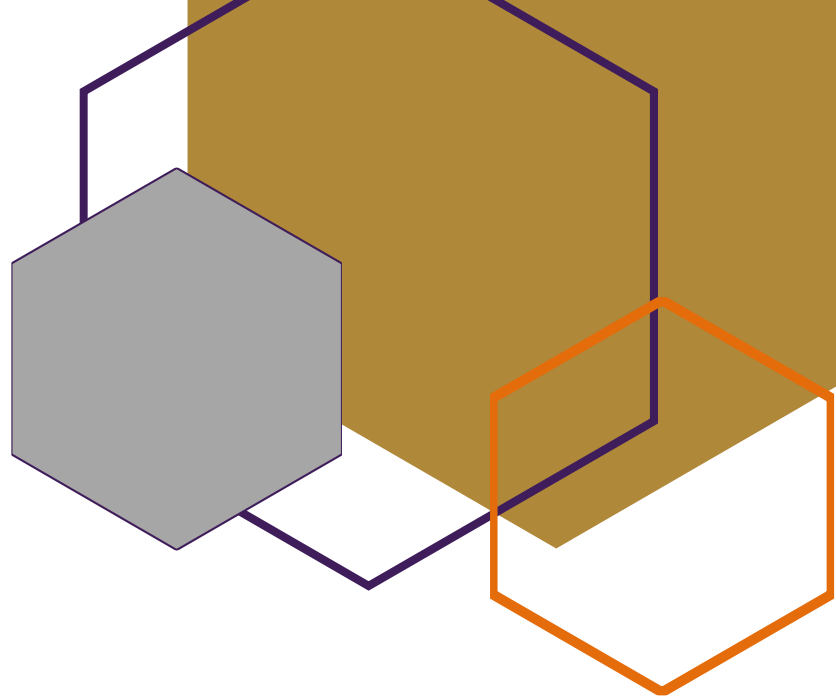




Special EU Programmes Body
Foras Um Chláir Speisialta An AE
Boord O Owre Ocht UE Projects



Implementation Evaluation Year 3

Implementation Evaluation of the
PEACE IV Programme and INTERREG VA Programme

Final Report

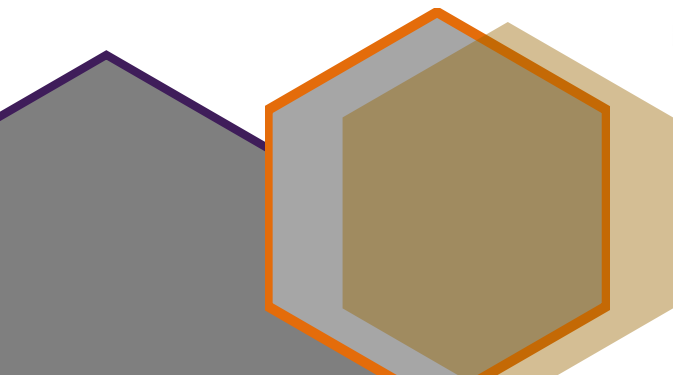


Table of Contents

1	INTRODUCTION & APPROACH	1
1.1	INTRODUCTION	1
1.2	METHOD SUMMARY	1
1.3	REPORT STRUCTURE	2
2	PROGRAMME OVERVIEW	3
2.1	INTRODUCTION	3
2.2	BACKGROUND	3
2.3	THE PEACE PLUS PROGRAMME	5
3	FINANCIAL PERFORMANCE	6
3.1	INTRODUCTION	6
3.2	PROGRAMME BUDGETS	6
3.3	PROGRAMME COMMITMENT VALUES – PER THEME	7
3.4	PERFORMANCE FRAMEWORK	8
4	APPLICATION & ASSESSMENT PROCESS	14
4.1	INTRODUCTION	14
4.2	APPLICATION STATUS	14
4.3	FUNDING CALL PROCESS	15
4.4	APPLICATION PROCESS	16
4.5	ASSESSMENT PROCESS	20
4.6	PROCESSING TIMES	23
5	CLAIMS PROCESS	27
5.1	INTRODUCTION	27
5.1	CLAIMS AND PAYMENT PROCESS	27
6	SIMPLIFICATION MEASURES	33
6.1	INTRODUCTION	33
6.1	E-COHESION	33
6.3	SIMPLIFIED COST OPTIONS	36
6.4	OUTPUT-RESULTS FOCUSED	38
7	DELIVERY STRUCTURES & TRAINING	41
7.1	INTRODUCTION	41
7.2	DELIVERY STRUCTURE	41
7.3	TRAINING & SUPPORT	42
8	CONCLUDING COMMENTS	49
8.1	CONCLUSIONS	49

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 IVA Programme which are designed to enhance cross-border co-operation, promote reconciliation, and create a more peaceful and prosperous society.

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

The Implementation Evaluation has produced three reports i.e. first interim report (October 2017), second interim report (August 2018) and this third and final report (May 2020). The link to the Executive Summary of the Year 1 and Year 2 reports can be found on SEUPB's website: <https://www.seupb.eu/piv-evaluation-plan>

1.2 Method Summary

The Year 1 and Year 2 Implementation Evaluation offered a robust review of systems and processes and outlined recommendations to improve. The Year 3 report was due to be carried out in 2019, however it was agreed to delay the review to allow SEUPB sufficient time to put in place recommendations already outlined. Some of the recommendations in the Year 2 report remain ongoing/are being actioned.

To help SEUPB prepare for The PEACE PLUS Programme, the key areas for our final report are listed below – the format of which is 'lessons learnt' i.e.

- Providing conclusions and recommendations on administrative and implementation structures and processes, including the use of simplification methods.
- Outline key actions for SEUPB to inform the final stages of implementation of current Programmes and to take forward for the next programming period.

Areas of agreed focus include:

- **Financial Performance**
 - Analysis of progress towards full commitment and associated issues and risks.
 - Financial management, audit and control mechanisms and proposed changes under the new EU regulations.
- **Application and Assessment**
 - Consider the application process to identify an optimum approach.

- Assessment criteria adopted and the process used to assess project applications.
- **Claims Process**
 - Processes and procedures relating to claims and payments and key lessons for the future Programme.
- **Simplification Measures**
 - *E-cohesion*: Consider the electronic management system (eMS) and key lessons for any new systems to promote e-cohesion principles.
 - *Simplified Costs Options (SCOs)*: Uptake of SCOs in the current Programme and key lessons to encourage the wider uptake of SCOs in the future programming.
 - *Recording of Outputs/Programme Design*:
 - Evidencing achievement of project outputs in line with Output Indicator Guidance (OIG).
 - Future Programme design and the use of technical expertise in the development of funding calls and results/output indicators specific to each call.
- **Delivery/Staffing Structures & Training**
 - SEUPB operating model and resource requirements for the future Programme.
 - Training and support needs of Programme staff.
 - Training and support needs of project beneficiaries, for example pre and post application; administering claims; and reporting mechanism required for milestones/outputs/results/outcomes.
- **EU regulations**
 - EU regulations and planning for the next programming period – The PEACE PLUS Programme.

The Year 3 Implementation Evaluation also reflects key conclusions and any outstanding recommendations from the following SJC reports:

- Year 1 Implementation Evaluation (October 2017).
- Year 2 Implementation Evaluation (August 2018).
- Review of processes within SEUPB's Financial Control Unit (October 2018).
- Moderation Exercise for PEACE IV Shared Spaces (February 2019).

1.3 Report Structure

The remainder of this report is set out as follows:

Section 2	Programme Overview
Section 3	Financial Performance
Section 4	Application and Assessment Process
Section 5	Claims Process
Section 6	Simplification Measures
Section 7	Delivery Structures and Training
Section 8	Concluding Comments
<i>Annex I</i>	<i>Accountable/Policy Department</i>
<i>Annex II</i>	<i>Programme Budget</i>
<i>Annex III</i>	<i>Achievement against Performance Framework</i>
<i>Annex IV</i>	<i>Processing Times</i>
<i>Annex V</i>	<i>Simplified Cost Options</i>

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. A brief overview of the forthcoming PEACE PLUS Programme (2021-2027) is also provided.

2.2 Background

The PIV and IVA Programmes represent a long-standing partnership between the European Commission (EC), Northern Ireland, the Border Region of Ireland and Western Scotland, supported by the government departments of the UK, Ireland and Scotland. The relevant departments per Programme theme are listed in **Annex I**.

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 comprises Western Scotland². PIV has a value of €269.61m and aims to promote peace and reconciliation. 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.

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 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 funding can 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, milestones and targets (for the years 2018 and 2023) in the eligible jurisdictions. 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 has a clause in place that financial penalties may be incurred at a Programme level.

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 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.

Introduction of Simplification Measures

There is a focus on administrative simplification to assist beneficiaries in the implementation of their projects and to help reduce the level of bureaucracy associated with previous Programmes.

The following simplification measures were introduced in PIV and IVA 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 within the three Implementation Evaluation reports; 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 4 to 8% and a reduction of administrative burden of 9 to 14%. The most important simplification measures are SCOs and e-cohesion.

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.

In terms of the PEACE Programme, SEUPB is currently developing a standalone learning 'Peace Platform', which will provide the largest repository of information spanning the four PEACE Programmes (1995 to date), to include the evolution of the Programme, the projects supported by it, and the impact and legacy of funding.

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

2.3 The PEACE PLUS Programme

The current PIV and IVA (2014-2020) Programmes will be replaced by a single successor Programme, known as The PEACE PLUS Programme, a new cross-border EU Funding Programme for the period 2021-2027.

PEACE PLUS will contribute to a more peaceful, prosperous and stable society by funding peace and reconciliation activities, and activities that contribute to North/South economic, social and environmental development in the region, in areas of mutual interest.

The EU regulations that will cover the new Programme are at a draft stage and have yet to be approved by the European Council and European Parliament. It is anticipated that the new Programme will have the approximate value of the current IVA and PIV Programmes combined. However, the budget allocation is still to be finalised.

In support of future programming, the EC has developed a ‘Simplification Handbook: 80 simplification measures in cohesion policy 2021-2027’⁶ - this framework proposes less red tape, with simpler ways to claim payments using SCOs, as well as ‘lighter controls’ for programmes with a good track record.

The ten key areas of simplification proposed include:

- Legal framework – a shorter, unified legal framework providing certainty from the start.
- Policy framework – a streamlined framework for easier programming.
- Conditions – fewer, strategic requirements to increase policy effectiveness.
- Faster and more strategic programming – for a quick and simple start to implementation.
- Territorial tools – simpler design tailored to local situations.
- Simpler implementation – faster and simpler delivery of results.
- Management, control and audit – simpler and proportionate system with high reliance on national systems.
- Financial instruments – simpler and less detailed provisions.
- Monitoring and evaluation – more frequent but lighter reporting, streamlined provisions.
- INTERREG – a single integrated regulatory framework tailored to the specific cooperation context.

The development of the new Programme will be informed by SEUPB’s extensive preliminary consultation phase (December 2019 – February 2020) comprising of a survey and 14 public events⁷, results of which will be available from SEUPB in the coming months.

This Implementation Evaluation report highlights the key lessons from the current PIV and IVA Programmes and how these can be taken forward in the development of PEACE PLUS, considering new EU regulations and guidance⁸.

⁶ [Online] Available at https://ec.europa.eu/regional_policy/sources/docgener/factsheet/new_cp/simplification_handbook_en.pdf

⁷ SEUPB – PEACE PLUS – Have your say to make a difference! [Online] Available at <https://www.seupb.eu/peaceplus>

⁸ Please note that SEUPB has commissioned a separate study in relation to the post 2020 EU funding Programme (ASM, May 2019) – providing details on specific regulatory guidelines.

3 FINANCIAL PERFORMANCE

3.1 Introduction

This section sets out the PIV and IVA budget allocation and current commitment levels. Analysis of progress towards full commitment and associated issues and risks are presented.

3.2 Programme Budgets

The budget for PIV is €269.61m and for IVA is €282.76m, totalling a substantial investment of €552.37m (ERDF and Government Department match funding) across the eligible area for the period 2014-2020⁹. A breakdown of the budget can be found in the Table 3.1 and a more detailed breakdown per Programme theme 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, Project Partners were encouraged and elected to bring additional funding over and above the 100%¹⁰. The level of grant aid may also be adjusted to take due account of state aid¹¹ and/or anticipated future revenue streams.

Table 3.1: 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 (CA) 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 (MA) manages and administers this process before it is distributed to project beneficiaries.

⁹ The HM Treasury funding guarantee to March 2019 was extended until the end of the programming period (2020), including Technical Assistance.

¹⁰ In the PEACE PLUS Programme the SEUPB will continue to explore arrangements where partners contribute some or all of their match-funding.

¹¹ 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.

3.3 Programme Commitment Values – per Theme

The following section outlines expenditure against budget for each of the two Programmes (as of 31 March 2020). Overall, €564,073,780 has been committed, representing 102% of the combined budget for PIV and IVA.

Table 3.2: Programme Budgets and Commitment (March 2020)

	Total Grant Budget Allocation (ERDF + 15% Gov Match)	Commitment to date (ERDF + match)	% Committed	No. of Projects Approved (inc. TA)	No. of Lead Partners	No. of Project Partners	Total no. of Project Partners
PEACE IV	€ 269,610,965	€ 277,933,996	103%	96*	96	159	255
INTERREG VA	€ 282,761,995	€ 286,139,784	101%	33	33	160	193
TOTAL	€ 552,372,960	€ 564,073,780	102%	129	129	319	448

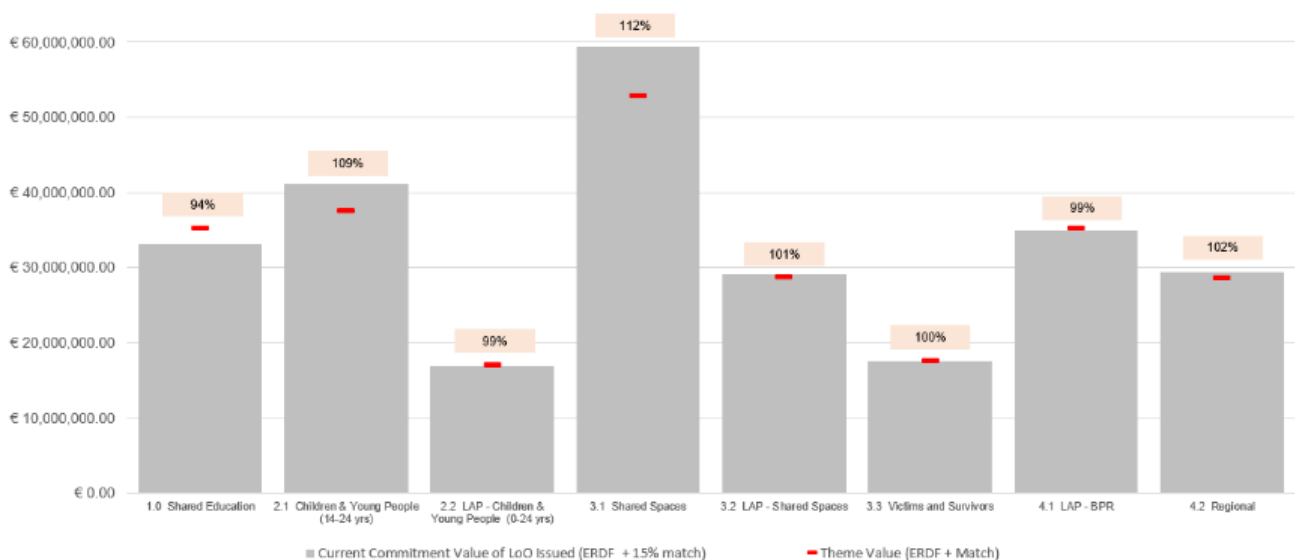
*LAs are responsible for delivering 3 projects/themes each, bringing total number of PIV projects to 96 projects (including Technical Assistance (TA)) – There are 62 projects if LAs are counted once.

3.3.1 PIV Programme – Budget and Commitment

For PIV, the total budget of €269,610,965 is divided across four specific objectives and eight actions (94% of budget) and Technical Assistance (TA, 6% of budget) used for the preparation, management, monitoring, information, communication, and control of PIV. Current commitment level is at 103% (€277,933,996) – an over commitment of 3% to address a possible attrition rate.

When considering the project activity only (i.e. excluding TA) the budget is €253,434,308. As of March 2020, €261,757,340 has been committed against this budget to deliver 95 PIV projects. Figure 3.1 illustrates commitment and percentage of commitment against allocation, highlighting that targets have largely been met and in some cases exceeded.

