

- c) Copy of the Scoring Framework for Measure 1.5 (Item 8)
- d) Copy of the Scoring Framework for Measure 3a3 (Item 8)
- e) Copy of “A modern regional policy for the United Kingdom”
March 2003 – Post 2006 Consultation Document (Item 10)

1.4 Resignation

The Chair advised members that as of 31 March 2003 Ann Carter-Gray, former SBS East Midlands Regional Director, had returned to SBS Head Quarters. There is no successor to her post and she has formally resigned from the PMC from this date.

2. Apologies and List of Attenders

2.1 Apologies for absence had been received from: Tony Aitchison (Regional Assembly); Abby Johnson Brennan (East Midlands Development Agency); Cllr Katrina Bull (Greater Nottingham Partnership); Cllr Geoff Carlile (North Derbyshire and North Nottinghamshire Sub Regional Strategic Partnership (NDNNSP); Cllr Jon Collins (Greater Nottingham Partnership); Sarah Eaton (Derbyshire County Council); Julie Fionda (DG Employ) ; Jane Hall (Small Business Service); Roger Helmer MEP; Ken Johnston (Department of Food and Rural Affairs); Cllr David Kirkham (NDNNSP); Ken Lambert (Department For Education and Skills); Cllr Amar Nath (Derby City Council); David Nelson (Leicester Learning and Skills Council); Mel Read MEP; Anne Rippon (Department of Culture, Media and Sport); Peter Stevenson (CBI) and Phillip Whitehead MEP.

A list of those attending the meeting is at Annex A.

3. Minutes and matters arising

Paper Obj2/1/03

Minutes:

3.1 Comments received prior to the meeting had been incorporated into the Minutes circulated as Paper Obj2/1/03. With no points raised the minutes of the seventh PMC held on 6 November 2002 were agreed as being a true record.

Matters Arising:

3.2 The Secretariat highlighted the following:

- 3.3 – The Peepul Centre project had been endorsed under written procedures;
- 5.1 - N+2 targets had been agreed at Priority Level;
- 5.2 – Progress Performance Reserve outputs are being tracked and are further discussed at Item 5 of the Agenda;

- 5.9 - The Secretariat is continually reviewing information from its Management Information system some of which is discussed at Item 5;
- 5.14 – PDRDP – a number of projects have now been submitted to the Secretariat for appraisal;
- 5.15 – The Southglade SDO project has now secured match funding and an offer letter will shortly be reissued;
- 5.16 – Discussions with the NDNSSP are ongoing;
- 5.19 – Leicester Regeneration Agency – A significant number of projects are now under appraisal;
- 5.20 – SDOs –The Secretariat is reviewing progress with partners. This item is also covered at Item 5 of the Agenda;
- 5.23 – Partners are encouraged to make formal virement requests with strategic justification;
- 7.3 – The Secretariat continues to monitor financial profiles at sub-regional level and will request an amendment to the financial table as part of the part of the Mid Term Evaluation exercise. The Secretariat is pursuing guidance from ODPM on intervention rates and match funding;
- 7.9 – Performance Reserve targets are under continual review at sub-regional level;
- 7.12 - Allocations to SDO projects have been checked at sub-regional level;
- 7.15 - ESF appraisals have been completed and circulated to members under written procedures with a deadline for comments of 11 April 03. ESF is covered further at Item 8 of the Agenda;
- 11.2 – Information was provided by sponsors and to the Commission within set deadlines.

3.3 The Chair asked for comments on the above information provided by the Secretariat. Whilst there were no comments on the above from members, Marc Vermyle (European Commission DG Regio) asked the Secretariat to consider asking the Consultants undertaking the Mid Term Evaluation to make a presentation to the PMC. The Secretariat agreed to consider the need for an additional PMC meeting in order to do this.

Action: Secretariat

3.4 Marc Vermyle also asked if the Objective 2 Annual Implementation Report for 2002 could also be presented to the PMC. The Secretariat agreed to consider presenting this to an additional meeting of the PMC.

