



Minutes of the INTERREG IVA Review Panel Meeting

Friday 2 May 2008, 10.00am
SEUPB Offices, Belfast

In Attendance:	Pat Colgan	SEUPB	(Chair)
	Sean Kelly		Panel Member
	Paul Noonan		Panel Member
	Maire Hunt		Independent Panel Member
	Lisa McMullan	SEUPB	(Secretariat)
	Christine Markey	SEUPB	(Secretariat)

1. Agree Agenda

The agenda was agreed.

2. Introductions

The Chair welcomed everyone to the meeting and stated that this was the first meeting of the INTERREG IVA Review Panel.

2. Register of Interests/Conflicts of Interest

None

3. Review

The Review of the RISEE Project: (000222).

Representatives from Social Economy Solutions and the Joint Technical Secretariat were invited to enter the room.

In Attendance:	Charlie Fischer	Social Economy Solutions
	Patrick McManus	Social Economy Solutions
	Brendan Mackin	Social Economy Solutions
	Eamon Donnelly	Social Economy Solutions
	Stephen Hamill	CEiS
	Howard Keery	Joint Technical Secretariat
	Eimear Murphy	Joint Technical Secretariat

After relevant introductions were made, the Chair proceeded to outline the procedures to be followed at the review meeting. The project applicants were then invited to outline the reasons they felt the RISEE Project should be funded.

A representative from Social Economy Solutions (SES) gave a presentation to the Panel. The main points from this presentation were as follows:

- Project/Financial Management – When taking into account the organisation's combined group turnover the increase in budget is only 1.5 times the size of the RISE project. The organisation have passed EU Article 4 and 10 inspections as well as having a strong financial partner in the form of CEiS and working capital, now secured, of €300,000.00 from Clann Credo.
- Complementarity/Duplication – Those programmes that would complement this project will end by June 2008, therefore there are no other projects for it to position itself against. Duplication will be avoided by standard recruitment processes ensuring beneficiaries do not access duplicate services; increasing market demand; providing generic, broad and flexible supports; co-ordinating meetings of project managers; and process design.
- Consultation – There is uncertainty within the policy environment in Northern Ireland with regard to social economy policy; there has been disinvestment from Invest NI in terms of social economy activity; there was a delay in DETI's second strategy for Social Economy and a reduction in support from PEACE II.
- Efficiency and Effectiveness – There is a sectoral need for social economy development, the infrastructural gap is widening and it was felt that this aspect was over-ridden in the assessment.
- Value for Money – The organisation has the financial capacity to take on such a large project with a plan over 4.5 years. The value for money is better and compares favourably with the INI Social Entrepreneurship Programme (additional information provided at meeting).
- Matched Funding – CEiS have been closely engaged within the project and with individual councils that will provide match funding and are involved from beginning to end.

The Chair thanked Social Economy Solutions for outlining their points and invited the Joint Technical Secretariat (JTS) to respond.

A representative from JTS gave an overview of the Enterprise theme. He stated that project selection is a competitive process and the bar is exceptionally high.

The representative from JTS stated that the Steering Committee did accept that the RISEE project fitted with the measure and there was broad support voiced for the social economy at the meeting. However, the proposal did have key weaknesses in the form of:

- Complementarity - The Accountable Departments had issues with the possibility of duplication and the unknown outcome of the previous project.
- Consultation - The Steering Committee felt that it did not appear that consultation with the Accountable Departments had taken place to the level and degree that they would have wanted to see/expected.
- Financial Position - There was concern over the capacity to deliver the project. Also there was a significant increase in budget from what this organisation had previously managed and the Steering Committee felt that it may have been too ambitious.
- Match Funding for the Scottish element – The Steering Committee felt that this match funding had not been put in place.
- Clearly Identified Activities - There was no outline of how the beneficiaries would be selected and no assurance as to how this selection would be measured. There was no provision in the operational programme for the minor grants scheme.

The recommendations of the Steering Committee were that if the project was scaled down, complementarity addressed, specific objectives identified and realistic performance indicators set then they were more likely to be successful.

The Chair thanked the representatives from JTS for their comments and asked if the Review Panel had any questions.

A Review Panel Member asked about the issue of complementarity and the project's approach to Invest NI.

A representative from SES stated that it was not specific to the project design but they held ongoing meetings with Invest NI at the inception of the RISEE project to co-ordinate implementation.

A Review Panel member then asked if a report on the social economy had been commissioned and when that would be available.

A representative from JTS stated that a report has been commissioned by Invest NI and it is likely to be available around September 2008. Invest NI have stated that they would welcome discussion to promote complementarity.

A Review Panel Member then asked for clarity on the match funding from Scotland.

A representative from SES stated that, currently, local authorities are putting their own budgets in place and are about to agree their level of support. This decision should be within one to three months.

A Review Panel Member then asked if a smaller scale project without the minor grant funding aspect would be viable.

A representative from SES stated that it would still be possible to run the project.

A Review Panel Member then asked if the organisation could continue to exist if they did not receive funding from INTERREG IVA.

A representative from SES stated in the short term this should not be a problem but in the longer term the organisation would then have to consider the implications of not receiving funding.

A Review Panel Member asked if the organisation had any other significant projects.

A representative from SES stated that they did not.

A Review Panel Member asked what are the appropriate project economic measures and indicators.

A representative from the JTS stated that it is difficult to measure both economic and social aspects. This is a double, bottom-line indicator. The project is economic by nature and the profits, if any, are then ploughed back into the social sector.