Figure 3.1: PIV – Budget and % Commitment (March 2020)



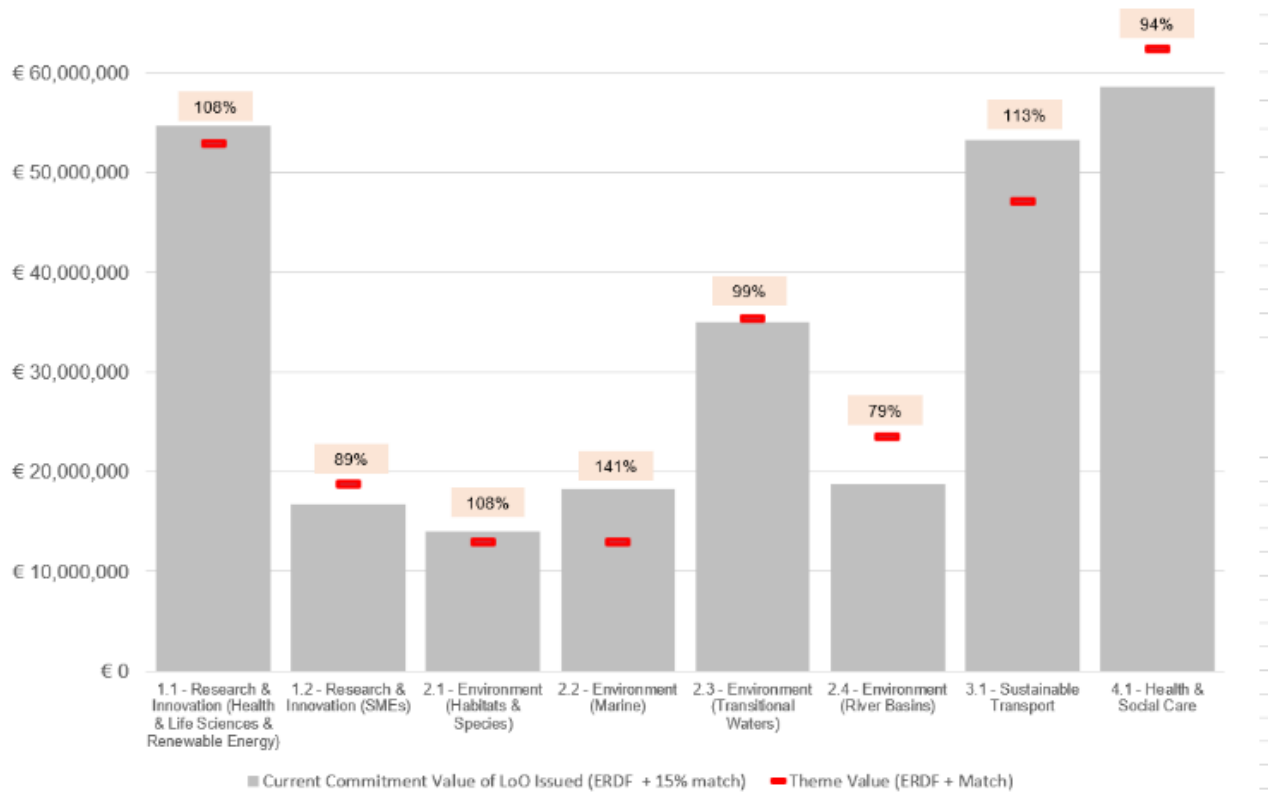
The Local Authority Local Action Plans (LAP), across three themes, represents the highest allocation with 32% of the total budget. The total allocation for LAPs was €81,176,479, with Belfast City Council, representing the highest budget allocation (21%), followed by Derry City and Strabane (10%), the remaining LAs each averaged 5% of the budget.

3.3.2 IVA Programme – Budget and Commitment

For IVA, the total budget of €282,761,995 is divided across the four specific objectives and eight actions (94% of budget) and TA (6%). Current commitment level is at 101% (€286,139,784).

When considering the project activity only (i.e. excluding TA) the budget is €265,764,706. As of March 2020, €269,174,065 has been committed against this budget to deliver 32 IVA projects. Figure 3.2 illustrates commitment and percentage of commitment against allocation. Priority 2 (four actions under ‘Environment’) represents the highest allocation with 30% of the total budget.

Figure 3.2: IVA – Budget and % Commitment (March 2020)



3.4 Performance Framework

The Performance Framework for both Programmes is presented in **Annex III** to include key milestones for 2018 and progress against these milestones. Both financial and output targets have largely been met, and in most cases exceeded for this period. This progress will contribute towards meeting final 2023 targets. Section 6.4 outlines the suitability of outputs/targets set.

For targets that were at risk of being met, there is evidence that SEUPB has taken timely corrective action to mitigate any risk, for example:

- PIV Shared Spaces – only two out of 33 applications were successful (against a target of eight projects) after the first funding call (February 2018), involving a two-stage application process, representing a low success rate of 2%. A second funding call was promoted to generate more interest, along with a key process change based on a one-stage application process. Importantly, this was accompanied by a pre-development support

package to generate better quality applications (for more details refer to Section 4.3. 'Application Process'). The second funding call resulted in the award of a further seven projects, thereby exceeding targets. This demonstrates SEUPB's ability to react and change processes to better meet the needs of potential applicants as well as the Programme overall.

- PIV Children and Young People (0-24 years) – there has been a shift in priority allocations and modification of output indicators within this theme i.e. the budget of €29,411,765 has been reduced to €17,058,823 and the excess budget of €12,352,941 was reallocated to PIV Building Positive Relations to fund five 'wait list' projects.
- PIV Local Authority (LA) LAPs – 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 led to 16 out of the 17 LA's having to re-bid for activity in 2018 to ensure spend targets could be met. Although the rebid process and subsequent modifications incurred significant SEUPB staff time and resources, the Local Authority rebid process was completed with a final budget commitment of 99.2%, highlighting SEUPB's drive to meet spend targets. (Further details on the rebid process can be found in the Year 2 Implementation Evaluation Report).
- IVA Health and Social Care – challenges emerged in recruitment and procurement which was causing delays in project implementation. SEUPB has worked closely with Project Partners to resolve issues. A second funding call, with a one-stage application process was also promoted under this theme to meet targets.
- IVA Sustainable Transport – a second funding call was released to address a shortfall which generated enough projects to meet targets, to include the creation of a cross-border Electric Vehicle (EV) network and new/upgraded rapid chargers.
- IVA Environment (River Basins) – is currently 79% committed. All outputs under this Objective have been contracted through two projects ('Source To Tap' and 'Catchment Care'). The date of full achievement for each of the three indicators under this Objective is March 2022. While the output deadline being so close to the end of the Programme represents a risk to the Programme, the JS are closely monitoring the projects and do not have any concerns about project performance at this stage.

SEUPB's Communications Team has been active in promoting the success of the Programmes, for example, a total of 95 case studies¹² have been developed (against a performance framework target of 120 by 2023). These case studies provide learning for current projects and help inform future projects under PEACE PLUS. Dissemination of communication and learning is also evident via press releases issued to the media to engage a wider audience (74 press releases as of March 2020, against a final Programme target of 85).

3.4.1 ***Dashboard***

In September 2018, SEUPB devised and implemented a 'Data Dashboard' – a self-certified monitoring arrangement to capture real time data on the achievement of outputs. This is in the form of an online survey sent to Project Partners at the end of each month whereby they record outputs against performance targets. This has resulted in closer management and monitoring of the PIV and IVA Programmes.

For the future programming period, the standalone 'Data Dashboard' monitoring tool should be integrated within the existing electronic Monitoring System (eMS) to streamline monitoring processes and thereby have a holistic view about projects in a central system.

¹² Combination of 1-2 page overviews as standalone case studies <https://www.seupb.eu/case-studies>, along with snapshot project overviews contained within YourEU magazines <https://www.seupb.eu/media/your-eu-magazines>

3.4.2 Expenditure Status and De-commitment Risk

Of the €187,077,189 expenditure declared by projects, 69% has been certified and paid. A further 29% is pending i.e. in processing pipeline. 2% has been disallowed and the remaining classified as 'sitting ducks' i.e. awaiting further clarification in subsequent reporting period.

Table 3.3: Programme Expenditure Movements (as at March 2020)

	Declared	Disallowed	Sitting Ducks	Pending*	Certifying Authority (CA) certified	% certified vs declared
PIV	€84,218,071	€2,096,213	€262,584	€24,840,788	€57,018,485	68%
IVA	€102,859,118	€1,457,527	€154,957	€29,566,580	€71,680,053	70%
TOTAL	€187,077,189	€3,553,740	€417,541	€54,407,368	€128,698,538	69%

*Breakdown:
 – PIV: 76% with FCU; 14% with Lead Partners; 4% with JS; 2% with MA; 4% with CA.
 – IVA: 43% with FCU; 18% with Lead Partners; 8% with JS; 1% with MA; 30% with CA.
 NB. Refer to Section 5.1.2 for further details of claims 'pending' and FCU processing times.

For the PIV and IVA Programmes, the de-commitment rule is set as N+3 i.e. money profiled by EU must be spent and Certifying Authority (CA) certified within three years. All expenditure must be spent and claimed by 2023. Failure to meet agreed N+3 targets will result in automatic budget reduction. Considerable efforts have been made by SEUPB to achieve full commitment and expenditure levels aligned with targets. As per the table below, 2020 targets have been exceeded for both Programmes (€128.69m against target of €103.8m).

Table 3.4: Cumulative ERDF + Match Funding & N+3 targets

Year	PIV Programme				IVA Programme			
	Cumulative ERDF + Match (€m)	% of total budget	N+3 (€m)	CA certified (€m) (Mar 2020)	Cumulative ERDF + Match (€m)	% of total budget	N+3 (€m)	CA certified (€m) (Mar 2020)
2014	0.0	0.00%	0.0		14.0	5.00%	0.0	
2015	32.9	12.20%	0.0		34.5	12.20%	0.0	
2016	60.8	22.50%	0.0		63.8	22.50%	0.0	
2017	111.4	41.30%	0.0		116.9	41.30%	14.0	
2018	163.2	60.50%	32.9		171.1	60.50%	20.5	
2019	215.9	80.10%	27.9		226.4	80.10%	29.2	
2020	269.5	100.00%	50.7	57.01	282.5	100.00%	53.1	71.68
2021			51.7				54.1	
2022			52.7				55.3	
2023			53.8				56.4	
Total			269.6				282.5	

The following table details the range of factors the evaluators considered when assessing the overall de-commitment risk.

Table 3.5: Assessment of De-commitment Risk

Factor	Assessment	Risk
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
Have commitment targets been met to date?	Considerable efforts have been made to achieve full commitment and to monitor progress towards delivery of the Performance Framework.	Low

Factor	Assessment	Risk
% committed and allowance for expenditure slippage within the projects	<p>For PIV, 103% of total project budget has been committed. For IVA, 102% of total project budget has been committed (as of March 2020). Member States agreed to over commit against all Strategic Objectives by 5%.</p> <p>In 2018 there was potential for underspend under PIV Shared Space capital projects, however SEUPB's course of action to mitigate this risk has proven successful i.e. where the first funding call only yielded two successful projects with in excess of €38m still to be allocated under the second call before the end of December 2018. 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. A further seven projects were successful, bringing the total to nine projects with 112% of the theme budget now committed.</p> <p>To address potential underspend in IVA Sustainable Transport an additional funding call was also released and now all funds have been committed.</p>	
External Factors affecting Project completion, planning etc.	<p>Due to unforeseen external factors there may be delays in project delivery and achievement of outputs and results. Most relevant is the impact of:</p> <p>COVID-19 pandemic: The unprecedented outbreak of COVID-19 has resulted in an extremely challenging period for all. This includes projects in receipt of EU funds. In particular, projects funded under IVA Health have had to direct efforts to the wider health crisis. Other projects such as PIV Shared Education will also be directly impacted due to school closures, although targets are well on track to be exceeded under this theme. Due to social distancing requirements, other projects are endeavoring to find innovative ways in which to meet output targets, such as virtual meetings.</p> <p>The fall out of this pandemic is still unknown, as is the effect on PIV and IVA funded projects. Some projects may find it difficult to meet outputs and SEUPB will be met with an increasing administration burden to provide tailored support and related modification requests going forward.</p> <p>Brexit: 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.</p>	Medium - High
Have expenditure targets been met to date?	Annex III outlines the Performance Framework for both Programmes to include key milestones for 2018 and progress against these milestones. Both financial and output targets have largely been met, and in most	Medium

Factor	Assessment	Risk
	cases exceeded for this period. This progress will contribute towards meeting final 2023 targets. Based on March 2020 figures, N+3 expenditure targets have been exceeded. Although, expenditure targets are currently being met, the impact of COVID-19 is unknown and poses a risk to the achievement of output and linked expenditure targets.	
Exchange rate risk	A key aspect of exchange rate risk in previous Programmes was that the Programme was in Euro, but most projects had Letters of Offer (LoO) with sterling budget. For the 2014-20 Programme period, exchange rate risk has been reduced due to all IVA LoO and most PIV LoO being in Euro. This has made for simpler Programme management. The CA 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.	Low-Medium
Overall Risk Assessment		Medium

Based on the above assessment, we regard the overall de-commitment risk as ‘**medium**’ based on the uncertainty posed by external factors related to COVID-19, which is and will continue to impact the extent to which outputs are met by funded projects.

Mitigating factors will reduce this risk as Case Officers are working closely with Project Partners to manage the implications and seek new ways of working. A Guidance Document and FAQ has also been developed and circulated (April 2020)¹³ as a reference for projects. Furthermore, to help ease financial burden, SEUPB has issued guidance on accessing emergency payments as part of the claims submission process. This demonstrates SEUPB’s ability to react quickly and provide timely support and reassurance to Project Partners in these uncertain times.

There are examples of IVA Project Partners reconfiguring their propositions to help support the production of Personal Protective Equipment (PPE) to support the health service during the pandemic. Also, via LAP intergenerational projects, care packages are being delivered to the community. There are other examples where projects supporting children and young people have pursued virtual means to deliver activities and to support positive mental health. This highlights the ability of projects, via SEUPB’s support, to diversify. It is important that a flexible approach is maintained to ensure that project activity continues.

In these circumstances, financial forecasting will also be more difficult, particularly for projects who have previously struggled to provide accurate forecasts. SEUPB will need to continue to provide support and advice to Lead/Project Partners to ensure accurate forecasting.

NB. In February 2020, SEUPB provided Lead/Project Partners with a model forecasting template and a workshop to support completion of the template and to further emphasise the importance of realistic forecasting to help manage the Programmes more effectively. A total of 165 people attended, highlighting the need and demand for this training.

¹³ COVID-19 Guidance for Projects. Available at: https://seupb.eu/COVID-19_SEUPB_Guidance

Overall, it is acknowledged that the MA 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 MA's regular communication with the EC will continue and the outworking of mitigating measures, to support projects during the COVID-19 pandemic, will be monitored closely.

The PEACE PLUS Programme: proposed changes under the new EU regulations:

N+2: In the current PIV and IVA Programmes, the N+3 rule applies. For the new PEACE PLUS Programme, a N+2 target will be re-introduced [EU Regulation 375/2018] - a feature of previous Programmes, which means that funds profiled must be spent within two years rather than the three years available at present. This is based on the assumption that increased use of simplification measures will help to reduce delays, promote sound financial management as well as aid timely implementation. Although, it is likely that this change will significantly increase the pressure to record expenditure early in the Programme period.

Designation (i.e. sign-off from the EC on management and control systems).

For the current Programmes, based on a review carried out by the Audit Authority notification of formal Designation took place on 27 April 2017. The designation process was delayed as it could not be completed until the online monitoring system/eMS was operational (as of March 2016), as this represents a central feature in the management of the Programme. For post-2020, the Designation procedure will be discontinued, as systems would largely be rolled over to the next programming period, without requirement for Programmes to undergo a new designation process. Assurance would still be obtained by early systems audits. The assumption is that rollover of systems will contribute to a speedier start of the next programming period.

Audit

The MA worked extensively with both Internal Audit and the Audit Authority to complete the Audit of Operations and the Audit of Management and Controls. Going forward, the EC's simplification measures for 2021 - 2027 outline a more proportionate approach to audits i.e. simpler audit requirements and fewer burdens for Programmes with good track record and proper functioning of the management and control systems. The selection of low risk Programmes is based on objective criteria. The number of audits covering territorial cooperation Programmes will be drastically reduced, by introducing a common audit sample for ETC Programmes (to be drawn by the Commission).

