

Lead Partner Event – 28 February 2018

Points to accompany slides

N+3

Ninety two paid claims to date with a total grant value of £30 million. 38 pending claims with a total grant value of £15 million

In order to meet the 2018 n+3 target, grant of **£13 million** per month is needed. It is critical that all expenditure by Lead Partners is claimed as soon as possible. Please confirm your claim schedule with your MA contact to ensure we can resource this increase in workload.

Performance Framework

2018 also means reporting on the Performance Framework, with penalties including loss of grant funding to Scotland should targets not be met. The outputs that go into the performance framework come only from EUMIS and it is now essential for lead partners to collate and enter progress to date again as quickly as possible. Please confirm your schedule for completing this work with your MA contact.

Programme Update

The maximum intervention rate which can be applied for in LUPS ERDF and ESF is 50%. For H&I the maximum is 80%. Since any increase in grant makes it harder to achieve the outputs and results set out in the Operational Programmes it is essential that lead partners clearly demonstrate the difference and increase in intervention rate would make. Higher intervention rates will only be considered in duly justified cases and if there is the available budget.

Article 125(5)(b) checks – Stage 2 On the Spot Visits

Stage 2 checks have been piloted with two lead partners and feedback from these is being used to update the forms and guidance.. Thanks to South Ayrshire Council and Scottish Border's Council for piloting this with us.

The schedule for Stage 2 checks will be driven by operational delivery and will cover both operational delivery and management operations at the same time. The earlier point about updating EUMIS with outputs is vital to developing this schedule. These checks will concentrate on ensuring compliance with the approved operation, review delivery to date and specify particular select staff for interview. Visits could take from one day to a full week depending on the size of the operations

When selected for a Stage 2 visit, we will send a copy of the form the MA will complete at the visit. This is intended to give you the opportunity to prepare and ask questions in advance if anything is unclear.

EUMIS

CSV Upload/Web interface

Whilst identified issues are being resolved as they are identified, the biggest problem has been incorrect strings/coding and have been straightforward to fix.

ESF Immediate results cannot be uploaded through the web interface or csv at present and this is currently being addressed. We'll let lead partners know when this is resolved.

CSV and Updates/Inserts

When **inserting multiple barriers**, requiring a recipient to appear over several lines, the outputs and milestones should only appear against one line. Entering them on every line requires a manual correction to EUMIS and over-reports performance. Please check this carefully. Similarly, for **uploading several achievements**, please only upload an output against one line.

EUMIS will allow you to **upload outputs in the insert and upload templates**. Again, correcting this requires a manual change to EUMIS: please plan and check your data entry carefully. Please contact us through the EUMIS mailbox with any questions.

Your PCM or PCO can provide you with a copy of the **recipient report** if you want to check the data in EUMIS. Please contact them if you would like to receive this..

EUMIS DATA EXERCISE

We are starting the process of interrogating the data in EUMIS in preparation for this year's Annual Implementation report. We have identified a number of issues with data not matching against both ESF and ERDF recipients. We will in touch over the coming weeks to confirm the correct data so we can update EUMIS. We would appreciate if you can get back to us as soon as you are able with the data.

PROCUREMENT

A number of common issues have shown up through the procurement checks, including:

- **Evidence to show transparent audit trail is not always provided in format that makes sense.** Please ensure that the evidence being provided makes sense and flows to show a transparent audit trail.
- **Numbering and naming of document. Since these usually comprise several complex docs it will be greatly appreciated if lead partners clearly label and name them and which will speed up the processing of the procurement check.**
- **EUMIS procurement tab. Total expenditure must be updated** and details entered correctly since these are used to pick the sample. Doing so will ensure the sampling of contracts is accurate and level of assurance in relation to your operation(s) is reliable.
- **Document checklist** –The document checklist is often completed with minimal detail even though we ask for as much as possible. A narrative of the process is often missing which slows down the processing of the claims whilst LP are requested to provide explanations.
- **Missing documents** –
 - Lead Partners do not always provide the published OJEU notices.
 - On occasion, OJEU notices show that contracts have not been published correctly.
 - Tender Evaluation Report. Providing this is an **essential** requirement of the regulations.
- **Amending contracts without proper justification or recording. This includes extending and increasing contract awards**

- **Evaluation. Inadequate trail of evidence, for example, the process to agree the final scores.** The final spread-sheet is not enough in itself; the individual score sheets/narrative of the evaluation process are also required.
- **Technical checks at evaluation stage often not initially supplied – we need evidence of all stages of process - (pass/fail questions before the scoring stage)**

HORIZONTAL THEMES

Horizontal themes: sustainable development; equal opportunities and non-discrimination; and equality between men and women.

Annex A of supplementary questionnaire describes the three themes and areas for consideration. Even if not directly related to your operation, these need to be considered – review what you've said in your application form.

These will be checked at stage 2 and we will look to gather case studies for publication in due course.

The application forms for phase 1 had 'social inclusion' listed instead of 'equality between men and women'. The application forms have now been updated. However this HT would have been addressed through the equal opportunities HT and so most operations should address this. It is now being given more prominence by the Commission which is why it not has its own HT.

EU Exit

The UK and EU published a joint report on phase 1 of the negotiations on 8 December 2017. It confirms that the UK will continue to contribute and participate in the implementation of the EU annual budgets up to 2020.

We continue to seek clarification on the detail of this from the UK Government. In the meantime, the Scottish Government's commitment to pass on the current UK Government guarantees remains in place.

There is no further clarity on what the replacement funding arrangements will be for these schemes once the UK has left the EU or how the UK Government's proposed 'Shared Prosperity Fund' would operate in practice. We have been told due to consult with us in the autumn