

Plain Action

RDPE 2007-2013 LAG Operating Manual (OM27)

Project Checks and Visits

1 Introduction

1.1 The Accountable Body, Wiltshire Council together with Plain Action and Sowing SEEDS Local Action Groups understand that the RDPE 2007-2013 LEADER approach requires a commitment to visiting approved and completed projects in order to fulfil various regulatory obligations and to ensure best practice.

1.2 This paper describes how the local arrangements taken by the three bodies meet the requirements in the RDPE Key and Ancillary Controls. It sets out the various rationale, function, processes and duties, giving criteria for carrying out four types of project checks and visits. These are:

- Project Engagement Visits (PEV)
- Monitoring Checks – current-claim and post-claim
- Compliance checks (aka On-the-Spot checks) (OTS)
- Routine Visits

2 General information

2.1 A jointly developed form will be used by all LAGs and the Accountable Body to record and implement follow-up support at visits.

2.2 In accordance with regulations, all visits will be thorough in their investigations. Visits will investigate both fixed capital assets and be informed by staff and volunteers working at projects.

3 Project Engagement Visit (PEV)

3.1 These are for newly approved projects to give detail of the responsibilities of being an RDPE grant holder.

3.2 *Frequency*

- Once for all newly approved projects.

3.3 *Rationale*

- LAG - Every project will be engaged with shortly before, or shortly after signing the contractual agreement for the approved proposal to go through the fundamental points involved in performance and reporting of the project.
- Accountable Body - The Accountable Body will not carry out any PEV, except where this involves engaging formally with the each Local Action Group.

3.4 *Process and Reporting*

- The PEV criteria are set out individually by the LAGs and are contained under a separate operating guidance, namely Wiltshire Operating Manual 18 (WOM18).

- The guidance makes provision for a full report and checklist to capture any issues for follow-up.
- Sowing SEEDS intend to carry out PEV in groups of projects – as Project Engagement Meetings. This will allow for a wider set of issues to be covered and learning and understanding to be shared amongst project managers.

3.4 Remedies

- Project manager's guidance (WOM21) to be issued for further reference.
- Reference to terms & conditions in Project Contract Offer letter (WOM17)

4 Monitoring Visits

4.1 These follow the receipt of claims and are made to ensure that the claim and progress report process is properly understood and adhered to.

4.2 Visits will be broken down into *post-claim* and *current-claim* checks. The rationale for breaking these into two follows from Key Control 4.3.

- *Current-claim* checks cannot be completed by the same person who will subsequently check or authorise the claim.
- *Post-claim* checks will be used to help and support projects in a more informal way that allows for a dialogue between LAG and project to sort out problems inherent in previous claims.

4.3 The decision on the time to carry out a check will be made by the Accountable Body programmes manager (Janice Bailey) or the relevant LAG programme manager.

4.4 Where the decision is to carry out a *current-claim* check, an officer (probably from the Accountable Body) will be instructed to attend the project with a tightly focused remit to sort out the current-claim where there are a number of irregularities.

4.5 Frequency

- On a demand-led basis during or following the quarterly claim cycle.
- These will be arranged with clear commitment from the project to work with the LAG and the Accountable Body.

4.6 Rationale

- LAG - Consideration of a monitoring check will occur where a project has submitted a claim that was delayed in the quarter due to:
 - Ineligible costs or ineligible activities being claimed.
 - Poor performance (highlighted in milestones and progress report) or significant underspend ["negative expenditure"].
 - Other factors, including awareness of poor management or operation of the project.
 - A request from the project for assistance with filing their claims.
 - A request from the project to assess a situation covered by "exceptional" Force Majeure arrangements is being reported.
- Accountable Body - Consideration of a monitoring check will occur in the following three circumstances:

- Where a project has submitted a claim that could not be reimbursed in the quarter due to significant irregularity.
- Where there has been an irretrievable breakdown in the working relationship between LAG and project.
- A written request from the project to assess a situation covered by Force Majeure arrangements is being reported.
- Where appropriate, joint visits will be arranged. This will always be the case for claims of force majeure unless there is agreement by both parties not to do a joint visit.

4.7 *Process following Force Majeure*

- Project reports that due to circumstances covered by force majeure the project cannot claim against normal operational expenditure.
- Evidence of force majeure should be reported within 10 days of the claimant project being able to do so.
- LAG and Accountable Body will arrange to make a joint visit within 10 working days, unless it is mutually agreed that one party does not need to attend.
- The Accountable Body will liaise with other public authorities and other relevant professionals (such as insurance assessors) to compile a complete report of the circumstances.
- Force Majeure is limited to the following circumstances (as from 6.5b of SWRDA operating manual framework, Jan 2009):
 - Death of the beneficiary.
 - Long term professional incapacity of the beneficiary.
 - Expropriation of a large part of the holding if that could not have been anticipated on the day on which the commitment was given.
 - A severe natural disaster seriously affecting land on the holding.
 - The accidental destruction of livestock buildings on the holding.
 - An epizootic disease (like Foot & Mouth) affecting all or part of the farmer's livestock.
- The report will be submitted to the Accountable Body programmes manager.
- The report will be used as the evidence base of the 'final claim' for the project.
- The RDA Monitoring Team will also be contacted and the process for handling the claim discussed fully.