4 APPLICATION & ASSESSMENT PROCESS

4.1 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.

4.2 Application Status

As of January 2020, a total of 216 applications have been received, to include 149 applications for the PIV Programme (41% success rate) and 67 applications for the IVA Programme (49% success rate), as per the breakdown below.

Table 4.1: PIV & IVA Application Status

	Total no. of applications	LoO issued/contracted	Rejected	Withdrawn	Approved pending funding
PEACE IV	149	61*	83	4	1
INTERREG VA	67	33	31	3	0
TOTAL	216	94	114	7	1

*Local Authorities are counted once in terms of Letters of Offer issued (noted that LAs are responsible for delivering three separate projects/themes each, bringing total number of PIV projects to 96 projects (including Technical Assistance). 129 projects overall for PIV and IVA (129 projects/216 applications - 60% award success rate).

Table 4.2: PIV Breakdown of Application Status

	Total no. of applications	LoO issued/contracted	Rejected	Withdrawn	Approved pending funding
1.0 Shared Education	5	2	3		
2.1 Children & Young People	38	12	22	4	
2.2 3.2 4.1 Local Authority – Local Action Plans (LAPs)	17	17			
3.1 Shared Spaces Capital Development – first call (two-stage process)	33	2	31		
3.1 Shared Spaces Capital Development – second call (one-stage process)	20	7	13		
3.3 Victims and Survivors	1	1			
4.2 Regional	35	20	14		1
Programme Level	149	61	83	4	1

Table 4.3: IVA Breakdown of Application Status

	Total no. of applications	LoO issued/contracted	Rejected	Withdrawn
1.1 Research & Innovation: Health and Life Sciences & Renewable Energy	10	7	3	
1.2 Research & Innovation Enhance Innovation capacity of SMEs	3	1	2	
2.1 Environment: Habitats & Species	4	2	2	
2.2 Environment: Marine	8	5	3	
2.3 Environment: Transitional Waters	1	1		
2.4 Environment: River Basins	2	2		
3.1 Sustainable Transport	6	4	2	

	Total no. of applications	LoO issued/contracted	Rejected	Withdrawn
4.1 Health and Social Care - first call (two-stage process)	27	9	15	3
4.1 Health and Social Care - first call second call (one-stage process)	6	2	4	
Programme Level	67	33	31	3

4.3 Funding Call Process

For both PIV and IVA, SEUPB facilitated extensive communication of funding calls, along with thematic workshops, to generate interest among stakeholders and prospective applicants.

The table below provides conclusions as to the extent to which the requirements within the Cooperation Programme (CP) have been met with respect to funding calls.

Table 4.4: Extent to which CP requirements have been met – Application

Extract from CP	Has this been achieved?	
<i>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.</i>	Yes	SEUPB met the CP 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 CP.
<i>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.</i>	Yes	SEUPB Communications Team, in collaboration with the Joint Secretariat (JS), published an annual timetable for calls to give applicants advance warning of when a call is expected. 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 did not feature in annual timetable as some flexibility was necessary when additional funding calls were added.
<i>The decision-making procedures and criteria will be very clearly set out in the terms of reference of each call.</i>	Yes	These details were clearly communicated as part of the funding call and on SEUPB's website.
<i>Support will be available to potential applicants through information seminars and workshops.</i>	Yes	SEUPB has met the CP 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.

4.3.2 Key Observations & Recommendations

- Based on SEUPB’s own observations, it is acknowledged that on reflection some funding calls had overly specific indicators, which proved to limit the pool of applicants and potentially reduced the development of innovative solutions to address priority areas. Key learning is the need to be less prescriptive about the types of projects to achieve Programme outcomes, thus embracing a more ‘bottom-up’ approach.

For example, the IVA Sustainable Transport Electric Vehicles (EV) funding call limited applications to those that will create charger points, which in hindsight may have reduced scope for expertise among stakeholder or innovation in how to address challenges. Furthermore, the technology specified in the original EV funding call went out of date, such is the dynamic and changing nature of these types of projects. Therefore, additional flexibility is required for priorities seeking innovation solutions.

For PEACE PLUS, the greater use of Accountable Departments and technical expertise (where relevant) is recommended, to help support the definition and development of funding calls.

- SEUPB has commissioned research to identify organisations that, whilst eligible, have not previously availed of PIV funding and to identify any barriers to uptake. The results of the research will help inform SEUPB’s approach and promotional activities and potentially the creation of a more targeted funding call in the future. Organisations/groups identified as ‘hard to reach’ should be provided with additional support in terms of skills and capacity building to develop projects and avail of funding.

4.4 Application Process

The table below provides conclusions as to the extent to which the requirements within the Cooperation Programme (CP) have been met with respect to the application process.

Table 4.5: Extent to which CP requirements have been met – Application

Extract from CP	Has this been achieved?	
<p><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.</i></p> <p><i>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></p>	Yes	<p>The application process involved a two-stage 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). The target of 36 weeks was set for a final decision to be made. Although, this target was only met by 30% of PIV projects. More details can be found in Section 4.5 ‘Processing Times’.</p> <p>Due to timing constraints and to expedite the process, the exception to the above process was the introduction of a one-stage application in June 2018 for second funding calls under various themes. For example, PIV Shared Spaces Capital Development; PIV Building Positive Relations (Regional Projects) and IVA Health and Social Care. (See Section 4.4.1, Option 2, for details).</p>

4.4.1 Key Observations & Recommendations

Application Process

Table 4.6 outlines a list of options considered for the forthcoming PEACE PLUS application process, based on the experiences of PIV and IVA.

The PIV and IVA application process evolved from Option 1 to Option 2, with weaknesses in Option 2 making way for the suggested Option 3, which is a further evolution suggested to help improve the application process.

Table 4.6: Application Process Options

	Pre-application support	Outline proposal – pro forma	Stage 1 (Short)	Stage 1 (Detailed)	Stage 2 (Detailed)	Conclusion
Option 1 (as per CP)	√*		√		√	Discounted
Option 2 (adopted in 2018)	√*			√		Discounted
Option 3	√**	√		√		Preferred
Option 4				√		Discounted
Option 5			√		√	Discounted
Option 6	√**	√	√		√	Discounted

Pre-application support either: *voluntary or **mandatory

- **Option 1:** This process met the CP requirements and comprised of support in the form of development workshops at Stage 1 and a support meeting with JS at Stage 2. Based on survey results, applicants provided the following feedback:¹⁴
 - A total of 40% agreed that the two-stage application has reduced the administration burden for applicants, compared to 33% disagreeing with this statement.
 - 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.
 - Only 21% agreed that the 6-week timeframe to complete the Stage 2 application was reasonable and appropriate. The 6-week timeframe was challenging for 45% of respondents.
 - 34% of respondents agreed that they had adequate information to apply unit costs and flat rates, suggesting that further support is required to aid the application of simplified cost options.
 - 67% agreed that a timely decision was made as to the outcome of the Stage 1 application.
 - Given the level of funding and the detail required as part of the Stage 2 application, it is perhaps not surprising that 54% disagreed that the Stage 2 application was simple and easy to complete; and 37% disagreed that the information requested was reasonable and appropriate (compared to 17% and 30% who agreed with the respective statements).
 - 37% disagreed that the level of communication and support during the Stage 2 clarification process was appropriate.

¹⁴ 2018 Online Survey Results: Base 123-126 responses for questions relating to stage one applicants and 93-94 responses for questions relating to stage two (i.e. those applicants who progressed/passed first stage). Full survey details can be found in the Year 2 Implementation Evaluation Report (August 2018).

- This option is discounted, based on applicant feedback, and identified weaknesses, to include:
 - The Stage 1 process was designed to be a short application, with clear distinction between Stage 1 and Stage 2, however Stage 1 became more resource intensive for applicants than originally envisaged.
 - Applicants did not prepare for the more detailed Stage 2 Business Plan until the outcome of Stage 1 was known, as they 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 between stages being considered challenging and negatively impacted the quality of some applications.
 - As there was only a short period (6-weeks) between the Stage 1 and Stage 2 process, the two almost morphed and did not provide sufficient time to reflect or provide a clear distinction between the two stages.
 - It is evident that further support is required in the development of simplified cost options at the application stage.
- **Option 2:** In 2018, due to timing constraints and to expedite the process, SEUPB's adjusted to a one-stage process, with eligibility check. This process was accompanied by a pre-development support package, which was very much welcomed by applicants. This support package comprised:
 - Three workshops and technical support for applicants on how to robustly evidence the need for their respective projects; as well as guidance on the appraisal process and how it links to the NI Guidance for Economic Appraisal and Evaluation (NIGEAE) standards.
 - All applicants were entitled to receive up to 1.5 days of external/consultancy input, to include: one day allocated to review and provision of written advice; and the remaining half day allocated to the face-to-face meeting to discuss same. It is interesting to note that some applicants availed of this consultancy support at different points in their bid writing i.e. some took advantage of this prior to commencing their application, whilst others drafted their application first and then sought advice on how to strengthen it. Also, it is important to note that of those applicants who were unsuccessful, some did not avail of the voluntary support package offered.
 - The Option 2 process contains a generous support package and the process generally worked well. However, based on an independent moderation exercise of the PIV Shared Spaces second funding call, it is evident that despite the support package provided there remains weaknesses across applications received. Therefore, this option is discounted, as the need for further guidance/support is apparent.
- **Option 3:** At this juncture, Option 3 is the preferred approach, as it provides a combination of sufficient pre-application support, whilst giving applicants an opportunity to present their initial concept/proposal to SEUPB using a pro forma approach - so as to not spend excessive time/resources on development until SEUPB feedback is provided as to the project's suitability and viability. This is followed by a suggested development phase of 10-12 weeks (currently 6 weeks) to devise a robust Business Plan as part of a one-stage process. Therefore, the recommended approach is as follows:

- **Pre-application support:** thematic workshops and provision of 1.5-2 consultancy days support. These should be made mandatory (rather than the current voluntary process).
- **Outline Proposal:** Submission of a short pro-forma response, outlining the proposed project and how it will contribute to the priorities of the new PEACE Plus Programme, with a timely decision made (within 8-10 weeks). The pro-forma aims are two-fold, firstly to nurture and develop meaningful projects from a wider applicant pool, who are able to meet the outcomes of PEACE Plus; and secondly to identify and reject weak applications at an early stage to avoid applicants investing significant time and resources on the development of detailed project proposals that are not feasible and/or do not align to overall outcomes (as well as minimising the admin burden for JS assessors).
- Depending on available resources, SEUPB could consider extending the scope/days of the consultancy support to review the outline proposals i.e. an individual with the required expertise per programme strand (particularly important for IVA type projects, requiring specific expertise). The results of this review will be provided to prospective applicants, who will then decide if they wish to apply for funding.
- **Stage 1: Submission of application:** The timeframe between the Outline Proposal and Stage 1 should be extended to 10-12 weeks (currently 6 weeks between stages) to allow sufficient time for the development of a robust Business Plan. This provides a clear demarcation between the Outline Proposal and Stage 1. NB. This single stage approach should include an admissibility check and applications that do not have the required information/documents in place will be recorded as ineligible and not assessed.

Key issues:

- The suggested approach relies heavily on the quality of external consultants engaged to provide support to prospective applicants. This poses a risk to SEUPB, as it is somewhat outside their control. To mitigate this risk, it is suggested that SEUPB devise a competitive Framework of preferred suppliers; and a guide provided to the successful pool of consultants to ensure consistency and fairness of approach/support package provided.
- SEUPB should also exercise some caution, providing too much 'hand-holding' may mask potential issues (weak Project Partners) and ensure that Lead Partners not only have the capacity and competencies to devise a good project application but also be able to deliver in the implementation phase. There is a risk that applicants lean too heavily on training resources and use this in their respective applications, meaning that applications may become similar and difficult to assess for individuality. To mitigate this, differentiation should be provided through applicants' proposed governance arrangements and delivery mechanisms and scoring of same.

- **Option 4 & 5 are discounted:** It is evident that pre-application support / workshops are a necessity of the application process, given the level of funding and the complexities of project proposals against each programme priority. Therefore, these options are discounted as they do not provide for such developmental and capacity building support.
- **Option 6 is discounted:** This option is discounted as it contains too many layers and would unnecessarily prolong the process (as the Outline Proposal and Stage 1 (short) application are similar). This approach would have a negative impact on the aim of reducing the administration of the programme as well as extending processing timeframes.

4.5 Assessment Process

The Assessment Process is used to assess applications against pre-defined selection criteria¹⁵ of the CP and the specific funding call for applications. In some funding calls, the assessment is supplemented with an Economic Appraisal, carried out by a third-party assessor, to support the decision-making process of the JS. In every case it is important to establish the need and demand for the project to merit Programme intervention.

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

Table 4.7: Extent to which CP requirements have been met – Assessment

Extract from CP	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="background-color: #90EE90; 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. 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.</p> <p>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><i>*It is noted that in some cases, internal Departmental approval processes have run beyond the Steering Committee date. For instance, for the first 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.</i></p>
<p><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></p>	<p style="background-color: #90EE90; text-align: center;">Yes</p> <p>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.</p>
<p><i>The Steering Committee will include representatives of the Member States, accountable/policy departments, and social partners.</i></p>	<p style="background-color: #90EE90; text-align: center;">Yes</p> <p>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</p>

¹⁵ 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 CP	Has this been achieved?
	<p>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).</p>
<p><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></p>	<p style="text-align: center;">Yes</p> <p>The final assessment report by JS to the Steering Committee is based on Programme criteria and informed by the following: 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 to make an informed decision. To support the assessment process, SEUPB commission Economic Appraisals to help inform decisions, particularly for large scale projects.</p>

4.5.1 Key Observations & Recommendations

Screening & Clarification Process

- Robust screening checks of applicants will ensure good governance and financial management arrangements are in place. As part of the eligibility checks, governance checks are now completed on Project Partners prior to forwarding to the Steering Committee for final assessment (rather than after, which was the case). This ensures that the Steering Committee members focus is on reviewing projects that have the capacity to delivery, with appropriate risk assessment and due diligence carried out in advance.
- Having a defined timeframe for clarification responses is an improved process i.e. the clarification process, relating to addressing queries/gaps in the application about project details, resulted in excessive queries and applicants adding additional content to their application to resolve issues. To create a more streamlined and fairer process, this was refined as part of the PIV Shared Spaces second funding call i.e. a timeframe of 10 working days is permitted for the first set of queries/request for clarification and a further 5 days is permitted to respond to any potential follow-up clarifications. This is considered an adequate timeframe in which to provide evidence which should be readily available to respond to the request for clarification. For PEACE PLUS efforts should be made to limit clarifications to a single round.
- SEUPB and Accountable Departments to endeavour to integrate clarifications to minimise the same/similar requests for information from applicants resulting from the parallel review process. We acknowledge that SEUPB is aware of this issue and will seek continual improvements and create better synergies between processes and reduce the potential for duplication.

Economic Appraisal Process

- The Assessment Process is designed to take account of respective Member State guidance, views and best practice. For Northern Ireland this includes the HMT Green Book and the NI Guidance for Economic Appraisal and Evaluation (NIGEAE). In Ireland guidance is provided via the Public Spending Code.
- The initial economic appraisal guidance provided by SEUPB to applicants was at a high level and did not fully outline the role of the NIGEAE economic appraisal in the assessment process. This was remedied as part of the more recent funding calls (e.g. PIV Shared Spaces) whereby additional communication, guidance and tailored support was provided to applicants and therefore improved the process and raised the quality of applications.
- In terms of external expertise, SEUPB liaises closely with economic assessors to discuss conclusions and resolve any points of clarity emanating from economic appraisals prior to finalising the internal assessment report before issuing to the Steering Committee.
- SEUPB also commissioned an independent moderation of all economic appraisals and subsequent JS assessments were carried out under the PIV Shared Spaces second funding call. This moderation proved to be a worthwhile benchmarking exercise and helped add further due diligence to the process and should be conducted for any future funding calls.
- This moderation highlighted weaknesses in some applications in terms of evidencing need and demand. Going forward, consideration should be given to providing case studies/worked examples on what is accepted research (and a template for letters of support). This is particularly important for larger scale capital projects requiring an economic appraisal.
- Throughout the programming period, SEUPB, DoF and DPER have worked in close consultation with the relevant government departments to expedite the assessment of projects, changes implemented include: Departments in NI no longer have to seek DoF approval for projects that fall under the £5m delegated limit, with a corresponding reduction in the time required by Departments to consider applications; as well as the introduction of pro-forma documentation to aid processing of applications.
- More recently, further efforts are being made to streamline the NIGEAE standards in terms of simplifying the process of gaining approval for expenditure decisions. This is reflected in DoF's report 'Review of the Expenditure Approval and Business Case Processes (July 2019). Key recommendations relate to a move, from April 2020, towards 'The Five CASE Model' approach (i.e. Strategic, Economic, Commercial, Financial, Management) for major expenditure decisions. Practical guidance and examples will accompany this model to illustrate the detail and proportionate effort required. It is expected that the role of economist will be reduced and will focus on two of the five areas i.e. strategic and economic case.
- DoF supply approval limits are also expected to be raised [not known to what level yet – perhaps in the range £15m to £10m] where agreement can be gained with departments as to which projects require economic appraisal/business case and to complete this at an earlier phase or in parallel with the application/assessment process.
- Proformas will be used for smaller, less complex projects, with no/limited input from departmental economists; instead it is proposed that low value expenditure is approved via delegation arrangements supported by appropriate training and guidance.
- For PEACE PLUS it is important that applicants are aware, have the skills and capacity to develop projects requiring an economic appraisal/business case.

