

NW Objective 2 Programme 2000-2006
Application Pack

Action Plan Guidance

(April 2001)

Introduction

1. These notes are based on the DETR Action Plan Guidance Notes 1 and 2 from the 1997-99 Objective 2 Programme, but updated to reflect particular requirements of the 2000-2006 Programme (e.g. cross cutting themes). Guidance Notes 1 and 2 are still available on the web site as part of the application pack. The DETR guidelines are currently subject to review by DETR. There are separate notes for Priority 3 Economic Development Zones (EDZs)

Accountable Body Action Plans

2. The purpose of Action Plans is to allow a more strategic approach to the delivery of the objectives set out in the Single Programming Document (SPD) and associated Programme Complement. They will be drawn up by partnerships who will be representative of all those with a key interest in the proposed activities to be carried out in the Action Plan. Action Plans may be proposed at the regional, sub-regional or local level, or target specific themes such as business support and may contribute to the implementation of one or more Priorities.
3. Once appraised and accepted, an offer is made and resources are firmly committed to the Action Plan. DETR has indicated that auto-decommitment will operate at Programme rather than Plan level. The Accountable Body will undertake appraisal of individual project applications from within the partnership within delegated thresholds. In the first instance, these delegated thresholds will remain the same as in the 1997-99 Programme (i.e. £100k ERDF for revenue activities and £250k ERDF for capital projects). However, DETR is currently engaged in a review of these delegations and they may be raised. The appraisal of projects within Action Plans will be based on the criteria set out in a separate guidance note. Accountable Body Action Plan partnerships will be eligible to apply for technical assistance.
4. Government policy is to encourage the establishment of Local Strategic Partnerships (LSPs), who will play a key role in long term planning for social and economic regeneration activity in their area, including preparing a statutory Community Strategy, and working with partners to target funding (including mainstream government resources) to priority areas. LSPs will generally be based on existing, successful partnerships, although in some areas local partnerships are in early stages of development. Where LSPs exist, it would make sense for them to be involved in preparing relevant Action Plans. In some cases, it may make sense for them to lead this work.

The Assessment of Plans

5. These notes set out the principle issues, which will be taken into account in the assessment of Action Plans. **Delivery arrangements will be a particularly important part of the appraisal of Action Plans. Appraisal**

time will concentrate on ensuring that targets are reasonable, and that management and monitoring systems are robust.

6. Additional guidance (DETR Action Plan Guidance Notes 1 and 2) is available for applicants on the detailed requirements of Action Plans, including the formation of Partnerships, role of lead bodies, form and content of Plans. *The assessment of EDZs under Priority 3 is the subject of separate guidance.*
7. Plans will be appraised on a qualitative basis, against the information requirements set out below, and applicants will be encouraged to address identified weaknesses. EPS will base its assessment and recommendations on a broadly standard approach to ensure consistency of assessment. It will be expected to:
 - a check that the Action Plan contains all the information requested in the guidance;
 - b ensure that the Action Plan meets the core criteria set out below;
 - c ensure that the Action Plan does not contain any indications of ineligible activity (separate guidance will be issued on this).

Core criteria

8. All Plans should:
 - a occur within the Objective 2 area (Fully Eligible or Transitional)
 - b be within the permitted timescale;
 - c correspond to one or more of the Measures defined within the SPD or Programme Complement;
 - d contribute to one or more of the SPD objectives. Projects must demonstrate an additional and sustainable benefit to the economic development of the region;
 - e quantify anticipated outputs and detail clear, attainable and verifiable targets;
 - f have a sound funding package in place and the sources of co-funding;
 - g demonstrate added value;
 - h satisfy EC State Aids requirements;
 - i provide value for money;
 - j be consistent with relevant UK and EU policies.