A Review Panel Member asked if this information had been provided.

A representative from SES stated that it had been supplied in the preparatory application. They then raised concerns about parts A and B of the application, stating that SES were led to believe that as this was a pipeline project they would not be required to complete parts A and B.

A Review Panel Member asked when the applicants were told that they had to submit parts A and B of the application.

A representative from SES stated that they had been given five days to complete parts A and B and that it would be due by Friday 14 December 2007. This was a substantial document and SES felt that they had not been given sufficient time to complete.

A representative from JTS assured the meeting that all the information submitted had been used and taken into account for assessment.

A JTS representative then explained that all pipeline projects were asked to complete parts A and B of the application to ensure fairness.

A representative from JTS confirmed that the information from and approach taken with all pipeline projects was consistent. The Steering Committee on 14 February 2008 considered five applications and all papers were consistent across all projects.

A representative from SES asked when the Guidance Note had been issued.

A representative from JTS stated that this information was available from 15 November 2007 contained in background information. They were not called Guidance Notes until they were signed off by the Executive in December.

A representative from SES advised the Panel that they received this information after they had submitted their application.

A Review Panel Member then referred to the Response from SES asking about a question (p10) which was not asked in the application that was submitted.

A representative from JTS referred to the question:

“State how the application meets the Cross border criteria under regulation 1080/2006”

The representative from JTS explained that this was a question that JTS had to answer when making their assessment of the application and this encompassed four questions that were in the application.

The Chair then asked how much contact there had been between the JTS and the project applicants.

A representative from JTS stated that there was no contact with the pipeline projects because the Economic Appraiser had been appointed and was working with the project. They also stated that all the pipeline projects had been treated in the same way.

The Chair then asked if the project applicants had had any contact with the economic appraisers.

A representative from SES stated that they had held one meeting only.

The Chair then asked for final statements from both SES and the JTS.

A representative from SES stated that they believe that they can manage this project as it is presented. They noted that there was an imminent, huge infrastructure gap and that they would like to fill this gap. They felt that they could deliver this project and are confident in securing match funding from Scotland. As a truly a cross border project, they felt that there is an opportunity to fill a gap in services for social economy in Northern Ireland, Republic of Ireland and Scotland.

The willingness of project partners and others involved demonstrates their belief in SES’s capacity to deliver. SES felt that this was a compelling project that had value for money and would build upon an already successful project that had been funded by INTERREG IIIA.

A representative from JTS stated that encouraging social economy activity was considered to be important and that the Steering Committee would prefer a scaled down proposal. The project needs to look at the issue of complementarity; they need specific objectives, pre-partner dialogue and so on.

The Chair asked the Project promoters and JTS if they were happy with the way the Review Panel had been conducted, and if they felt they had been given the

opportunity to convey all the main points of their argument. A representative from SES confirmed that this was the case.

A representative from JTS confirmed that they were happy with the process.

The Project Promoter and JTS exited the room.

The Chair asked the Panel for their initial reactions to the RISEE project application.

The Review Panel discussed the application and information presented and noted:

- The full application had been submitted within a few days.
- There were significant areas of weakness in the application but discussion at the meeting had provided information that clarified and had gone some way to address some of those areas.
- The issue of measuring, outputs, results and impacts had not been fully addressed. As a 'double bottom-line' project, indicators and targets for both aspects need to be strong.
- The project proposal had been developed in the context of a current policy vacuum regarding DETI/Invest NI support for the Social Economy.
- The promoters had not fully engaged with the significant stakeholders.
- The assessment had been overly cautious in relation to the financial capacity.
- The Review Panel agreed with the JTS in that the promoters need to address the issue of complementarity, pre-partner dialogue and so on.

The Review Panel discussed the procedures that had been followed and noted:

- The Panel accepted the assurances provided by JTS that all information provided, in preparatory, part A and B applications, was reflected in the assessment and subsequently available to the Steering Committee.
- Supporting information for all project applicants was available from JTS and on SEUPB website
- The promoter was well versed in the application process.
- There were some weaknesses in the procedures and the Panel suggested improvements. In particular in the ensuring the availability of the full preparatory application to Steering Committee members and the quality of the economic appraisals.

The Review Panel agreed that there had been no failure in adherence to procedures and systems, and that the weaknesses that had been identified did not substantially impact on the Steering Committee's decision.

The Review Panel then discussed the issue of unreasonableness and noted:

- The applicant organisation did have a track record in sound financial management.
- The level of dependence of the organisation on the RISEE project.

- The issue of complementarity; and that the project did not demonstrate that a sufficient level of engagement with key stakeholders, in particular the relevant Government Departments, had taken place.
- Clear indicators for appropriately quantifying outcomes and measuring impacts for all outcomes and impacts were not clearly demonstrated.
- The inclusion of a clear exit strategy and a more detailed communications plan would strengthen the application.

The review Panel agreed that the Steering Committee's decision was not unreasonable.

The Chair then confirmed that the Review Panel was upholding the decision taken by the Steering Committee; and, that the Panel recommended the applicant consider re-submitting the application, taking the points noted before into consideration.

The Chair explained that the applicant will be advised in writing that the decision has been upheld and, in recognition of the value of a project in this area, invite them to consider submitting another application to the programme.

5. Any Other Business

None.

6. Conclusion

The Chair thanked the Review Panel members for attending and informed them that he would write, on behalf of the Review Panel, to inform both the project applicant and JTS of the Review Panel's decision. He also stated that the minutes from the meeting would be e-mailed to Review Panel members in due course for their approval.