Value for Money (VfM) assessment

- 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 an earlier stage.
- Based on the moderation of PIV Shared Spaces assessments, a common issue is that VfM is not adequately concluded in the independent economic appraisals nor JS assessment reports. There is an absence of benchmarking presented and little commentary is made to expected market rates.
- A 'Value for Money Matrix' to include benchmarks should be devised to inform future PEACE PLUS Programme costs (cost per participant/capital build costs) for all approved projects against each other. It is considered that there will be similarities in the various offerings of Programmes to allow for comparisons to aid the VfM assessment.

Scoring

- To aid any future assessment and moderation process and to minimise subjectivity, a 'Scoring Matrix' should be developed to include clear guidance on what constitutes a 'satisfactory' (score 3); 'very good' (score 4) and 'excellent' (score 5) project. PIV and IVA approved projects with scores of 5 (or high 4) should aid the development of the 'Scoring Matrix'.
- As part of the proposed Scoring Matrix, additional sub criteria should be included against each level of scoring identified, for instance, what does 'excellent' project management look like...considering a list of key questions such as: Is a project manager and staff in place, with defined roles identified?; Are contingency arrangements outlined?; Is a project board in place with required expertise?; Is planning permission granted/in process? This is not an exhaustive list, but examples of areas to be considered by the assessor to merit score.
- Extracts from approved projects with score of 5 (or high 4) could also be used as case study examples to demonstrate the expected standard for funding. For approved projects – if a score of 3 'satisfactory' is given, it is important that a plan is put in place to raise the standard to best contribute to the results and outputs of the Programme.
- The response to and assessment of Horizontal themes (Sustainable Development and Equality) is an area of weakness. Due to the smaller weighting of this criterion, it appears to be given less attention by applicants and has not been consistently addressed by the appraiser or assessor. Consideration should be given to addressing the Horizontal themes via a Pro-Forma response as part of the application to aid consistency of approach and to streamline the assessment of these areas.

4.6 Processing Times

Annex IV presents a summary of processing times for both PIV and IVA Programmes per theme. 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.

Processing times are based on 184 applications (out of 216 applications) to include 123 applications for the PIV Programme and 61 applications for the IVA Programme. NB. 32 projects have been excluded from the analysis to include applications 'deferred' for various reasons throughout the assessment process (n=24) or 'withdrawn' from the Programme (n=7) or 'approved pending funding' (n=1).

Conclusions as to the extent to which the requirements within the Cooperation Programme have been met with respect to processing times are outlined below:

Table 4.8: Extent to which CP requirements have been met – Processing Times

Extract from CP	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>Not fully</p> <p>Stage 1 targets have been met. For Stage 2 and issuing the Letter of Offer, the processing times are in excess of what was 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.</p> <p><u>PIV processing times</u></p> <ul style="list-style-type: none"> • 100% applicants met Stage 1 target (12 weeks). • 65% applicants met Stage 2 target (36 weeks). <ul style="list-style-type: none"> - The average length of time for Steering Committee decision was 33 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 11 applications under the Shared Spaces Capital Development theme. 21 applications took 38 weeks, just missing the target by 2 weeks. • 30% applicants met LoO target (36 weeks). <ul style="list-style-type: none"> - The average length of time to LoO issued was 45 weeks from the call closure date. - The shortest time was 26 weeks. The longest time to was 70 weeks which related to a Shared Spaces Capital Development project. 4 applicants took between 37-42 weeks. <p><u>IVA processing times</u></p> <ul style="list-style-type: none"> • 100% applicants met Stage 1 target (12 weeks). • 56% applicants met Stage 2 target (36 weeks). <ul style="list-style-type: none"> - 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 23 weeks. The longest time to make a decision was 55 weeks. • 0% applicants met LoO target (36 weeks). <ul style="list-style-type: none"> - The average length of time to LoO issued was 51 weeks from the call closure date. - The shortest time was 38 weeks. The longest time was 72 weeks. <p>It is important to note that improved processing time are evident using a one-stage application process and support package, for example from 57 weeks for the first funding call of PIV Shared Spaces Capital Development, compared to 37 weeks for the second funding call under the same theme.</p>

Extract from CP	Has this been achieved?	
<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>	No	The assessment process appears to be the same regardless of the type or scale of project. Going forward, a more tailored assessment should be considered – in keeping with the principle of proportionality.
<i>Except in duly justified cases endorsed by the Steering Committee, processing of applications shall be completed in a maximum of 36 weeks</i>	No	<p>This target was only met by 30% of PIV projects. Factors impacting on processing times are listed below:</p> <ul style="list-style-type: none"> • We understand that when 36 weeks was agreed it was on the assumption that the Letter of Offer (LoO) would be created as per previous Programmes i.e. generally within one week. However, with the adoption of the eMS the process in issuing the LoO is more complex, for example, prior to the introduction of eMS LoO were issued upon Steering Committee approval. However the process now involves additional steps i.e. upon Steering Committee approval the project leads/partners must reprofile their budget and workflows on eMS (if necessary - to reflect value for money assessment), which requires sign-off by the project partnership and any relevant trustees/boards (i.e. outside the control of SEUPB). The final step involves SEUPB reviewing and approving this reprofiling and modification exercise and the LoO is subsequently generated from eMS and issued to projects for their signature before the project can be mobilised. <p>Other factors impacting processing times:</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 Lead 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 requiring input from all Project Partners • In 2019, the knock-on effect of the UK Referendum resulted in extenuating circumstances and had an adverse effect on processing times.
<i>Should the maximum processing times not be met, an update indicating the</i>	No	The Managing Authority has published the minutes and papers from the PMC on SEUPB's website. However, SEUPB does not currently

Extract from CP	Has this been achieved?
<i>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>	<div style="background-color: red; width: 20px; height: 100px; display: inline-block;"></div> <p>publish the delays on its website. This is an action for SEUPB to address.</p>

4.6.1 **Key Observations & Recommendations**

- The adoption of eMS appears to be one of the key barriers to meeting processing time targets. Discussions are taking place as to the future of eMS and indeed what format this will be in the next programming period, which will consider the impact of processing times and the issue of timely Letters of Offer.
- In the meantime, as part of the current Programme SEUPB revised the process (mid 2018) to issue Letters of Offer following Steering Committee decisions with obligations that must be fulfilled upon acceptance. This negates the need for pre commencement conditionalities and shortens the associated time frames for issuing of Letters of Offer. The new process proved to work in the second PIV Shared Spaces call, with Letters of Offer issued within 37 weeks.

5 CLAIMS PROCESS

5.1 Introduction

This section outlines the processes and procedures relating to claims and payments and key lessons for the future Programme.

5.1 Claims and Payment Process

The Finance Controller is responsible for the overall management of the Financial Control Unit (FCU) and related functions and approvals, supported by the Finance Manager.

FCU accounts for 25% (n=14) of staff within SEUPB, who are responsible for verifying the legality and regularity of expenditure. FCU staff undertake eligibility for funding checks on each Project Partner and carry out both administrative verifications of each claim of expenditure made by a project and are responsible for conducting on-the-spot checks. The FCU also supports the JS in the assessment of applications related to the 'value for money' criteria.

The Programme Officers (PO) are responsible for detecting any ineligible expenditure in the claims of the Lead/Project Partners and ensuring that all the Lead/Project Partners expedite their budgets in a timely manner.

A sampling methodology is adopted as a means of reducing the administration burden, which demonstrates good practice (when compared to other ERDF OPs not adopting this approach). FCU apply a 50% sample for the first two claims (Period 1 and Period 2) to establish an error rating which is used for Period 3 and Period 4 claims. Subsequently, the error rate for Period 3 and Period 4 is used for Period 5 and Period 6 and so on – no more than 2 periods of expenditure should be sampled at one time. If expenditure is deemed ineligible, the error rate will increase, and the project will be subject to increased levels of checking in subsequent periods. An error rate is set for each Project Partner.

The Verification/Claims Officers (VO) are responsible for assisting the POs by providing the samples for the claims received from the projects and conducting small-scale verification exercises, which are approved by the relevant PO prior to submission to the Finance Manager/Controller.

5.1.1 *Stages of Reporting and Claims Process*

Figure 5.1 describes the basic claim submission, verification and payment workflow highlighting the various timescales and reporting processes. From the start to the end of the process, represents 16 weeks.

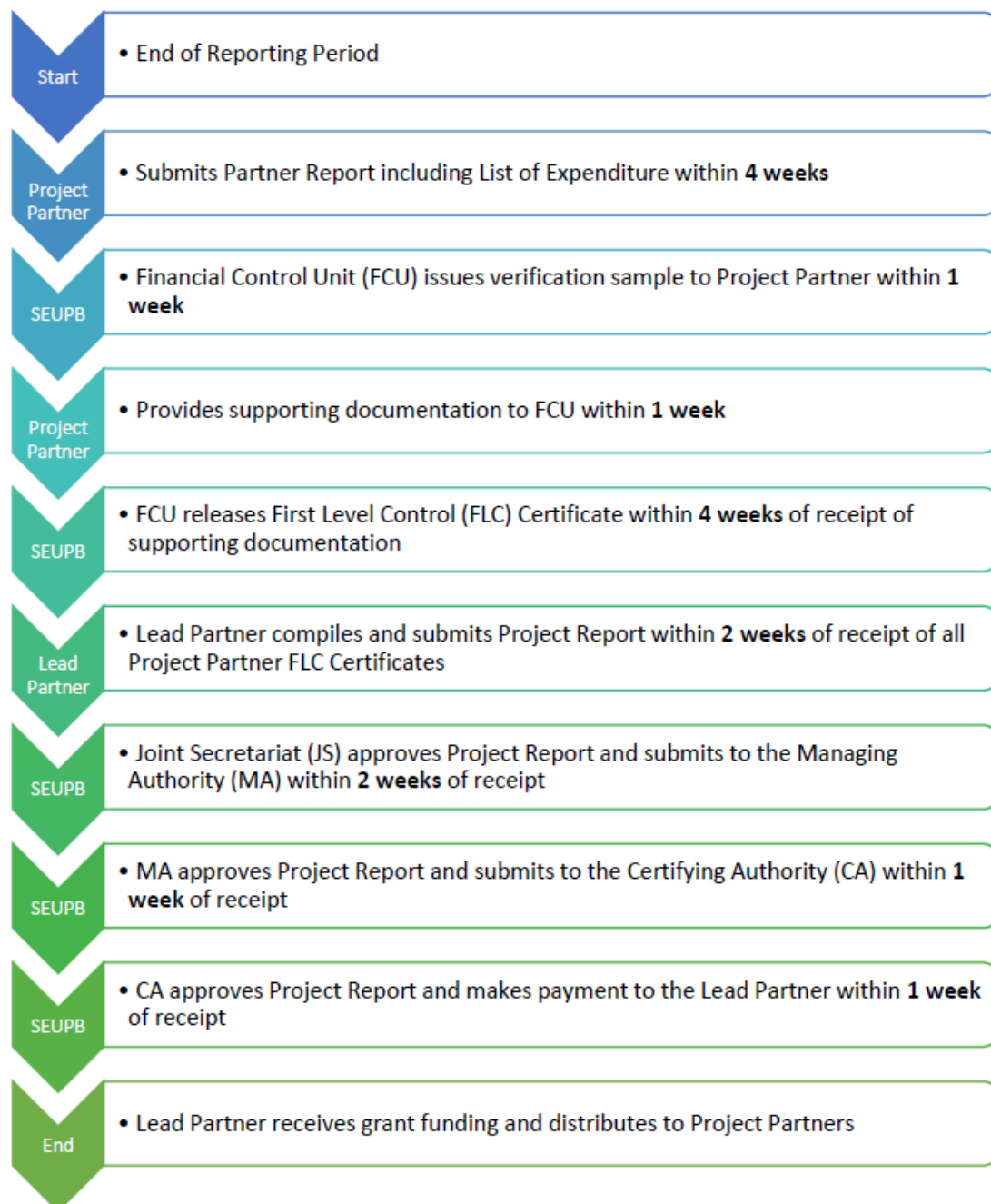
Firstly, at the end of the reporting period, all Project Partners (including Lead Partners) create, complete, and submit (via eMS) their own Partner Reports to the FCU within 4 weeks of the end of the reporting period. This report contains information on both activities undertaken and expenditure. All claims consist of an itemised list of expenditure (except when Simplified Cost Options (SCOs) are used), under the relevant budget heading and per Project Partner.

Each of the Project Partners across PIV (n=255 partners) and IVA (n=193 partners) are allocated reporting periods for their submission of claims. Reporting periods are individual to each project and depend upon the project's start date. The start date for Period one is the start date for the project. The reporting date is 28 days

after the period end date. The Project Partner must submit a Partner Report (outlining activities undertaken) and claim by the reporting date. The aim of this approach was to allow for a continuous workflow, rather than Project Partners submitting at the same time on a financial quarterly basis.

Partner Reports need to be verified through First Level Control (FLC). FLC ensures that all project expenditure is eligible according to the EU Regulations and Programme Rules. A FLC Certificate is issued to each respective Project Partner for each period claim. The FCU has the right to make deductions if costs are deemed ineligible. The role of FCU is complete upon issuing of FLC certificate.

Figure 5.1: Reporting Processes



The Lead Partner submits the consolidated Project Report (including all Project Partners FLCs) which is then passed to JS for approval and submits to the MA within two weeks of receipt. JS reviews the key outputs achieved (as agreed within the Letter of Offer) to ensure that they are on schedule to be met, within timescales as agreed with the work packages. JS can disallow expenditure if the outputs have not been accurately recorded; are not aligned to the agreed business plan; or that there are outstanding queries as to the extent to which the output has been achieved.

The MA reviews the JS assessment to approve whether JS documented an appropriate level of evidence to allow them to form the basis of their confirmations; and confirms regularity and legality of expenditure (i.e. any reason why payment should not be made e.g. fraud investigation) MA approves Project Report and submits to the Certifying Authority within one week of receipt

The final stage involves the MA passing the Project Report to the CA who carry out a final review prior to issuing payment. If the Project Report is accepted, payment is made to the Lead Partner within one week of receipt before being distributed by them to the Project Partners.

In terms of support, SEUPB provides guidance on eligibility of expenditure throughout the entire application and assessment process and Case Officers support projects during the implementation phase i.e. The JS Case Officer undertakes regular project visits, once per quarter, to review implementation and provide support. The FCU Case Officer undertakes desk verification and at least one site visit during the project lifetime.

A range of short online training videos have been created by SEUPB to assist with the various administrative, claims and reporting operations¹⁶ (Refer to Section 7.3.1 'Training and Support' for further details).

5.1.2 *Status of Claims*

As detailed in Section 3.4.2, of the €187,077,189 expenditure declared by projects to date, 69% has been certified and paid and 29% is pending i.e. in processing pipeline. 2% has been disallowed and the remaining classified as 'sitting ducks'.

For PIV, a total of €24,840,788 is pending and for IVA a total of €29,566,580 is pending. A breakdown of which is provided below.

Table 5.1: Programme Expenditure Movements – those 'pending' (as at March 2020)

	WITH FCU	WITH LP	WITH JS	WITH MA	WITH CA	TOTAL
PIV Total	€ 18,975,494	€ 3,549,510	€ 964,744	€ 397,780	€ 953,260	€ 24,840,788
	76%	14%	4%	2%	4%	100%
IVA Total	€ 12,663,259	€ 5,304,476	€ 2,261,862	€ 428,190	€ 8,908,793	€ 29,566,580
	43%	18%	8%	1%	30%	100%
Overall Total	€ 31,638,753	€ 8,853,986	€ 3,226,606	€ 825,969	€ 9,862,053	€ 54,407,368
	58%	16%	6%	2%	18%	100%

The largest proportion of expenditure pending is 'on hand' with FCU (58%), which is expected given their role in the processing of same.