Action: Secretariat

3.6 There were no more matters arising.

4. Update on business conducted by written procedures/outside the PMC – Oral Item

4.1 The Secretariat informed members on the following project appraisals which had been endorsed under written procedures:

- Leicester Regeneration Agency under Measure 2.1 Creative Heartland Incubation Centre;
- Peak District RDP under Measure 2.3 Main – Destination Management System;
- Peak District RDP under Measure 2.3 Transitional – Destination Management System.
- Lincolnshire County Council – Action Plan TA

4.2 The Secretariat updated members of the progress that had been made to complete the closure of the 13 Programmes and 1994-99 Community Initiatives. Copies of Final Reports for the 5 major Programmes and contributions to 8 Final Reports being prepared on a national basis were placed on the European pages of the Government Office website and members notified of a date by which to make their comments. This process was completed for all Reports by 21 February 2003 and the 5 Final Reports for which the Government Office was responsible were sent to the European Commission on 26 March 2003.

4.3 The Chair thanked members for their timely contribution to this process. The Chair asked for comments on or requests for further information on the above, none were forthcoming.

5. Programme Performance – N+2

Papers Obj2/2/03, Obj2/2a/03, Obj2/2b/03, Obj2/2c/03, Obj2/2d/03

5.1 The Chair emphasised the importance of the content of this paper and before inviting the Secretariat to summarise the papers for members invited Mitesh Dhanak (ODPM) to set the issue in context.

5.2 Mitesh Dhanak (ODPM) advised members that the East Midlands is one of three or four regions of England where ODPM have concerns about the prospects for meeting the N+2 targets. ODPM are looking at ways in which to enhance the skills and resources available to Government Offices to assist them in meeting their N+2 targets.

5.3 Sarah Hill (Greater Nottingham Partnership) asked if this meant that the Government Office would receive additional resources. Mitesh Dhanak (ODPM) said that Government Offices would benefit from best practice from other regions, staffing resources and assistance with IT systems and web portals to enhance the application process.

5.4 Bernard Strutt (NDNNSSP) asked for clarification of the significance of the 31 October deadline for claims. Mitesh Dhanak confirmed that all claims paid by project sponsors or partnerships and entered on the ERDF database up to 31 December would count towards the N + 2 targets. Marc Vermyle (DG Regio) added that the 31 October deadline was not itself relevant to the N+2 target date.

5.5 Peter Bright (Lincolnshire Enterprise) commented that it would be helpful to take up ODPM's offer of additional resources.

5.6 The Secretariat outlined the papers presented to members emphasising that the N+ 2 target of £52.4m is based on spend rather than commitment, but recognising that unless the region has generated sufficient levels of commitment N+2 cannot be achieved. Levels of spend, actual and potential commitments were identified in the papers presented together with details of projects with significant levels of slippage. The information illustrated significant variations in partnership performance and the Secretariat and individual partnerships would need to work together to increase commitment levels. Members were advised that Action Plan and IFE partnerships would be expected to make a realistic assessment of their ability to meet their N+2 targets, based on actual commitments by 31 May 2003. Any projects still under appraisal at that time would be unlikely to make a significant contribution to N+2. Partnerships would need to reprofile all their commitments to identify any slippage.

Action: Partnerships

5.7 The Secretariat outlined and asked members to endorse the Spend Management Policy discussed and detailed in paragraphs 9 and 10 respectively. The measures identified, which had been discussed and endorsed by the Working Group, were designed to ensure a change in culture. Before asking members to endorse the policy the Chair asked for any questions of clarification on the contents of the paper.

5.8 Sarah Hill (Greater Nottingham Partnership) asked whether the fourth indent of paragraph 10 should apply to revised rather than original offer letters. The Secretariat confirmed that it would apply to revised offer letters only.

5.9 Jenny Gardiner (EMFEC) asked if any specific actions could be applied to individual categories (Rounds 1 & 1.5 Action Plans or IFEs) rather than an overall policy. The Secretariat whilst stating that an overall policy was required acknowledged that specific actions might be required to reduce slippage.

5.10 As there were no further comments on the content of the paper the Chair asked for comments on the policy itself.

5.11 Martin Briggs (emda) commented that the second indent of paragraph 10 could be seen to be too soft as it would undermine the N+2

target. Caroline Agnew (NDNNSSP) commented that there were challenging N+2 targets in 2004 and the policy as presented recognised the need to maintain commitments which would contribute to the 2004 targets.

5.12 Neil Lambert (Regional Assembly) did not believe that the policy, as presented, was sufficiently robust and that the PMC should take a harder line, although acknowledging that balance is difficult to achieve. The Chair reiterated that it is the PMC's collective responsibility to achieve N + 2 targets.