Assessment criteria

9. Appraisal will place particular emphasis on the following areas: partnership, management & delivery, outputs results & impacts, financial management, risk & realism.
10. **Partnership**
 - a Who are the partners? Are all those with a legitimate interest represented?
 - b Is the lead partner clearly identified?
 - c Is the role of the partners clearly defined e.g. in terms of financial, non-financial (personal time), support services?
 - d Have all partners signed an introductory statement to show they are committed to the Plan and to implementing it subsequently?
 - e Has the partnership established a formal or informal code of conduct to deal with changes in partners and conflicts of interest?
11. **Management and Delivery of Action Plans**
 - a If the plan partnership operated in the 1997-1999 Programme period, has there been a self-assessment of past performance? Does this take into account independent observations (interim evaluation, DETR audit)? Is it clear that lessons have been learnt?
 - b Will the structure and management systems and procedures identified in the Plan make for clear and effective decision taking?
 - c Has the partnership clearly explained the administrative and financial management arrangements which will be put in place to ensure effective project appraisal, monitoring and financial control? Are the sponsorship functions and selection functions clearly separated?
 - d Are the management systems in place now? If not, has the partnership clearly described its plans and timetable for setting up the necessary arrangements?
12. **Outputs, Results and Impacts**
 - a Have estimates of quantified outputs, results and impacts, by Measure, been satisfactorily completed?
 - b Are the targets realistic?
 - c Are the outputs capable of being monitored?

- d Do the outputs represent good value for money for the Structural Funds and overall public investment?
- e Will there be effective arrangements for assessing the progress and success of the Plan?
- f Are there effective arrangements to monitor initiatives delivering benefits to individuals to ensure that all sections of the community, intended to benefit, do so?

13. ***Financial Management***

- a Has satisfactory information been provided on financial profiles in terms of structural funds and match funds, by Measure?
- b Is the nature and extent of the commitment of partners clear and in line with the purpose of the Plan? If, for example, a local authority is involved, have they confirmed that they can make available the non-Structural Fund resources implied by their Plan within the constraints of the overall level of resources likely to be available to them? Are the resources proposed the subject of current or likely bids to other funding regimes?
- c Have public sponsored organisations involved provided confirmation about the extent of their financial commitment?
- d Is the funding profile realistic? Does it square with experience of the type of activities that the Plan intends to support?
- e Are the measure level grant rates within the limits set within the SPD financial tables and European Commission regulations governing grant rates?

14. ***Private Sector contribution/leverage***

- a Does the Plan maximise the contribution of the private sector to the extent possible for the area targeted?
- b Does the Plan clearly identify direct contributions and subsequent leverage?
- c Is the private sector financial commitment secured as far as possible?

15. ***Risk and Realism***

- a Are risks realistically identified? What contingency plans have been put in place for dealing with them?
- b Is the Plan proposal deliverable in the timescale envisaged?
- c How dependent is the scheme as a whole and projects within it on factors outside the control of partners e.g. major investment decision, statutory consents, including planning permission, or non-financial contribution by a third party?
- d Does the Plan identify clearly any significant statutory or other consent that may be required and a timetable for securing them? Does it contain contingency plans in case these consents are not forthcoming?

16. ***Flexibility***

- a Has a convincing order of priorities been given between the different elements of the Plan? Does the Plan show where different elements are interdependent?
- b Does the Plan indicate effectively the scope for modification - including scaling it down, scaling it up, and removing discrete elements and deferring/extending expenditure on the bid?
- c Does the Plan make it clear what the impact of modification would be on outputs, target groups and on private and public sector investment?

17. ***Strategic Objectives and Content of the Plan***

- a Is the purpose of the Plan clear, i.e., what is it intended to do? Does it meet the objectives of the SPD? Is it clear what priorities/measures the plan is addressing?
- b Does the Plan fit with the Regional Economic Strategy and other relevant strategic frameworks (e.g. Regional Development Plan, Neighbourhood Renewal, New Deal for Communities, associated regional/sub-regional regeneration and social inclusion strategies, SBS strategies, Regional Investment Strategy etc)?
- c Are the strategic objectives and key elements of the Plan (i.e. the main activities it proposes to support) effectively linked? Do the proposed elements of the plan represent an appropriate way of achieving the objectives?
- d Is the analysis of problems and opportunities robust and consistent with relevant information including identified demand for services and facilities?