¹⁶ <https://www.youtube.com/playlist?list=PLj7bUdCIRWdE8uoXChamQxTrFAIJTmx9l>

5.1.3 FCU Processing Times

The average number of days from claim receipt to FLC issued (from the period mid-June 2017 until July 2019) is presented in the tables below – indicating that on a Programme level the average timescale is 59-64 days.

PIV Priority 3.3 represents the longest processing times (124 days), this is largely due to the size of the claims, some are 300 lines of actual costs and have been subject to full verification. Shorter processing times are reflective of the use of Simplified Cost Option, highlighting the potential of the wider, more extensive adoption of SCOs for the future programming period to reduce the admin burden.

FCU aims to issue a FLC within 28 days, however this timeframe is dependent on FCU being in receipt of an accurate claim with supporting documentation from Project Partners. i.e. that satisfactorily meets requirement to evidence sample to processing payment.

Timeframes are impacted by resourcing, limit of sampling of two periods at any one time, review of supporting documentation and awaiting further supporting documentation from Project Partners in response to queries on expenditure

Table 5.2: PIV FCU Processing Times

	Average no. of days
1.0 Shared Education	29.00
2.1 CYP (14-24)	71.04
2.2 CYP (0-24)	61.01
3.2 Shared Spaces (Local)	58.75
3.3 Victims & Survivors	124.38
4.1 Building Positive Relations (BPR) (Local)	60.02
4.2 Building Positive Relations (BPR) (Regional)	72.65
5.1 Technical Assistance	27.94
Programme Level	63.62

Table 5.3: IVA FCU Processing Times

	Average no. of days
1.1 Research & Innovation: Health and Life Sciences & Renewable Energy	86.14
1.2 Research & Innovation Enhance Innovation capacity of SMEs	19.26
2.1 Environment: Habitats & Species	29.07
2.2 Environment: Marine	71.76
2.3 Environment: Transitional Waters	39.19
2.4 Environment: River Basins	32.88
3.1 Sustainable Transport	27.93
4.1 Health and Social Care	71.72
5.1 Technical Assistance	27.86
Programme Level	59.37

POs are provided with a caseload of projects. Each PO (based on 8.5 FTE) is responsible for, an average, of 13 claims per month (c40 per quarter), which seems reasonable. However, peaks are evident for projects that fall within the March reporting period i.e. up to 23 claims per month, which is more challenging.

FCU staff are working at an expected level, given the level of Programme spend and complexities associated with managing the verification of large sums of money. Every effort is being made to verify claims and to minimise any potential backlog e.g. using additional support (c100 days) from commissioned Managed Services at times of peak workload. There is also a responsibility on the JS, MA and CA to carry out their respective functions in a timely manner to ensure expenditure targets are met.

March 2020 Update:

At the beginning of 2020, the FCU conducted their own internal investigation, focusing specifically on claims that had been with the FCU in excess of 42 days. This investigation showed that on March 1st 2020, a total of 330 claims had been with the FCU for an excess of 42 days (PIV: 198; IVA 132). For PIV, the Specific Objective with the most claims above 42 days was Local Authority Action Plans (91 claims, value €5,333,616). For IVA, the Specific Objective with the most claims above 42 days was Health (48 claims, value €3,550,476).

5.1.4 **Key Observations & Recommendations**

- Effective management and control of funds is demonstrated by a low error rate of the Programme (i.e. below the 2% EC threshold).
- Based on a review of the Guidance for Member States on management verifications it is evident that SEUPB has structures and processes following this guidance to meet Programme rules and regulations.
- Overall, it is evident that the staff within FCU staff are highly committed to the success of the Programme implementation and supporting Lead/Project Partners in the claims process.

Verification Process

- SEUPB to consider creating tailored templates and/or checklists for Project Partners to complete when submitting their supporting documentation for the sampled lines. This would guide Project Partners on what information is needed and reduce excessive volumes of unnecessary documentation.
- To verify outputs achieved, JS Case Officers often undertake a manual exercise, for example, reviewing and tallying attendance sheets, feedback forms etc. (which can sometimes be scanned hard copy versions). There should be a requirement for Lead/Project Partners to collate raw data and analyse before issuing to JS in electronic form to be sample and/or spot-checked.
- There are cases where FCU has verified large claims, yet this may be disallowed by JS. There should be opportunities for FCU and JS staff to come together at an earlier stage to review claims in parallel. In cases where outputs are not being met then sampling and administration verification should not take place until resolved, to create efficiencies.
- The multi-layered approval process from FCU, JS, MA and CA requires a 4-month processing time, which is a long process. For future Programmes (post 2020), consideration should be given to merging processes, for example, merging FCU and JS roles to allow verification of outputs and expenditure to occur simultaneously rather than as subsequent stages. Consideration should be given to merging MA and CA responsibilities, as per one of the simplification measures provided by the EC regulatory framework. Although, there is need for more EC guidance on legal requirements under this simplification option.

Reporting

- For future Programmes (post 2020), there needs to be a more balanced approach to reporting on eMS. For example, no data/information entered by Project Partners is retained on eMS between reporting periods. The retention of data in eMS (or future system) is recommended from the previous report to the current report to greatly improve efficiency and user satisfaction levels. This would allow users to update information, rather than starting from a blank report each quarter. *This issue was reported in the Year 2 Implementation Evaluation and raised by SEUPB to INTERACT – who have agreed to put this request on their enhancement wish list to be developed within the core system.* This should be followed-up and actioned within the current Programmes.

Role of Lead Partner

- In the current process the Lead Partner can only view Progress Reports once a FLC certificate is received per Project Partner, before they can compile a consolidated Project Report. As Lead Partners are responsible for ensuring eligibility of expenditure, then it is recommended that the Lead Partner should have first sight of Partner Reports prior to submission to FCU. This may help to reduce errors prior to being sent to FCU for review.
- There is duplication/repetition with having individual Partner Reports and an overall Project Report. Going forward it is recommended that the role of the Lead Partner is extended i.e.
 - SEUPB should consider the option of all claims being submitted through the Lead Partner to the FCU; one consolidated Project Report submitted to FCU (rather than individual Partner Reports); one FLC issued per project per reporting period (rather than a Project Partner basis). Although, this would represent a move away from establishing an error rating on a Project Partner basis to an overall Project.
 - The Lead Partner should be resourced to monitor the Project Partners' claims prior to submission to SEUPB, (to ensure supporting documentation to evidence claim are sufficient) and to allow the Lead Partner to liaise with Project Partners to develop a joint consolidated Project Report to FCU. This is likely to reduce the workload for FCU as Lead Partners will assume more verification responsibility. This recommendation is dependent on system re-configuration and additional resources, the merits of which should be considered as part of the development of PEACE PLUS.
- An alternative processes could also be considered such as: instead of Project Partners reporting individually, suggest that Project Partners report on a Work Package basis (to include an 'approve' button for Lead Partner to sign-off data provided). This would create a more streamlined approach to reporting. Although, this would require reconfiguration of eMS (or future monitoring system post 2020).

Effective Partnerships

- Payments are only made upon a FLC being issued to each Project Partner and the receipt of the consolidated Lead Partner project report. This effectively means that Project Partners who are compliant and timely with their claim submissions are subject to waiting for payment until all Project Partners are approved – this issue becomes more apparent in larger partnerships.
- It is important that SEUPB re-emphasises the roles of Lead and Project Partners and their respective responsibilities and the impact of potential partnership breakdown on the verification and payment of claims. 'Leadership and Capacity Building' training was provided to all themes in 2019. This will help ensure partnerships are working at an optimum level.
- FCU staff respond to claims on a first come first served basis and do not take an overarching view of the project/partnership, however it is recommended that FCU should identify partnerships where only Project Partner claim is outstanding and alert relevant JS Case Officer to contact to encourage timely submission. Focusing on completing verification on a partnership level may create improved workflows to allow progression to the consolidated Project Report stage and subsequent payment.

6 SIMPLIFICATION MEASURES

6.1 Introduction

This section outlines key lessons from the adoption of the following key simplification measures:

- eMS and any new systems to promote e-Cohesion principles.
- Simplified Costs Options (SCOs)
- Outputs-Result Orientated.

A study, commissioned by the EC (2017)¹⁷ indicated that overall, the efforts to reduce administrative costs and burden are paying off. For ERDF/CF Programmes, the simplification measures imply a reduction of administrative costs of 4 to 8% and a reduction of administrative burden of 9 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.

Within Member States, the EC advises that simplification should also address gold-plating and unnecessary administrative requirements, adding that there is a significant potential for savings through better use of modern technologies.

6.1 E-Cohesion

The implementation of e-Cohesion is one of the elements aimed at simplifying the implementation of ESIF funded Programmes during this 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.

To achieve the objective of simplification, the implementation of e-Cohesion aimed to have a wide impact on the following areas:

- Electronic submissions of applications, assessments and awards of grant.
- Monitoring and reporting of progress on the achievement of milestones and outputs.
- Submission of expenditure claims for payment, the verification and payment of valid claims.
- Submission and management of financial forecasts.
- Exchange of information related to management verifications and audits.
- Declarations of expenditure to the EC.
- Monitoring reports and evaluations to the EC.
- Recording, storage and retrieval of information.

The principles of e-Cohesion have been achieved by SEUPB adopting the INTERACT Electronic Monitoring System (eMS). SEUPB worked closely with the system developers (CPB, a Vienna based company, who were responsible for the development of the original database for INTERACT) to configure the system. Following a period of bespoke development to ensure that the eMS system could host the specific needs of the PIV and IVA Programmes, the eMS went live on 1st March 2017. The financial processing module was operational to receive

¹⁷Sweco, 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

claims from beneficiaries three months later. The eMS system was fully operation in 2018 and software upgrades towards end of 2018 and 2019.

The Year 1 Implementation Evaluation (October 2017) provides a detailed account of the development of eMS, as well as SEUPB's uptake of the system and configuration to best meet the needs of the PIV and IVA Programmes (e.g. tailored interface, enhanced forecasting facility; funding disaggregation; secure link to SEUPB finance system; and improved geographical information). The report also outlined teething problems and consequences resulting from the late adoption of eMS which meant that it could not be used at the outset of Programme implementation and SEUPB having to retrospectively transpose application data to eMS, which proved problematic and time consuming.

The Year 2 Implementation Evaluation (August 2018) described the subsequent roll-out of eMS, where difficulties emerged with various system glitches and 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 resulted in a system not operating at an optimum level. It was noted that this can only be resolved at a programming level and requires detailed discussions with the developers.

Our 'Review of processes within SEUPB's Financial Control Unit (October 2018)' provided a detailed list of 36 system glitches along with our proposed solutions to enhance eMS. The report notes that whilst, some of the issues may seem minor in isolation, when combined and considered as a collective, it has rendered the system inefficient from a user perspective. Improving the current system will greatly aid the implementation of the PIV and IVA Programmes and enhance the efficiency and overall effectiveness of eMS.

This Year 3 Implementation Evaluation acknowledges that SEUPB has worked with the system developers (CPB) throughout the programming period to agree amendments to improve functionality and have received system upgrades to address most of the issues identified. SEUPB will continue to liaise with CPB to meet the needs of the PIV and IVA Programmes, and importantly to help inform the development of any future system changes for PEACE PLUS.

6.1.1 Key Observations & Recommendations

For the future Programme, SEUPB has considered four system options:

- Option 1 - SEUPB procures/develops a new system (via open tender).
- Option 2 - INTERACT customises current eMS core system for post 2020 ETC Programme requirements.
- Option 3 - SEUPB adapts current eMS for PEACE PLUS Programme.
- Option 4 - INTERACT implements a new monitoring system (using experience from the eMS project).

After careful consideration of the pros/cons of each of the above options, SEUPB has opted for Option 4, as there is confidence that Programme specific and EC regulatory requirements can be fully met and in a way that is efficient, provides value for money, and is delivered in time for the start of the new Programme Period in 2021.

SEUPB notes that any new system needs to build upon lessons learned from current implementation, reduce risks and lead to increased simplification.

Key findings from the INTERACT impact evaluation about the advantages of building a new system include:

- Unique opportunity to use new and better technology, make system more user friendly and improve functionalities (improve system architecture, usability, workflows etc.).
- Eliminate known system issues such as rounding and overly complex source code.
- Chance to re-think the development process and quality assurance.
- Chance to introduce automatic testing.
- Strategic step toward more harmonisation among Programmes and less complex, more stable software.

INTERACT outlined the following measures to reduce risks and improve the future system:

- Learn from experience with the current eMS.
- Improve incident management and introduce automatic testing.
- Improve user friendliness.
- Clarify decisions and prioritise rules.
- Deliver more training and better documentation.
- Promote and communicate better.
- More frequent releases and agile project management.
- Define more clearly vision and guiding principles.

The PEACE PLUS Programme:

INTERACT recently confirmed (December 2019) the future eMS with financial resources allocated to commence working on the new improved system – with the aim to have the application form module ready in the first half of 2021.

Key lessons from PIV and IVA:

- Provide induction training on eMS for all Project Partners. In the PIV and IVA Programme, no formal training on eMS was provided for Project Partners on the basis that it is an intuitive system and the fact that SEUPB provided comprehensive user guidance. This was a missed opportunity, as Project Partners became increasingly anxious and frustrated with the perceived inflexibility of the system, coupled with technical glitches. More detail is provided in Section 7.3 Training and Support.
- Convene SEUPB/Project Partner user-group workshop(s), focused on functionality (to be facilitated by CPB) to help each party understand system needs, issues and/or limitations. By communicating this commitment to users will enhance confidence that issues raised by individuals have been considered, and where possible changes made to improve future iterations of the current eMS and the future system design for PEACE PLUS.
- Any standalone SEUPB systems (e.g. the current standalone 'Data Dashboard' monitoring tool and ZoHo system used by Case Officers during site visits) should be integrated within the existing eMS and/or new system to streamline monitoring processes and thereby have a holistic view about projects in a central system.

6.3 Simplified Cost Options

The 2014-2020 Common provisions regulation (CPR) specifies that grants and repayable assistance may take the form of Simplified Cost Options (SCOs). SCOs signify a departure from the principle of actual costs, and 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 based on 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 MA proactively promoted the use of SCOs, for example calls for applications identified opportunities for SCOs and provided practical application, as well as information via thematic workshops (held prior to Stage 2 applications being submitted) to include a dedicated session on the adoption of SCOs. Furthermore, the Financial Controller provided an additional level of support to assist applicants in determining appropriate SCOs and calculating such costs for their applications.

The MA 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.

6.3.1 *Key Observations & Recommendations*

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.

- SCO can have a positive impact on the verification and audit phase, to reduce financial management costs for beneficiaries and MA. The EC's study (2017) notes that SCOs are currently the simplification measure whose help is most effective in reducing the administrative burden on beneficiaries. It can also help reduce implementation costs.
- For future Programmes (post 2020):
 - For the PIV and IVA, at the time of application many Project Partners did not 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 now be able to use the evidence gained from this Programming period, therefore the use of SCOs will be extended.
 - SEUPB is considering SCOs for 'Travel and Subsistence', based on empirical evidence a flat rate will be agreed for all projects, therefore removing the administration association with direct costs.
 - Further training support and advice to Project Partners at the pre-application phase on how to apply SCOs within their application/business plan.
 - Using case study examples to promote wider uptake of SCOs in terms of what has worked well in PIV and IVA to help reduce error rates and the administration burden.

- The wider adoption and application of SCOs would not only reduce administration to enable Project Partners to focus on quality outputs, but also act as an incentive to meet and exceed targets - as eligible costs are based on the real output.
- It is important that key learning from the EC on best practice approaches to reduce gold-plating is transferred in the design of any potential successor Programmes.

The PEACE PLUS Programme:

The EC has developed a ‘Simplification Handbook: 80 simplification measures in cohesion policy 2021-2027’ (June 2018)¹⁸ which highlights the following emphasis on the uptake of SCOs for future Programmes.