5.13 Caroline Agnew (NDNNSSP) commented that the Working Group had acknowledged that there might be instances where projects, whilst under spending could over achieve on outputs. Would it be sensible to include an exception where outputs had been exceeded?

5.14 Martin Briggs (emda) suggested that no such exceptions should be made and Ruth Fish (Environmental Sustainability Advisory Group) commented that such a policy could lead to an understatement of outputs at the bidding stage.

5.15 Sarah Hill (Greater Nottingham Partnership) asked how the policy could be made tougher. Mitesh Dhanak (ODPM) advised that some GOs had introduced a yellow and red card system for projects and partnerships. Peter Bright (Lincolnshire Enterprise) said that if such a policy was introduced a list of reserve projects would be needed.

5.16 The Chair asked the Secretariat to outline the N+2 Action Plan as detailed in paragraph 13 of paper Obj2/2/03 and the detailed information in paper Obj2/2c/03 and sought comment on the paper and the comments made by the Secretariat.

5.17 Martin Briggs (emda), in response to the Secretariat's question to emda concerning the outstanding submission of an Action Plan bid under Measure 1.2, replied that the agency was in the process of finalising the balance of instruments that would form the bid and confirmed that it would be submitted by the end of April 03.

5.18 Caroline Salzedo (Equal Opportunities Advisory Group) sought assurance from the Secretariat that the short appraisal timetable for the Measure 1.2 Action Plan included appraisal by the Equal Opportunities and Environmental Sustainability Advisory Groups. The Secretariat confirmed that it did. Sarah Hill (Greater Nottingham Partnership) asked if emda was confident that it would achieve significant spend on its Action Plan and whether or not it had projects in mind. Martin Briggs (emda) replied yes to both questions.

Action: emda

5.19 Neil Lambert (Regional Assembly) commented that the policy, as written, did not say that the PMC would receive a report to provide assurance that spend was being achieved. Martin Briggs (emda) said that the Task Force should meet and provide information to the PMC on a monthly basis. The Secretariat advised members that this could be accommodated.

5.20 Caroline Salzedo (Equal Opportunities Advisory Group) welcomed the increased monitoring of outputs as well as spend performance.

5.21 The Chair summarised the discussion and concluded that the Task Force should meet before the end of May 03 to discuss how the policy could be toughened and that the group should report back to a reconvened PMC in June 2003.

Action: Secretariat and partnerships

6. Performance Reserve

Paper Obj2/3/03, Obj2/3a/03

6.1 The Secretariat provided the above papers to PMC members for information and outlined that in summary they show Performance Reserve targets are being met in Measures 1 and 3 and whilst current performance falls short of the targets under Measure 2, if SDO projects come forward and are included, targets will be achieved. The Secretariat advised members that a Monitoring Strategy was being developed and would be presented to the PMC.

6.2 The Chair invited Mitesh Dhanek (ODPM) to comment on the overall policy on Performance Reserve. Mitesh Dhanek (ODPM) advised members that ODPM were discussing the detailed method of allocation with the European Commission. The Chairman invited comments on the paper.

6.3 Marc Vermyle (European Commission DG Regio) commented that if Performance Reserve Targets were not achieved justifications for non achievement would need to be made.

6.4 No further comments on the paper were made.

Action: Secretariat

7. Strategic Development Opportunities (SDOs)

Papers Obj2/4/03, Obj2/4a/03 and Obj2/4b/03

7.1 The Secretariat stated that it was a challenge for all parties – Secretariat, partnerships and sponsors – to translate potential into actual commitment. Members were advised that all 7 projects, which were being submitted for addition to the short list, had been endorsed by their respective partnerships and if endorsed by the PMC would be appraised by the Secretariat and then resubmitted to the PMC for endorsement.

7.2 The Chair asked members to formally endorse designation of the 7 short listed projects. This was agreed.

Action: NDNSSP/GNP and Secretariat

8. European Social Fund

Papers Obj2/5/03 Obj2/5a/03 and tabled Scoring Framework documents for Measures 1.5 and 3a3

8.1 Whilst the above were presented for information, members were asked to comment on the minor changes to the Scoring Frameworks detailed in the documents tabled for Measures 1.5 and 3a3. The Secretariat advised members that Technical Assistance under ESF was limited (£196k) and partnerships would need to inform the Secretariat how Action Plans would be managed and what resources they would require.