- e Are the strategic objectives, baselines and projected outcomes clearly set out and linked? Do they fit with the stated purpose of the Plan?

18. **Targeting**

- a Are the areas/beneficiaries and/or population on which the Plan proposals concentrate clearly defined and consistent with any spatial targeting requirements identified in the SPD and Programme Complement?
- b Has any potential duplication with other plans been identified/acknowledged? Has this been adequately dealt with? Has synergy with other plans been maximised?
- c Would the activity and funding proposed make a direct and substantial impact on that area and/or population?
- d How were the beneficiaries of the Plan proposal and others with an interest e.g. local business, voluntary organisations and community groups involved in working it up? How will they be kept involved?

19. **Added Value**

- a Does the Plan clearly demonstrate that it would not go ahead without Structural Fund support and that a lower level of support would impact on delivery or timescale?
- b Does the Plan effectively enhance or add value to existing or planned regeneration activity and strategies, including Government and other public spending programmes?
- c Is it clear how the activities complement Objective 3 activities in this field?
- d (If appropriate) does the plan conform to the provisions of the local authority development plan and national and regional planning guidance?

20. **Cross-Cutting Theme - Equal Opportunities**

- a Has the relevance of the Plan and potential linkages with the Equal Opportunities objectives set out in the SPD been adequately addressed? Does the Plan indicate through specific components the partners' commitment to the promotion and integration of equal opportunities and encourage the participation of target groups?
- b Has the Plan been developed in consultation with relevant groups/bodies in order to take account of Equal Opportunities?

- c Has appropriate baseline data on equal opportunities been assembled? Does the Plan indicate a method for monitoring the impact of its activities on target groups?
- d Do all the partners have an equal opportunities policy that will ensure that there are no barriers that limit the participation in the projects by under represented groups? Have equal opportunities been adequately addressed in the development of the Plan's management arrangements?

21. ***Cross-Cutting Theme - Information Society***

- a Has the relevance of the Plan and potential linkages with the Information Society objectives set out in the SPD been adequately addressed? Does the Plan indicate through specific components the partners' commitment to the promotion and integration of Information Society?
- b Has the Plan been developed in consultation with relevant groups/bodies in order to take account of Information Society?
- c Has appropriate baseline data on Information Society been assembled? Does the Plan indicate a method for monitoring the impact of its activities on Information Society?
- d Does the Plan outline appropriate steps to ensure that Plan (and associated *project*) *activities* are published on the Web to increase awareness and disseminate good practice?

22. ***Cross- Cutting Theme - Sustainable Development***

- a Has the partnership indicated an environmental strategy consistent with Government and EU environmental legislation and the principles of sustainable development, and does it fit into the strategy outlined in the SPD?
- b Has appropriate baseline data on Sustainable Development been assembled? Does the Plan indicate a method for monitoring the impact of its activities on Sustainable Development and measures to minimise their impact?
- c Has an assessment of the potential environmental impact of the package been provided?

23. ***Forward / Exit Strategy***

- a Is the forward strategy realistic?
- b Are those taking on responsibilities after Structural Fund support ceases signed up to doing so?

24. **State Aids**

- a Does the Plan demonstrate effective systems for ensuring compliance with State Aid regulations?
- b Do the financial projections of the Plan reflect the State Aid ceilings governing direct support to companies?

25. **Publicity and Marketing**

- a Does the Plan clearly demonstrate how it will meet the mandatory requirements for Publicity and Information set out by the European Commission in regulation 1159/2000?
- b Do the publicity and information activities undertaken by the Plan partnership complement and add value to the activities undertaken by the Programme Secretariat?
- c Will the Plan partnership establish effective systems for assessing the impact of any publicity undertaken?