- Encouraging the use of simplified cost options from the start: Special templates attached to the Programme model in CPR which can (as an option) make discussion of SCOs part of the programming. This should also result in easier and wider use of these options. There is no need for a separate decision as it is incorporated in the programming decision. **The use of SCOs could reduce the total administrative costs by some 25%.**
- Extended use of simplified cost options instead of reimbursing actual expenditure based on invoices, payment will increasingly be based on flat-rate reimbursement, unit costs or lump sums. SCOs are further encouraged by simplifying rules and calculation methods, providing more off-the-shelf options and making them compulsory for operations of small amounts. **SCOs not only reduce bureaucracy linked to verifications, they also reduce the risk of errors.**

*Guiding Principles and Key Areas for Simplification in Post-2020 Delivery of Cohesion Policy*¹⁹ In the implementing phase, this review found that:

- There is considerable potential to further reduce administrative costs and burden by increasing the use of SCOs. For example: increase the existing threshold for the compulsory use of SCOs; use of flat rates for staff costs and other direct costs; using expert judgments and draft budgets to justify standard unit rates; using SCOs in the context of state aid.
- The European Court of Auditors and Cohesion Policy has recommended the extensive use of SCOs with a view to reducing the risk of error in cost declarations and the administrative burden on beneficiaries. Flat rates for SCOs should be systematically approved/validated in advance by the Commission so as to ensure that they meet the regulatory requirements (fair, equitable and verifiable calculation).

*Use of new provisions on simplification during the early implementation phase of ESIF*²⁰ found that:

- SCOs substantially reduces the number of documents that need to be provided and kept by the beneficiaries, and the complexity of the procedures to be implemented.
- The main motivation is the reduction of administrative burden, followed by the reduction of the risk of errors and mistakes/irregularities. Related benefits are the increased efficiency and effectiveness of financial management of the operations, which translates into a reduction of the time that elapses between application and assessment and between claim and payment. In the long run, that might attract more beneficiaries to take part in projects.
- Decrease in the administrative workload of Certifying Authorities and Paying Agencies with regard to the certification of expenditure entered in the accounts and to some degree also the maintenance of records of expenditure declared to the European Commission.
- The reductions of the administrative burden on the level of beneficiaries are linked to a number of different

¹⁸ Simplification Handbook - 80 simplification measures in cohesion policy 2021-2027 (June 2018) [Online] Available at: https://ec.europa.eu/regional_policy/sources/docgener/factsheet/new_cp/simplification_handbook_en.pdf

¹⁹ European Court of Auditors (2018) Simplification in post-2020 delivery of Cohesion Policy. Briefing Paper (May 2018) [Online] Available at https://www.eca.europa.eu/Lists/ECADocuments/BRP_Cohesion_simplification/Briefing_paper_Cohesion_simplification_EN.pdf

²⁰ Sweco, t33 & Spatial Foresight (June 2017), Use of new provisions on simplification during the early implementation phase of ESIF [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

tasks. The highest reduction is expected in relation to the financial management and preparation of the financial report. Other tasks affected (though to a lesser degree) are proving/verification of deliveries and compliance, keeping records and maintenance of the audit trail, and monitoring and reporting to the Programme management.

- Gold plating can be reduced (i.e. requirements imposed at national level which go beyond those set out in the EU regulations):
 - According to Managing Authorities
 - sharing existing knowledge between MA and other authorities across the EU.
 - disseminating good practice in the form of “quick wins” related to implementation.
 - **increase the knowledge and use of simplified cost options (SCO).**
 - promote institutional capacity, in order to decrease the presence of gold plating.
 - According to beneficiaries,
 - better alignment of EU and national regulatory framework.
 - **application of unit cost, lump sums, flat rate are most interest for reducing gold plating.**
 - enhanced IT-tools.

6.4 Output-Results Focused

The PIV and IVA Programmes aim to achieve specific objectives and related measures (output indicators and one or two result indicators) i.e.

- **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.

These output and results form part of an agreed Performance Framework for both Programmes, which is presented in **Annex III**. Targets and achievements are set for the years 2018 and 2023. The 2018 financial and output targets have largely been met, and in most cases exceeded for this period. This progress will contribute towards meeting final 2023 targets.

Focusing on core common indicators aims to ease monitoring and reporting requirements and has facilitated aggregation of data and reporting on achievements at EU level.

There is a minimum requirement for SEUPB to achieve at least 85% of the agreed outputs and results to meet the Performance Framework targets. If there is failure to achieve selected outputs, the EC has a clause in place that financial penalties may be incurred at a Programme level. If targets are not met, funds may be stalled and adjusted going forward until corrective action is taken to address shortfall in outputs.

At a project level, the MA provided ‘Output Indicator Guidance’ as 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 overall Programme. Projects are required to achieve 100% against output targets. In cases where outputs are being exceeded, projects are supported to maximise achievements.

6.4.1 **Key Observations & Recommendations**

The below highlights the diverse nature of the projects and demonstrates how SEUPB has had to be flexible and responsive to ensure that overall targets will be met. Due to the COVID-19 pandemic, further adjustments to outputs and results may have to be made to take account of the unprecedented circumstances.

- 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 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 Border Counties.
- The PIV Children and Young People (14-24 years) strand (Specific Objective 2.2) was subject to a review after Phase 1, due 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. It was agreed to amend the output indicators for Specific Objective 2.2, where €10.5 million was transferred to Building Positive Relations - Regional (Specific Objective 4.2) to fund five wait listed projects.
- As part of the IVA Research and Innovation (R&I) 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.

It is important to note that SEUPB has commissioned various independent evaluators to carry out separate Impact Evaluations for each of the PIV and IVA Programme Priorities, which will consider the achievement of output and result-outcome indicators and will make recommendations as to the suitability of indicators. However, we have noted a few over-arching observations:

- The terminology used for result indicators is more akin to activities and outputs and not the impact to be achieved. For example, there is reference to numbers achieved and less on how this will create transformational change i.e. the intervention logic needs to be more clearly defined.
- It is unclear how some of the result indicators will be measured, for example 'local action plans that result in meaningful, purposeful and sustained contact between persons from different communities'; or 'movement from 'a little' to 'a lot' of collaboration; 'good' to 'high quality' – it is not clear how these parameters are defined nor how they can be measured.
- There are instances where targets have been set at an unrealistic level (IVA Environment ref Annex III, Table 2) without due acknowledging how external factors can affect achievement. There are other instances where targets were set too low (IVA Research and Innovation, ref Annex III, Table 2), and where targets have been greatly exceeded, which raises the question as to the suitability of the original target.
- It is imperative that outputs/targets follow the SMART rule i.e. specific, measurable, realistic and timebound. The Output Indicator Guidance (OIG) document, issued by SEUPB to applicants, also states that result indicators should be responsive to policy; robust, reliable, and statically validated; and timely.

- Throughout SEUPB's guidance material and communications it is evident that extensive references are made to the importance of meeting the output and results that the Programme sets out to achieve. However, key documents²¹ issued to applicants do not explicitly reference the OIG as a standalone document. SEUPB should consider consolidating 'The Guide for Applicants' and Output Indicator Guidance into one document, for ease of reference for applicants.
- The OIG is not easily found on SEUPB's website. There should be a central repository for applicant/project information. Project Partners should be provided with more support on how to effectively evidence the achievement of outputs and results.
- As Impact Evaluations become available, there is a requirement for a central repository or projects and a wider audience to access and appreciate the outputs and results of PIV and IVA funding. NB. In terms of the PEACE Programme, SEUPB is currently developing a learning 'Peace Platform', which will create a fully interactive repository and digital library, a space for continuous learning, sharing best practice, communication and understanding of activity funded.
- SEUPB is committed to increase the result orientation of the Programmes by making projects more focused on results. For the PEACE PLUS Programme, it is important that expertise is gained in the early development of funding calls and results/output indicators specific to each call, particularly technical expertise for INTERREG related projects.

²¹these include: Funding Call; Guide for Applicants; and the Stage 2 Business Plan Guidance

7 DELIVERY STRUCTURES & TRAINING

7.1 Introduction

This section outlines the PIV and IVA delivery structures and provides an overview of training and support needs of Programme staff and project beneficiaries.

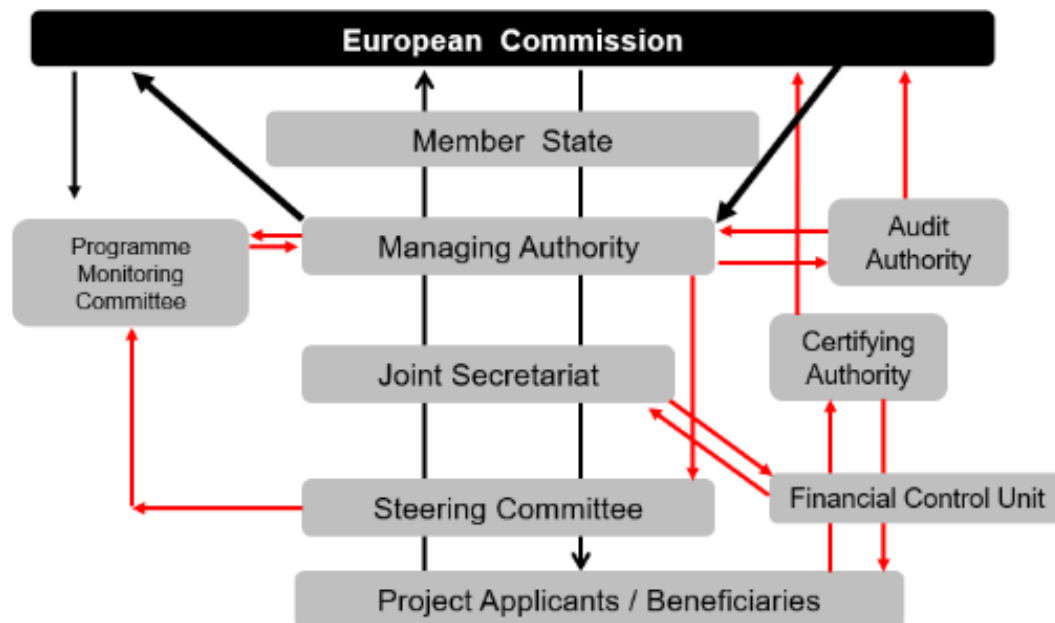
It is acknowledged that SEUPB has undertaken an internal review/mapping exercise of systems and processes, which will inform the new programming period. It is also noted that SEUPB commissioned an independent Customer Training Needs Analysis (2019) to identify any gaps in support.

7.2 Delivery Structure

SEUPB has significant experience, spanning over 21 years,²² of managing large-scale EU funded Programmes.

The figure below presents the Programme management structure for the current PIV and IVA programming period. There are 57 full-time equivalent members of staff in SEUPB.

Figure 7.1: Programme Management Structure



- Based on the evaluators' interaction with staff members, it is evident that they are highly committed to the successful implementation of the Programme and supporting project beneficiaries.
- Considerable efforts have been made by SEUPB to achieve full commitment of the Programme and mobilisation and roll-out of approved projects. For PIV, 103% of total project budget has been committed. For IVA, 102% of total project budget has been committed (as of March 2020).

²² 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.

- Based on March 2020 figures, N+3 expenditure targets have been exceeded.
- SEUPB has taken a lead role in promoting PIV and IVA across the EU community. There has been an increased level of communication and advocacy work to promote the outcomes of the funding.
- In terms of the Performance Framework (**Annex III**), both financial and output targets have largely been met, and in most cases exceeded for key milestones set for 2018. This progress will contribute towards meeting final 2023 targets. Although the recent Covid-19 pandemic will potentially impact on the achievement of targets. SEUPB will continue to engage with the EU on such matters and, if appropriate, negotiate different ways of working to achieve targets and/or a possible extension within the N+3 timeframe.
- Considerations for SEUPB in terms of the operating model and resource requirements for the future Programme:
 - At peak times, SEUPB has commissioned additional support e.g. 100 days of Managed Services to support FCU claims process, therefore indicating the need for an increased staff complement.
 - As part of its wider Development and Innovation Plan, SEUPB is undertaking an Organisational/Corporate Review to include a process mapping exercise to determine potential efficiencies and opportunities for streamlining process. Subsequently, staffing allocation can be aligned to the required processes to best deliver current and future Programmes.
 - 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. To address potential issues, SEUPB has endeavoured to encourage cross-functional working and communication across departments, for example by facilitating internal co-operative events/sessions to ensure consistency of approach and to avoid mixed messages going to projects.
 - Cross-functional teams should be set up on a theme basis to promote consistency of approach and sharing good practice.

7.3 Training & Support

7.3.1 Programme Staff

An annual calendar of training for SEUPB staff has been devised to support effective project implementation throughout the programming period. The training programme comprises of following modules: EC regulations; The General Data Protection Regulation (GDPR); result orientation and programme evaluation; eligibility of expenditure/procurement; monitoring, reporting and budgeting; eMS familiarisation sessions; risk management including fraud awareness; policy, information and publicity; state aid; and horizontal principles.

In the absence of formal training for eMS, staff members/Case Officers have become equipped with the experience of using the intuitive system, largely derived from the need to retrospectively transpose applications to eMS (at the early stages of both Programmes). This experience helped Case Officers to transfer learning and support to Project Partners where necessary. It is evident that SEUPB staff would have welcomed eMS induction training (training was provided to SEUPB staff by the eMS provider in October 2018 – some 19 months after the system went live).

SEUPB's marketing and communications team are proactive in promoting the Programme locally, regionally and at a European level, as well as supporting the information flow among staff by providing a quarterly newsletter and various briefings to keep all staff members up to date about the current and new Programme developments.

7.3.2 *Project Beneficiaries*

In terms of PIV and IVA, SEUPB is responsible for managing 129 projects involving 448 Project Partners.

Table 7.1: Number of Projects and Partners

	No. of projects approved	No. of Lead Partners	No. of Project Partners	Total no. of Project Partners
PEACE IV	96*	96	159	255
INTERREG VA	33	33	160	193
TOTAL	129	129	319	448

*LAs are responsible for delivering 3 separate projects/themes each, bringing total number of PIV projects to 96 projects (including Technical Assistance). NB. There are 62 projects if LAs are counted once.

The MA devised a range of measures to assist project beneficiaries, to include:

- A Dedicated JS Case Officer for each project to support implementation, responsible for providing guidance and addressing queries. JS currently visit projects on a quarterly basis to review outputs, which are recorded in real-time via an online tool (ZoHo) to create efficiencies in monitoring processes and report uploads.
- A dedicated FCU Case Officer is also assigned to each project, responsible for working closely with projects to address any queries relating to claims and verification and carries out at least one site visit during the project lifetime.
- A 'National Contact Point' is based in Glasgow to provide additional support to IVA projects in Scotland.
- Wide range of resources and support documentation is available to applicants/project beneficiaries:
 - The Cooperation Programme and associated Citizens' Summary.
 - The 'Programme Rules' – seek to provide information in a user friendly format to describe and explain the rules of the Programmes and give guidance on all phases of the project lifecycle (including information on eligibility of expenditure, procurement, budgeting, state aid etc.). In keeping with a focus on simplification, a common set of rules have been developed for the PIV and IVA.
 - An 'Applicants Guide' is also available, which describes in detail the type of information to be provided to score well against the criteria.
 - A Local Authority Partnership Guide to support development of PIV Peace and Reconciliation Action Plans.
 - Impact Assessment Toolkit for Cross Border Cooperation, developed by the Centre for Cross Border Studies as part of an IVA funded project, intended to be a practical guide to assist with planning cross-border projects.
 - 'Output Indicator Guidance' for measuring and recording achievement for indicators.
 - FAQ and Lead Partner Support section on the SEUPB website.
- Access to communications functions (social media, newsletters, updates).

- It is noted that the MA and Communications team have actioned a review of all guidance material, as well as data presentation and support for projects to be based on theme/priority to promote ease of information access.

Training Programme

- The MA also developed a comprehensive training programme, commencing with information seminars, workshops, and various resources/guidance materials at the early pre-application stage. To ensure that all projects could avail of the training, training was held across the eligible region.
- This support has evolved in line with the stage of implementation, which now focuses on supporting Project Partners during project mobilisation, implementation and lessons learned.

The table below highlights the number of training sessions and participants from 2017 to date, with 2,121 participants attending 57 sessions overall.

Table 7.2 Training Programme Summary

Year	No. of training sessions/events	No. of participants
2017	14	689
2018	27	802
2019	15	608
2020 (up to March 2020)	1	22
Total	57	2,121

Table 7.3 provides a further breakdown of sessions provided per year. Overall, feedback monitoring forms are positive about the training experience, with most delegates indicating that the learning would greatly assist them with their work.

