 1.9.4: Removal of final sentence from scope point 1. (*‘Such activity..... and community transport’.*) This is covered under Measure 3.3.

Individuals has now been replaced by Organisations in Scope point 2. (*‘Mentoring support to organisations and groups delivering and managing social entrepreneurship initiatives.’*)

Para.1.9.5: Scope point 3 has been removed.
This was due to the duplication with scope point 12 (*The provision of new.....community owned revenue generating assets*).

Committee Decision: The Committee agreed the amendments and asked that the criteria used to define the CED areas was included in the document.

Action point: PME to add CED area selection criteria to Section 1.

6.7 Gordon McLaren confirmed that the Monitoring Committee could agree revisions to the financial allocations to individual Measures

but any changes between Priorities would have to be agreed by the Commission. The Committee discussed the expenditure profile detailed in the financial tables and acknowledged the importance of monitoring project expenditure to ensure that draw down targets were met.

Action point: PME to include annual tables for each Measure and text outlining the arrangements for co-finance in the revised document.

- 6.8 The Committee discussed the Ex-ante Evaluation in detail. Whilst they accepted that the report was submitted in July 2000, and that many of the comments included in it had been actioned by the Plan Team and were therefore included in the final draft of the SPD, they were concerned that there had been no formal response to the document. It was suggested that explanatory text should be included in the Programme Complement to outline the reasons for the Ex-ante Evaluation and the actions resulting from it, and that a paper should be prepared for discussion at the next PMoC in response to the main areas of criticism.

Action point: PME to draft explanatory text for inclusion in the Programme Complement and reconvene the Plan Team to agree the draft formal response to the Ex-ante Evaluation.

Committee Decision: The Programme Complement to be agreed by written procedure once the amendments have been made.

7. Proposed Project Appraisal System

ES/PMoC/00/1/6

- 7.1 Gordon McLaren described the components of the proposed project appraisal system, which had been developed in 1995 and reviewed and modified following evaluations by independent evaluators. The Committee noted the different approach to scoring from that operated by the other PMEs, but they were satisfied that the proposed system would provide a consistent approach with the final recommendations to the Programme Management Committee (PMC) being agreed by the Advisory Groups.
- 7.2 Gordon McLaren confirmed that the system was subject to review by the Monitoring Committee and they could make revisions. The Committee also discussed the developmental role of the Advisory Groups and were supportive of this principle. The importance of the links between Objective 2 and Objective 3 PMEs was stressed, as was the need to ensure project information and Programme priorities were communicated effectively. The

Committee also agreed to consider, at a later meeting, the possibility of moving away from fixed application rounds, although it recognised that the administrative implications of this could be burdensome.

Committee Decision: The Committee agreed the proposed project appraisal system.

8. Proposals for Structure and Membership of ES/PMoC/00/1/7 Advisory Groups and Management Committee

8.1 Gordon McLaren outlined the key points of the paper. He explained that it was very important to aim for gender balance in the Committee and Groups, and therefore asked that when the sectors made their nominations for either the Advisory Groups or the Programme Management Committee, they included more than one nominee.

8.2 The Committee agreed that the Local Authority representatives on the PMC would be drawn from the Councils within the 5 LEC areas having significant coverage within the Programme Area, and that ESEC and Moray Council would provide nominations. It was also agreed that the 3 Scottish Enterprise and LEC representatives would come from the LECs not represented on the Monitoring Committee.

Committee Decision: The Committee agreed the recommendations detailed at para. 6 of the paper and instructed the Scottish Executive and the PME to proceed with arrangements to seek nominations to the PMC and Advisory Groups.

Action point: PME to confirm the membership of the Advisory Groups and the PMC at the next meeting.

9. Retrospection **ES/PmoC/00/1/8**

9.1 Nigel Thomas introduced the paper and reminded the Committee that many of the extensions offered to revenue projects at the end of the last Programme had been agreed to the 31 December 2000 in anticipation of an application round in late 2000. As the proposed date for the first PMC was 1 June 2001 it meant many organisations were facing a funding gap in 2001. Also a number of good quality new projects had started in 2000 in order to respond to market demand.

- 9.2 The Committee were aware of the impact of retrospection in the context of the N+2 financial requirement but were nonetheless concerned to ensure that the critical issues of quality and additionality would not be compromised.

Committee Decision: The Committee agreed to the possibility of retrospection from 1 January 2000 for first round projects that meet the quality thresholds set by the Advisory Groups and which are not already covered by an existing approval. The Committee stipulated that projects must fully demonstrate the principle of additionality.

10. Technical Assistance Funding for the Programme ES/PmoC/00/1/9 Management Executive

- 10.1 Gordon McLaren explained the background to the development of a Business and Operational Plan for the PME, and the relationship between that and the Technical Assistance applications, and the respective functions of the Company Board and the Committee. The SPD has 2 Measures for Technical Assistance, one for the operation of the PME, and the other for the support structures such as computerised links with the Scottish Executive and the provision of economic and labour market intelligence. He asked the Committee to agree the project applications for the full Programme period i.e. 2000 – 2008. However, he acknowledged that the role of the PMEs would be reviewed by the Scottish Executive at the mid term in 2003 and changes might be required.
- 10.2 He also stated that the Committee would receive regular reports on the performance of the PME in line with the performance indicators detailed in the business plan.
- 10.3 He also advised that there was additional provision under Measure 4.2 for Technical Assistance support to other bodies and it was envisaged that SCVO would be submitting an application in due course.

Committee Decision: The Committee agreed the Technical Assistance support for the PME under Measures 4.1 and 4.2

11. Timetable and Planning Schedule for 2000/2001 ES/PMoC/00/1/10

11.1 The Committee agreed the proposed timetable and planning schedule for 2000/2001.

12. Date of next Meeting

12.1 5 March 2001 at the PME offices in Dunfermline.

10 September 2001 at the PME offices in Dunfermline.

**PROGRAMME MANAGEMENT EXECUTIVE
EAST OF SCOTLAND EUROPEAN PARTNERSHIP
DECEMBER 2000**