Action: Secretariat and partnerships

8.2 The Chair asked for members' comments on both the paper and Scoring Framework documents.

8.3 Caroline Salzedo (Equal Opportunities Advisory Group) asked for an explanation of paragraph 6 of the paper. The Secretariat commented that the additional threshold had been included in the local Objective 3 scoring framework and whilst it was not formally part of the national framework. It was considered that the process would include sufficient safeguards if applicants scoring below 4 on question 4.6 'Equal Opportunities' were required to provide additional information.

8.4 Neil Lambert (Regional Assembly) sought assurance that any guidance would make clear that applicants needed to meet both thresholds. The Secretariat was aware of this and agreed to make this point clear in any guidance issued to applicants.

Action: Secretariat

8.5 The Chair sought formal endorsement of the papers and documents presented which was forthcoming.

9. Technical Assistance

Papers Obj2/6/03 and Obj2/6b/02

9.1 Members were asked to endorse the two bids – Derby City Partnership and emda - detailed in the paper.

9.2 The Secretariat is currently developing three projects that will provide it with three additional staff members.

9.3 Caroline Agnew (NDNNSSP) made a general observation that there were large variances in the cost of Action Plan delivery and suggested that Lincolnshire's Action Plan could be used by others as a benchmark for economies of scale.

9.4 The Chair asked members to formally endorse the paper and projects which were agreed.

10. Post 2006 Consultation

10.1 Jane Todd left the meeting at 12.30 and handed over to Graham Norbury to chair.

10.2 Discussion centred on a tabled consultation document "A modern regional policy for the United Kingdom". Initial discussions have already been held between GOEM, emda and the Regional Assembly on how to maximise consultation in the region. The PMC agreed that a high profile regional event should be held early in June in order to feed in ideas by the consultation deadline of 4 July 2003. emda offered to take partners' initial views to the RDA/Commission meeting on 12 May in Brussels.

10.3 PMC members were invited to send further comments to Emda or to the GOEM Secretariat.

11. Any other business

11.1 There was no any other business.

12. Date and timing of next PMC meeting

12.1 The next PMC meeting is scheduled for 15 October 2003. PMC members felt that an additional earlier meeting should be held mid June to consider the mid term Evaluation and to receive the Task Force report on N+2.

12.2 Caroline Agnew (NDNNSSP) offered Dunston Innovation Centre as a possible venue.

12.3 Secretariat to consider timing of next PMC and Working Group meetings and inform PMC members of the new dates.

April 2003

Annex A

ATTENDANCE LIST – EIGHTH PMC – 9 APRIL 2003

Jane Todd	GOEM	Chair
Neil Lambert	Regional Assembly	Member
Martin Briggs	emda	Member
Graham Norbury	GOEM	Advisor (Chair for Items 10-12)
Peter Holmes	GOEM	Secretary
Cecilia Emery	GOEM	Secretariat
Caroline Exton	GOEM	Secretariat, Minutes
Mitesh Dhanak	ODPM	Advisor
Marc Vermyle	European Commission DG Regio	Advisor
Clr Andrew Uprichard	Peak District Rural Development Partnership	Member
Ruth Fish	Environmental Sustainability Advisory Group	Member
Caroline Salzedo	Equal Opportunities Advisory Group	Member
Jennie Gardiner	EMFEC	Member
Alan Meers	Higher Education representative	Member
Jeff Carvell	Voluntary Sector	Member
Emma Corbett	emda	Observer
Caroline Agnew	NDNNSP	Observer*
Bernard Strutt	NDNNSP	Observer*
Fiona Galli	Small Business Service	Observer
Joanne Ives	Leicester Regeneration Agency	Observer*
Sarah Hill	Greater Nottingham Partnership	Observer*
Bob Littler	Peak District Rural Development Partnership	Observer
Jo Dilley	Derby City Partnership	Observer*
Laura Khella	Derby City Partnership	Observer*
Peter Bright	Lincolnshire Enterprise	Observer*
Gary Cook	Lincoln Regeneration Partnership	Observer

* Individuals mandated to represent their partnerships in the absence of their PMC members.