Table 7.3 Training Programme Details

Training	Description	Year/Actual Attendees	No. Sessions/
General Programme guidance			
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.	2017:3 sessions/194 attendees 2018:1 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 Programme Rules including financial management/forecasting/ budgets. Following this, individual clinics were held.	2017:8 sessions/357 attendees 2018:1 session/66 attendees	
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.	2017:3 sessions/138 attendees 2018:4 session/111 attendees	
Communications workshops		2019: 4 sessions/134 attendees	
Thematic Sessions (1) Output Indicator Guidance (2) Accuracy of Claims (3) Simplified Cost Options (4) Project Reporting & Performance (5) Fraud and Irregularities (6) GDPR		2018:10 sessions/238 attendees	
Scottish Partners Event: (1) Programme Info Seminar (2) Info and Communications (3) State Aid (4) Accuracy of Claims		2018:1 session/34 attendees	

Training	Description	Year/Actual Attendees	No. Sessions/
	Local Authority Workshops (1) Output indicator guidance (2) Accuracy of claims (3) Simplified Cost Options (4) Project reporting & performance (5) Fraud & irregularities (6) GDPR	2019: 3 sessions/78 attendees	
	Lead Partner Forecasting	2019: 1 session/165 attendees	
	Project specific events		
	Shared Space Applicants Awareness Seminar	2018:1 session/76 attendees	
	Shared Space Second Funding Call Workshops	2018: 3 sessions/95 attendees	
	Electric Vehicles Funding Call Workshop	2018:1 session/26 attendees	
	Sustainable Transport: Baseline Data and Performance Measurement	2018:1 session/18 attendees 2019: 1 session/18 attendees	
	Local Authority workshops: (1) Peace and Reconciliation (2) Leadership (3) Networking	2018:3 sessions/61 attendees	
	Local Authority workshops: (1) Peace and Reconciliation	2019: 1 session/61 attendees	
	Building community cohesion pre-application workshop	2019: 1 session/31 attendees	
	Building emotional resilience in the community	2019: 1 session/62 attendees	
	BPR: Regional Application Assistance sessions	2019: 2 sessions/14 attendees	
	Sustainable Transport workshop (Greenway projects)	2020: 1 session/22 attendees	
	Lesson Learned events		
	Health and Social Care mid-term evaluation conference	2019: 1 session/45 attendees	
	Children & Young People Evaluation conference	2018: 1 session/39 attendees	

Training Needs Analysis

- The Year 2 Implementation Evaluation (2018) recommended that SEUPB carry out a skills audit/training needs analysis which will identify key strengths and any skills gaps to be met via training. SEUPB subsequently commissioned 'Think People' to conduct an independent Customer Training Needs Analysis (CTNA) with the findings reported in July 2019.
- The CTNA issued an online survey to 239 Project Partners, with a 36% (n=87) response achieved. Some key findings include:
 - 63% agreed that *“Training and support from SEUPB has been practical and helped my organisation manage the project”*. Higher proportion of PIV (94%) agreed with this statement when compared to IVA (78%).
 - IVA respondents would prefer to access training from the SEUPB via classroom-based learning (72%), whereas the preferred method for PIV respondents is skills sharing and networking (66%).
 - The top five project management training requests include: understanding Programme rules, project closure, procurement, claims and outcomes reporting.
 - Respondents priorities for effective reporting include: eMS, project forecasting, using the dashboard and measuring project outputs.
 - Despite having received training, Lead Partners would like additional support in helping them to understand their role and to develop skills required to effectively lead projects. Project Partners also asked for this support, and to better understand what level of support to expect from their respective Lead Partners.
 - 91% of respondents expressed a desire to learn from other organisations.
 - Additional support and training on the use of eMS was raised.

eMS

SEUPB introduced the eMS Self Service Support Portal – ‘Freshdesk’ as an online helpdesk to support to applicants using the eMS. Freshdesk was launched at in parallel to eMS going live. Freshdesk involves a ticketing system where applicants/project beneficiaries can field questions to SEUPB staff to answer. There are four staff members/case officers available on a rotational basis to answer questions, to include technical support (IT) and other issues relating to implementation (JS) and/or claims (FCU).

In terms of processing; there are four classifications that an applicant can choose with the following processing times (the times are stipulated by the system); Low Priority – response required within 5 days; Medium Priority – within 3 days; High Priority – within 48 hours; and Urgent – within 24 hours. The query is closed if the applicant does not respond to resolution within 2/3 days of asking them to confirm.

There has been a continual downward trend in the usage of FreshDesk by eMS users, from a peak of 831 tickets in 2017 (reflecting users first experience of eMS); 519 tickets in 2018 and 185 in 2019. Feedback from users indicates that they are now familiar with the system, although staff turnover within projects reinforces the need for FreshDesk as a mechanism to support projects throughout the life of the programming period.

SEUPB did not offer eMS training for Project Partners. This was based on eMS being an intuitive system; due to resource implications within the organisation; and the need for mobilisation of projects. Instead, SEUPB has made resources available online to include support manual and support requests via Freshdesk. As stated in the previous Implementation Evaluation reports (2017 and 2018), we believe that not providing training was a missed opportunity as Project Partners became increasingly anxious and frustrated with the perceived inflexibility of the system, coupled with various technical glitches.

SEUPB now acknowledges that through engagement with other ETC Programmes who are also using the eMS, it is evident that training at the early stages of implementation would have been useful for beneficiaries and may have reduced the need for FreshDesk and ad-hoc direct engagement. Any future Programmes should ensure user training is provided as standard before claims are received for example, focusing on SCOs as used by beneficiaries.

The Year 2 Implementation Evaluation (2018) recommended that consideration should be given to creating short YouTube videos and/or webinars as a suite of training for projects, such as basic videos of Case Officers’ walking through a claim process and/or applying a simplified cost. ‘Think People’s’ CTNA report (2019) also recommended that SEUPB use webinars and screencasts to demonstrate in a very practical way how to complete claims or verifications, and how to effectively use eMS. SEUPB has actioned this by creating eight online training videos (Table 7.4)²³ to assist with the various administrative and reporting operations projects encounter when submitting a claim. These are concise and easy to understand, making good use of eMS visuals and Q&A session with Case Officers.

SEUPB is committed to adding to this catalogue of videos, focusing on areas frequently cited by Project Partners when submitting a claim. These videos are a welcomed addition to SEUPB’s training portfolio and will prove to be beneficial for Project Partners for the current Programme and as a template for online training sessions for the future PEACE PLUS Programme.

²³ Link to SEUPB training video content: <https://www.youtube.com/playlist?list=PLj7bUdCIRWdE8uoXChaMQxTrFAJITmx9I>

Table 7.4: SEUPB online training videos

On-line webinars	Duration (approx.)	No. of views
How to claim: Staff Costs - For Staff working full-time on the project	7 minutes	85
How to claim: Travel and Accommodation Costs	7 minutes	50
eMS: List of expenditure section of the partner report	2 minutes	44
How to claim: Staff Costs - For Staff working part-time on the project	10 minutes	44
eMS: How to complete the "Contributions and Forecast" Section: Contributions	3 minutes	34
eMS: How to create a partner report	2 minutes	41
How to claim: Office and Administration Costs	5 minutes	30
eMS: The Sections of a Partner Report	2 minutes	31

FCU staff have included a link to these training videos in their email signatures, to help promote the additional support available. It has also proven to be useful in that staff can now signpost Project Partners to training video rather than having to repeat guidance.

Quality Impact Body (QIB)

A QIB (YouthPact) has been set up for the PIV Children & Young People's Programme to provide an impact support role and quality assurance role working with the projects directly working with young people, aged 14-24 years. Key success of QIB include:

- Helped mobilised the projects in terms of set-up; supporting and upskilling of youth workers (x 240) to deliver activities; and recruitment of participants/young people.
- Pivoted to respond to needs such as project recruitment and safeguarding capacity.
- QIB personnel have been a good sounding board and have given excellent levels of engagement.

In terms of improvements, QIB should assess performance in terms of output numbers achieved, a gap in the current model. Going forward, any future QIB model should consider both outputs and impacts to better assess individual project performance. It is acknowledged that QIB would have benefited from being provided with more freely available data from the various projects funded to monitor performance more closely.

7.3.3 Key Observations and Recommendations

The MA has developed a comprehensive support and training programme, which is in line with the stage of implementation. There is evidence of good attendance and positive feedback from participants.

For the future PEACE PLUS Programme, there should be a greater focus on:

- **Pre-application Support**
 - Development of a robust pre-development support package tailored per Programme theme, to prepare potential applicants to enter PEACE PLUS. This support should include the introduction of expertise at an earlier stage to help develop feasible projects and quickly mobilise successful projects. This will increase the quality of applications and reduce the level of administration surrounding the clarification process.
- **Implementation Support**
 - Continuation of blended training approach to include a mix of online educational materials and opportunities for interaction offline with traditional place-based workshop methods.
 - Creating online training content requires SEUPB staff to enhance skills and become competent in developing creative content for webinars and screencasts.

- Due to the current pandemic, there has been a greater focus on virtual contact (to abide by social distancing rules). In these circumstances, some Project Partners may need to be upskilled in the use of technology; as well as support to seek innovative ways to diversify projects to meet targets.
- Enhanced support to prepare Project Partners to administer project, for examples claims to reduce the number of errors and project modifications.
- A one-day training on how to submit claims and supporting documentation/evidence should be made mandatory.
- 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 MA is committed to meeting/reacting to demand.
- Consider the potential of a dedicated Quality Impact Body per priority, where necessary, with specific expertise to aid project mobilisation and implementation i.e. reviewing outputs and impact achieved as well as supporting timely corrective action to ensure performance framework targets are met.
- **Partnership Working:**
 - Focus on partnership building – increasing capacity of Lead Partners to effectively lead and support Project Partners. Leadership and Capacity Building training was provided to all themes in 2019 and should form part of any future training portfolio.
 - Consideration should be given to the potential impact of Brexit where Project Partners may be working in different jurisdictions with varying legislation which could influence project delivery. Therefore, training on developing partnership working is fundamental to the creating strong, effective partnerships.
 - Increased use of information exchange platforms and networking opportunities to share learning and develop a portfolio of good practice. The new PEACE Platform should support this activity also permitting the real time sharing of information between projects across all objectives.
- **Simplification Measures**
 - Any potential future eMS should include induction training and the increasing use of webinars to support the claims and reporting process.
 - Focus on supporting Project Leads to report on outcomes/results achieved.
 - The adoption of SCOs presents a training need to ensure that Case Officers are fully aware and confident in their application, particularly for the future programming period which will likely include the wider use of SCOs.

8 CONCLUDING COMMENTS

8.1 Conclusions

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). Overall, €564,073,780 has been committed, representing 102% of the combined budget for PIV and IVA.
- Considerable efforts have been made by SEUPB to achieve expenditure levels aligned with targets, with N+3 targets exceeded for both Programmes (€128.69m against target of €103.8m for the year 2020).
- It is acknowledged that SEUPB's experience in managing these funds and previous Programme records indicate that any potential risk of de-commitment will be minimised at the end of the programming period. SEUPB's regular communication with the EC will continue, and the outworking of mitigating measures, to support projects during the COVID-19 pandemic, will be monitored closely.
- 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.
- The respective governments are committed to the successful implementation of current Programmes and the successor PEACE PLUS Programme.

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

- Enhanced pre-application development support – robust package of support measures to equip applicants with the knowledge, competencies, and access to expertise to develop well-defined and feasible project proposals.
- Implementation support – enhance the skills and capacity of beneficiaries to implement projects and reduce admin burden, for instance a focus on blended training measures will help Project Partners efficiently manage claims and better understand requirements for relevant, timely, supporting documentation.
- Partnership working: Maintain a focus on capacity building training so that project beneficiaries have the required skills to lead, manage and deliver projects. Provide Lead Partners with resourcing and support to review Project Partner claims/reports prior to issuing to FCU. To further support collaborative working, encourage the greater use of technology to communicate across all levels, particularly in the current climate.
- Simplification Measures:
 - E-Cohesion: the adoption of new technology to enhance current systems.
 - Greater uptake of SCOs to reduce admin burden and reducing error ratings. Using the experience of PIV and IVA to provide the required three-year evidence in which to devise SCOs.
 - Output-Results Orientation: greater focus on output-result indicators, ensure the suitability of indicators and that these are developed to meet SMART criteria. In some cases, this will require technical expertise in the development of funding calls and results/output indicators specific to each call. There is also a need to provide training to support Project Partners on how best to report on results achieved.

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 Allocation	Match Funding	Total	% of total
1.1 Shared Education	€ 30,000,000	€ 5,294,118	€ 35,294,118	13%
2.1 Children and Young People - Regional (14-24)	€ 32,000,000	€ 5,647,059	€ 37,647,059	14%
2.2 Children and Young People - Local (0-24)	€ 14,500,000	€ 2,558,824	€ 17,058,824	6%
3.1 Shared Spaces & Services - Regional (Capital)	€ 45,000,000	€ 7,941,176	€ 52,941,176	20%
3.2 Shared Spaces & Services - Local	€ 24,500,000	€ 4,323,529	€ 28,823,529	11%
3.3 Shared Spaces & Services - Victims and Survivors	€ 15,000,000	€ 2,647,059	€ 17,647,059	7%
4.1 Building Positive Relations - Local	€ 30,000,000	€ 5,294,118	€ 35,294,118	13%
4.2 Building Positive Relations - Regional	€ 24,419,162	€ 4,309,264	€ 28,728,426	11%
<i>Project Budget</i>	€ 215,419,162	€ 38,015,146	€ 253,434,308	94%
5.1 Technical Assistance	€ 13,750,158	€ 2,426,498	€ 16,176,656	6%
Total	€ 229,169,320	€ 40,441,645	€ 269,610,965	100%

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

PIV - Achievement against Performance Framework

NB. 01 March 2020 The outputs above are self-declared and will be subject to verification.

Table 1

Priority axis		P1 - PROMOTING PEACE AND RECONCILIATION								
Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Progress towards 2018 Milestone (Dec 2018)	% 2018 milestone achieved	Comment	Final target (2023)	March 2020	Outputs achieved against final 2023 target	
1.1	O	The number of schools involved in shared education.	Schools	0	n/a	-	-	350	469	134%
1.2	O	The number of trained teachers with the capacity to facilitate shared education.	Persons	0	n/a	-	-	2,100	1,252	60%
1.3	O	The number of participants in shared education classrooms.	Pupil per school year	19,200	39,835	207%	2018 target achieved (exceeded)	144,000	72,752	51%
2.1a	O	The number of participants aged 0 -24 completing approved programmes that develop their soft skills and a respect for diversity	Persons	5,000	7,911	158%	2018 target achieved (exceeded)	21,000	17,855	85%
2.3	O	Phase 1. The number of young people aged 14 - 24 who are most marginalised and disadvantaged completing approved programmes that develop their soft skills and a respect for diversity	Persons	0	n/a	-	-	1,875	1,784	95%
2.4	O	Phase 2. The number of young people aged 14 - 24 who are most marginalised and disadvantaged completing approved programmes that develop their soft skills and a respect for diversity	Persons	0	n/a	-	-	5,525	2,367	43%
3.1	O	Capital developments to create new shared spaces.	Number	0	n/a	-	-	8	(9 LoOs)	0%
3.2	O	Local initiatives that facilitate the sustained usage on a shared basis of public areas/buildings.	Number	0	n/a	-	-	17	17	100%
3.3		Individuals in receipt of advocacy support	Number of persons	0	n/a	-	-	6,300	2,299	36%

Priority axis		P1 - PROMOTING PEACE AND RECONCILIATION								
Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Progress towards 2018 Milestone (Dec 2018)	% 2018 milestone achieved	Comment	Final target (2023)	March 2020	Outputs achieved against final 2023 target	
3.4		Individuals in receipt of assessment/case work support/resilience support	Number of persons	0	n/a	-	-	11,350	5,651	50%
FI1	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)	€23,427,398	101%	2018 target achieved	€253,434,310	€57,017,495	22%
IS3.1	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	€44,009,047	83%	As all other Milestone in this Priority have been met and I is over 75% achieved, The Performance Framework requirements have been met.	€52,941,176	€59,423,786	112%
IS4.1	I	Local action plans that result in meaningful, purposeful and sustained contact between persons from different communities	Number of Letters of Offer issued	17	17	100%	2018 target achieved	17	17	100%

IVA - Achievement against Performance Framework

NB. 01 March 2020 The outputs above are self-declared and will be subject to verification.

