

2007 – 2013 European Structural Fund Programmes – Lessons Learned

Programme Monitoring Committee

Areas for improvement in the current PMC:

One of the areas for improvement with regards to the current PMC is that it took us too long to determine the purpose of the group.

This impacted on the workings of the PMC in a number of ways:

- It often focussed on the more comfortable territory of discussing the progress of individual projects; rather than taking a more strategic overview;
- PMC members (in particular substitutes) were often those who were programme experts, rather than people who were likely to be more strategic;
- There were times where there was a lack of consistency between the two PMCs (but other times when there was duplication of effort); and,
- Papers prepared by the MA were not always clear.

There are also other weaknesses with the current approach. One of the most obvious of these is the sharing of information between the MA and the PMC and in particular the IT systems that facilitate this. There have been some attempts, mainly by the IAB, to use systems such as Sharepoint. However, this has not been used consistently the information sharing process is not as efficient as it should be.

Everyone involved in the delivery of Structural Funds need to be clear before the start of the future programmes what the role of the PMC is. This is especially important, as the role of the PMC will need to adapt to the changed structures of the new programmes.

Recommendations:

1. A written remit for the PMC is agreed prior to the start of the future programmes.
2. This remit needs to emphasise the strategic role of the PMC.
3. As part of the PMC's strategic role, it needs to be outcome-focussed; looking more at what projects are delivering and less at how they are being run.
4. It will need to be agreed what information the PMC is supplied with (and when) from the three Strategic Delivery Boards and the MA.
5. Membership of the PMC needs to be people who are sufficiently senior in their organisations to take a broad, strategic, overview of the programmes.
6. The PMC needs to fit better within existing structures. To address this (and also to ensure buy-in from the sort of people who we need to be members) it should report directly to the Strategic Forum or the Economy Board.
7. Within the MA (And possibly the SDBs) the servicing of the PMC needs to be properly resourced. In particular, IT systems need to be able to facilitate the efficient transfer of relevant information.
8. There should be one national PMC to reflect the fact that most policy areas have a single national strategy.

9. However, it will have to be agreed what information is supplied and provided on a regional basis, where appropriate.

Performance Framework

Areas for improvement in the current Performance Framework:

It is widely recognised that a disparity exists between what was originally anticipated for the 2007 - 2013 programmes (Approved Programme Targets) and what projects collectively believe they can deliver (Forecast Targets to Date). Whilst some of this can be explained by the changed operating context during the programme period (including the most significant economic downturn of recent years) there were also weaknesses in the way in which targets were originally set:

- there was a lack of sufficient liaison with key stakeholders who would be implementing the programme¹;
- the investment priorities were not developed sufficiently to be able to quantify the targets;
- there was a lack of flexibility in the targets (or where they could be changed, it was a bureaucratic exercise to make the changes); and
- targets were based on an assumption that there would be a small number of very large investments which did not come to pass.

As well as these problems, there were also issues during the programme period with sponsors and the MA not always correctly interpreting definitions of targets.

Whilst under any circumstances it is important to learn lessons from how the current performance framework has worked, it is especially important as we move to a simplified, or unit, cost approach. With this method, the MA will need to be able to hold sponsors to account. Therefore the following is essential:

- there needs to be a thorough consultation exercise with all internal and external stakeholder around targets;
- targets, and the ability to change them, need to be flexible, whilst keeping the robustness that a unit cost methodology demands; and,
- how performance information is shared between the MA and strategic delivery boards and how it is reported needs to be agreed from the outset.

In addition, there are wider improvements that could be made to how we design the performance framework to best deliver the objectives of the programme:

- there needs to be a clearer vision for what the overall programme is aiming to achieve, with realistic expectations;
- thought should be given to reporting requirements (if there are not separate Highlands and Islands programmes);

¹ As well as a lack of consultation with wider stakeholders, it has also been suggested that the targets were set by a very small group within the MA, therefore not taking advantage of lots of experience within the MA or the IAB, as well as beyond.

- with much of the day-to-day compliance and delivery role moving to strategic delivery partners, there is scope for the MA to take on a much more qualitative role, ensuring that outcomes, as well as outputs are achieved;
- the MA will need to ensure it has the right skills to take on a more qualitative role; and,
- in order to ensure that the right outcomes are achieved by the programme, the MA needs to work much more closely with SG policy leads, with MA staff taking lead-roles for specific policy areas.