4.8 *Reporting*

- A full report will be made to detail any issues for follow-up – this will be kept on the project file and shared with Accountable Body and RDA if necessary.

4.9 *Remedies*

- Ad hoc training, mentoring and support to be offered to project management.
- Project Variation procedure – request and agreement at WOM22 & WOM24.
- Project Managers guidance (WOM21) to be issued for further reference.
- Project Determination process to be followed (WOM26) – where this is taken, details should be shared with the Accountable Body and the Funding Authority – the South West RDA.

5 **Compliance Checks (On-the-Spot (OTS) Check)**

5.1 These arrangements follow the regulations, especially Commission Regulation (EC) 1975/2006 and ensure that the investment and progress of approved projects is compliant with the RDPE 2007-2013 scheme.

5.2 Compliance checks will be first and foremost the responsibility of the South West RDA who at time of writing (July 2009) are formulating the process for selection of visits and checks. It is understood that the RDA will publish internally a list of projects to be visited each year in April and October. Projects will be given at least, but normally no more than 48 hours notice of a check. This will be communicated at the same time to the LAG.

5.3 Accompanied visits will be allowed so that learning for all and support for the project following the visit will be easier to provide from LAG management should the need arise.

5.4 It is also understood that from time-to-time, either DEFRA or South West RDA will outline key risks factors unearthed through the 2007-2013 RDPE and the Compliance check criteria will reflect this.

5.5 *Frequency and sampling*

- South West RDA to select a sample basis each April and October.
- South West RDA to publish details in due course.
- LAG management and Accountable Body representative to accompany on ad hoc basis dependent on resource commitment and importance to programme.

5.6 *Rationale*

- LAG
 - Accompaniment on compliance checks will be:
 - to learn from RDA monitoring team on nuances of RDPE regulations
 - where it is anticipated that significant follow-up work is likely and it is beneficial to understand first hand by being present at the check
 - This will ensure best practice is being followed by projects or show where improvements should be made.
 - Attendance at compliance checks will provide a sample of operations in which to reflect changes, amendments and improvements to the overall delivery of the LAG programme.
- Accountable Body
 - Accompaniment on compliance checks will be limited to:
 - Contracted projects where the Financial Risk Assessment (WOM28) had highlighted a number of significant risks that the Accountable Body feels need to be closely monitored.
 - LAGs - checking processes, including re-performance of administrative checks and general supervision.
- Where appropriate, joint visits will be arranged.

5.7 *Process*

- At time of writing (July 2009) the process is being devised by the South West RDA EU monitoring team. It is understood that:
 - A letter or email will be sent to confirm the time and date and this will be as close to 48 hours notice as is possible given the operational status of the project.
 - At the visit it is believed the check will look at the project operation in its entirety, including (as a guide):
 - Inspection of the result of any capital investment (ie buildings, equipment, physical amenity)
 - Discussions with staff and officers responsible for the delivery of the project.

- Discussion with the project manager on the perceived performance of the project and including future plans and lessons learned.
- Viewing or inspection of any outputs or results indicators that have been claimed, or are to be claimed – with discussion on suitable evidence.
- Compliance with other RDPE regulations, for example publicity arrangements
- Inspection of administrative procedures, including bookkeeping, human resources documentation, health & safety issues. (This will be a check that may highlight follow-up work by a suitable specialist.)

5.8 *Reporting*

- Any reports made by the RDA EU Monitoring Team should be made available to LAG and Accountable Body to detail any issues for follow-up – this will be kept on the project file.
- Compliance checks will provide for the learning and evaluation process that informs each new Annual Delivery Plan.
- Significant issues and irregularities will be reported to Accountable Body for broader action.

5.9 *Remedies*

- Ad hoc training, mentoring and support to be offered to project management.
- Project Variation procedure – request and agreement at WOM22 & WOM24.
- Project Managers guidance (WOM21) to be issued for further reference.
- Project Determination process to be followed (WOM26) – where this is taken, details should be shared with the Accountable Body and the Funding Authority – the South West RDA.

6 **Routine Visits** (*informal compliance checks*)

6.1 These are optional, pre-arranged and diarised visits, intended to reinforce best practice in project management, provide learning for both LAG and project and make future plans.

6.2 *Frequency*

- Diarised – Sowing SEEDS intend to carry out at least one routine visit in the lifetime of every project – either at the 6 months stage, or the halfway stage (if the project runs for less than 9 months).
- A similar situation is expected for Plain Action LAG.

6.3 *Rationale*

- LAG - Routine Visits will occur to promote a healthy working relationship with approved projects. They are likely to cover all areas of best practice with identification for further advice and follow-on assistance.
 - All areas of project activity can be covered, taking in much of the detail required for an compliance checks. However, a routine visit may be carried out in whichever way the LAG programme manager finds most beneficial.
- Accountable Body - Intends to carry out routine visits on an exceptional basis
 - Regular operational meetings with each LAG (on at least an annual basis) will also be made.
- Where appropriate, joint LAG and Accountable Body visits will be arranged.

6.4 *Reporting*

- A full report will be made to detail any issues for follow-up – this will be kept on the project file.
- Routine visits will be considered as part of the learning and evaluation process that informs each new Annual Delivery Plan.
- Significant issues and irregularities will be reported to Accountable Body and South West RDA for broader action.

6.5 *Remedies*

- Ad hoc training, mentoring and support to be offered to project management.
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