Table 2

Priority axis		P1 - RESEARCH AND INNOVATION									
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Progress towards 2018 Milestone (Dec 2018)	% 2018 milestone achieved	Comment	Final target (2023)	Outputs Committed	March 2020	Outputs achieved against final 2023 target
<i>1.1 Enhancing research and innovation</i>											
CO01	O	Productive investment: Number of enterprises receiving support	Enterprises	0	n/a	-	-	20	78 ²⁴	99	495%
CO02	O	Productive investment: Number of enterprises receiving grants	Enterprises	0	n/a	-	-	10	26	9	90%
CO04	O	Productive investment: Number of enterprises receiving non-financial support	Enterprises	0	n/a	-	-	20	78	99	495%
CO24	O	Research, innovation: Number of new researchers in supported entities	Full time equivalents	0	n/a	-	-	514	635 ²⁵	274	53%
CO26	O	Research, innovation: Number of enterprises cooperating with research institutions	Enterprises	0	n/a	-	-	10	78	102	1020%
CO41	O	Productive investment: number of enterprises participating in cross-border, transnational or interregional research projects	Enterprises	0	n/a	-	-	10	75	95	950%
CO42	O	Productive investment: Number of research institutions participating in cross-border, transnational or interregional research projects	Organisations	0	n/a	-	-	5	29 ²⁶	24	480%

²⁴ For Outputs CO01, CO02, CO04, CO26 and CO41 figures are higher than anticipated due to the "lower level" of support offered by projects which is all under state aid de-minimis.

²⁵ The proposed overachievement of this target relates to the inclusion of a greater number of PhD students above anticipated weighting which has led to an increase in overall researchers for the same budget. Additionally, the initial Co-Operation Programme projections did not factor in Professor oversight time and this has now been included with reported metrics.

²⁶ This is higher than anticipated due to demand and level of co-operation presented by projects.

Priority axis		P1 - RESEARCH AND INNOVATION									
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Progress towards 2018 Milestone (Dec 2018)	% 2018 milestone achieved	Comment	Final target (2023)	Outputs Committed	March 2020	Outputs achieved against final 2023 target
<i>1.2 Promoting business investment in R&I</i>											
CO01	O	Productive investment: Number of enterprises receiving support	Enterprises	0	n/a	-	-	1,408	1,408	1,248	89%
CO02	O	Productive investment: Number of enterprises receiving grants	Enterprises	0	n/a	-	-	50	50	16	32%
CO04	O	Productive investment: Number of enterprises receiving non-financial support	Enterprises	0	n/a	-	-	19	19	4	21%
CO26	O	Research, innovation: Number of enterprises cooperating with research institutions	Enterprises	0	n/a	-	-	5	5	3	60%
CO41	O	Productive investment: number of enterprises participating in cross-border, transnational or interregional research projects	Enterprises	0	n/a	-	-	469	469	284	61%
CO42	O	Productive investment: Number of research institutions participating in cross-border, transnational or interregional research projects	Organisations	0	n/a	-	-	94	94	79	84%
1.22	O	Number of enterprises receiving one to one innovation advice	Number of SMEs	0	n/a	-	-	469	469	284	61%
1.23	O	Number of enterprises in receipt of an Innovation Capability Development Programme	Number of SMEs	0	n/a	-	-	94	94	79	84%
1.24	O	Number of enterprises engaging an Innovation Intern	Number of SMEs	0	n/a	-	-	70	70	16	23%
FI1	F	The total amount of eligible expenditure entered into the accounting system of	Euro	€6,596,196	€9,351,537	142%	2018 target achieved (exceeded)	€71,678,630		€20,106,709	28%

Priority axis		P1 - RESEARCH AND INNOVATION									
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Progress towards 2018 Milestone (Dec 2018)	% 2018 milestone achieved	Comment	Final target (2023)	Outputs Committed	March 2020	Outputs achieved against final 2023 target
		the certifying authority and certified by the authority									
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	219%	2018 target achieved (exceeded)	-			

Table 3

Priority axis		P2 - ENVIRONMENT									
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Progress towards 2018 Milestone (Dec 2018)	% 2018 milestone achieved	Comment	Final target (2023)	Outputs Committed	March 2020	Outputs achieved against final 2023 target
<i>2.1 & 2.2 Protecting and restoring biodiversity</i>											
2.111	O	Conservation Action Plans	Number of action plans	0	n/a	-	-	25	33	10	40%
CO23	O	Nature and biodiversity: Surface area of habitats supported to attain a better conservation status	Hectares	0	n/a	-	-	4,500	5,333	0	0%
2.211	O	Network of buoys for regional seas, including telemetry and oceanographic monitoring e.g. for seals, cetaceans and salmonids	Number of networks	0	n/a	-	-	1	10	4	400%
2.212		Models developed to support conservation of habitats and species	Number of models	0	n/a	-	-	5	5	6	120%
2.213	O	Marine management plans for designated protected areas complete	Number of management plans	0	n/a	-	-	6	6	0	0%
2.214	O	System for the prediction of bathing water quality and install real time signage	Number of systems	0	n/a	-	-	1	1	0	0%

Priority axis		P2 - ENVIRONMENT									
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Progress towards 2018 Milestone (Dec 2018)	% 2018 milestone achieved	Comment	Final target (2023)	Outputs Committed	March 2020	Outputs achieved against final 2023 target
<i>2.3 & 2.4 Investing in the water sector</i>											
2.311	O	Sewage network and waste water treatment projects to improve water quality in shared transitional waters	Projects complete	0	n/a	-	-	2	2	0	0%
CO19	O	Wastewater treatment: Additional population served by improved wastewater treatment	Population equivalent	n/a	-	-	-	10,000	10,000	0	0%
2.411	O	Cross-border drinking water Sustainable Catchment Area Management Plan: Research and Pilot project	Projects complete	n/a	-	-	-	1	1	0	0%
2.412	O	Develop and implement cross-border groundwater monitoring wells	Wells installed	n/a	-	-	-	50	50	2	4%
2.413	O	Establish 3 river water quality improvement projects	Projects complete	n/a	-	-	-	3	3	0	0%
FI2	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	€8,013,694	103%	2018 target achieved (exceeded)	€84,705,883		€20,174,822	24%
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	282%	2018 target achieved (exceeded)	-			
IS2.2	I	Nature and biodiversity: Amount of the letters of offer issued regarding projects intended to complete marine management plans	Euro	€2,000,000	€17,996,125	900%	2018 target achieved (exceeded) – milestone set very low	-			
IS2.3	I	Number of applications received by JS regarding projects intended to improve water quality in shared transitional waters.	Number of applications received	2	2	100%	2018 target achieved	-			

Table 4

Priority axis		P3 - SUSTAINABLE TRANSPORT									
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Progress towards 2018 Milestone (Dec 2018)	% 2018 milestone achieved	Comment	Final target (2023)	Outputs Committed	March 2020	Outputs achieved against final 2023 target
3.111	O	Cross-border multimodal public transport hub encompassing cross-border integrated services	Number of multimodal hubs	0	n/a	-	-	1	1	0	0%
3.121		New cross-border greenways to facilitate cross-border mobility	Kilometres	0	n/a	-	-	80	78.6	2.7	3%
3.131		Creation of a cross-border electric vehicle network to connect to the existing TEN-T EV network	Number of new and existing upgraded rapid chargers	0	n/a	-	-	73	73	0	0%
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	€6,683,306	154%	2018 target achieved (exceeded)	€47,058,824		€17,467,938	37%
IS3.1	I	Design/masterplan approved	Plan	1	1	100%	2018 target achieved				

Table 5

Priority axis		P4 - HEALTH									
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Progress towards 2018 Milestone (Dec 2018)	% 2018 milestone achieved	Comment	Final target (2023)	Outputs Committed	March 2020	Outputs achieved against final 2023 target
4.110	O	Develop new cross-border area interventions to support positive health and wellbeing and the prevention of ill health	Number of new interventions	0	n/a	-	-	12	8	8	67%
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	2,500	2,554	102%	2018 target achieved (exceeded)	15,000	25,000	4,574	30%
4.112	O	Develop new cross-border area community support services to support disabled	Number of services	0	n/a	-	-	2	3	2	100%

Priority axis		P4 - HEALTH									
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Progress towards 2018 Milestone (Dec 2018)	% 2018 milestone achieved	Comment	Final target (2023)	Outputs Committed	March 2020	Outputs achieved against final 2023 target
		people who are socially isolated (including the use of web based information outlining community assets)									
4.113	O	Beneficiaries supported by new cross-border area initiatives for disabled people of all ages who are socially isolated	Number of beneficiaries	0	n/a	-	-	4,000	4,468	381	10%
4.114	O	Develop a new cross-border area community and voluntary sector infrastructure to support clients who have recovered from mental illness (including utilisation of e-health e.g. patient records and support services)	Infrastructure	0	n/a	-	-	1	1	1	100%
4.115	O	Cross-border area clients in receipt of mental illness recovery services	Number clients with a recovery plan	0	n/a	-	-	8,000	8,000	2,195	27%
4.116	O	Develop and implement new border area frameworks for early intervention with vulnerable families	Number of frameworks	0	n/a	-	-	2	3	0	0%
4.117	O	Vulnerable families in receipt of an intervention	Number of families	0	n/a	-	-	5,000	5,125	1,406	28%
4.118	O	Establish cross-border frameworks, for scheduled and unscheduled care streams, to improve utilisation of scarce human, physical and financial resources	Improved utilisation frameworks	0	n/a	-	-	4	3	3	75%
4.119	O	Patients benefitting from scheduled and unscheduled care streams	Number of patients	2,500	2,642	106%	2018 target achieved (exceeded)	15,000	13,000	7,830	52%
4.120	O	Patients availing of e health interventions to support	Number of patients	700	842	120%	2018 target achieved	4,500	5,140	891	20%

Priority axis		P4 - HEALTH									
ID	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Progress towards 2018 Milestone (Dec 2018)	% 2018 milestone achieved	Comment	Final target (2023)	Outputs Committed	March 2020	Outputs achieved against final 2023 target
		independent living in caring communities					(exceeded)				
4.121	O	A shared cross-border framework and service for the identification, assessment and referral of patients identified as 'at risk'	Number of "at risk" patient interventions	0	n/a	-	-	2,500	2,838	208	8%
4.122	O	Specialist training and development programmes for cross-border area health and social care providers	Number of staff trained	0	n/a	-	-	3,800	2,516	1,398	37%
4.123	O	Develop infrastructure and deliver cross-border area health care intervention trials for novel but unproven healthcare interventions to prevent and cure illness	Number of intervention trials	0	n/a	-	-	10	11	0	0%
4.124	O	E-health research and evaluation mechanism for the evaluation of e-health and m-health solution	Number of evaluation mechanisms	0	n/a	-	-	1	1	0	0%
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	€4,533,022	79%	As all other Milestone in this Priority have been met and F14 is over 75% achieved, The Performance Framework requirements have been met.	€62,352,942		€7,897,889	13%

ANNEX IV: Processing Times

PIV Processing Times – Theme level (31 Jan 2020)

	Stage 1				Stage 2				LoO Issued			
	Number of Applications ⁽¹⁾	Ave no of weeks to Steering Committee ⁽²⁾	Target (Maximum Processing Time)	% of Applications Processed Within Target	Number of Applications ⁽¹⁾	Ave no of weeks to Steering Committee ⁽²⁾	Target (Maximum Processing Time)	% of Applications Processed Within Target	Number of Applications ⁽¹⁾	Ave no of weeks to LoO Issued ⁽²⁾	Target (Maximum Processing Time)	% of Applications Processed Within Target
1.0 Shared Education	5	6	12	100%	0	-	36	-	0	-	36	
2.1 Children & Young People	36	8	12	100%	18	34	36	100%	11	43	36	9%
2.2 3.2 4.1 Local Authority Action Plans	17	6	12	100%	16	21	36	100%	16	42	36	50%
3.1 Shared Spaces Capital Development ⁽³⁾	33	8	12	100%	31 ⁽⁴⁾	37	36	65%	7	37	36	71
3.3 Victims and Survivors	1	6	12	100%	1	31	36	100%	1	37	36	0%
4.2 Regional ⁽⁵⁾	31	8	12	100%	25 ⁽⁶⁾	36	36	16%	15	52	36	7%
Programme Level	123	8	12	100%	91	33	36	65%	50	45	36	30%

(1) No of applications excludes any withdrawn or deferred applications. 15 projects excluded from calculations in total (2 at SC1, 8 at SC2 and 5 at LoO). See below for full details*

(2) Calculation from Call Closure Date to Steering Committee or LoO Issued Dated rounded to the nearest whole number

(3) Shared Spaces Capital Development includes 2 separate calls. The second call went straight to Stage 2 Steering Committee. Aggregate figs therefore presented for Stage 2 and LoO issued only

(4) Comprised of 11 applications from first call and 20 applications from 2nd call

(5) Regional had 2 separate calls. Second stage went straight to Stage 2 Steering Committee. Aggregate figs therefore presented for Stage 2 and LoO issued only

(6) Comprised of 21 applications from first call and 4 applications from 2nd call

*Details of deferred or withdrawn applications (15 projects):

- Shared Education - 2 applications deferred at SC2 (refs 005 & 007) both now LoO issued
- Local Authority Action Plans - 1 applied deferred at SC2 (ref 006), now LoO issued
- Regional - 4 applications approved in principle at SC2 (refs 036, 038, 039 & 041) but placed on reserve list due to limited funding. All now LoO issued. Excluded from LoO issued calculations.
- Children & Young People - 2 applications excluded at SC1 (079 withdrawn, 101 late), 3 at SC2 (refs 074, 088 & 093 - all withdrawn) and 1 at LoO issued (ref 081 - approved in principle at SC2 but placed on reserve list due to limited funding. Subsequently approved)
- Shared Spaces Capital Development - 2 applications deferred at SC2 (113 & 133) both now LoO issued.

IVA Processing Times – Theme level (31 Jan 2020)

	Stage 1 ⁽¹⁾				Stage 2 ⁽¹⁾				LoO Issued ⁽¹⁾			
	Number of Applications	Ave no of weeks to Steering Committee ⁽²⁾	Target (Maximum Processing Time) ⁽³⁾	% of Applications Processed Within Target	Number of Applications	Ave no of weeks to Steering Committee ⁽²⁾	Target (Maximum Processing Time) ⁽³⁾	% of Applications Processed Within Target	Number of Applications	Ave no of weeks to LoO Issued ⁽²⁾	Target (Maximum Processing Time) ⁽³⁾	% of Applications Processed Within Target
1.1 Health and Life Sciences & Renewable Energy	10	8	12	100%	6	29	36	100%	5	38	36	0%
1.2 Enhance Innovation capacity of SMEs	3	5	12	100%	2	46	36	0%	1	60	36	0%
2.1 Habitats & Species	4	7	12	100%	2	35	36	100%	2	56	36	0%
2.2 Marine	8	6	12	100%	4	34	36	100%	3	50	36	0%
2.3 Transitional Waters	1	4	12	100%	1	39	36	0%	1	66	36	0%
2.4 River Basins	2	7	12	100%	1	35	36	100%	1	50	36	0%
3.1 Greenways	5	6	12	100%	4	32	36	100%	3	45	36	0%
3.1 Multi-modal Transport Hub	1	6	12	100%			36				36	
4.1 Health and Social Care ⁽⁴⁾	27	8	12	100%	21 ⁽⁵⁾	37	36	29%	9	56	36	0%
Programme Level	61	7	12	100%	41	36	36	56%	25	51	36	0%

- (1) Nine applications, that passed stage one, are excluded from stage two (and LoO issued) calculations as they were either deferred (7 projects) or withdrawn (2 projects). See below for more details*.
(2) Calculated from Call Closure Date to Steering Committee or LoO Issued Date, rounded to the nearest whole number.
(3) The Cooperation Programme states that Stage 1 should not exceed 12 weeks from call closure and Stage 2, including the issue of the Letter of Offer should not exceed 36 weeks from call closure.
(4) Cross-Border Health & Social Care had 2 separate calls. The second call went straight to Stage 2 Steering Committee. Aggregate figures therefore presented for Stage 2 and LoO issued only.
(5) Comprised of 15 applications from first call and 6 applications from 2nd call.

*Details of Deferred and Withdrawn Applications (9 projects):
Health and Life Sciences & Renewable Energy - 2 projects (Ref 047 & 053, both subsequently approved & LoO Issued)
Marine - 2 projects (Ref 038 and 5060 deferred and subsequently approved & LoO Issued)
River Basins - 1 project (Ref 027, subsequently approved & LoO Issued)
Multi-modal Transport Hub - 1 project (Ref 039, subsequently approved & LoO Issued)
Health & Social Care - 3 projects (Ref 011 withdrawn at Stage 2, Ref 012 subsequently approved & LoO Issued, Ref 058 withdrawn at stage 2)

ANNEX V: Simplified Cost Options

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

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 Sklodowska-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.	
		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.