

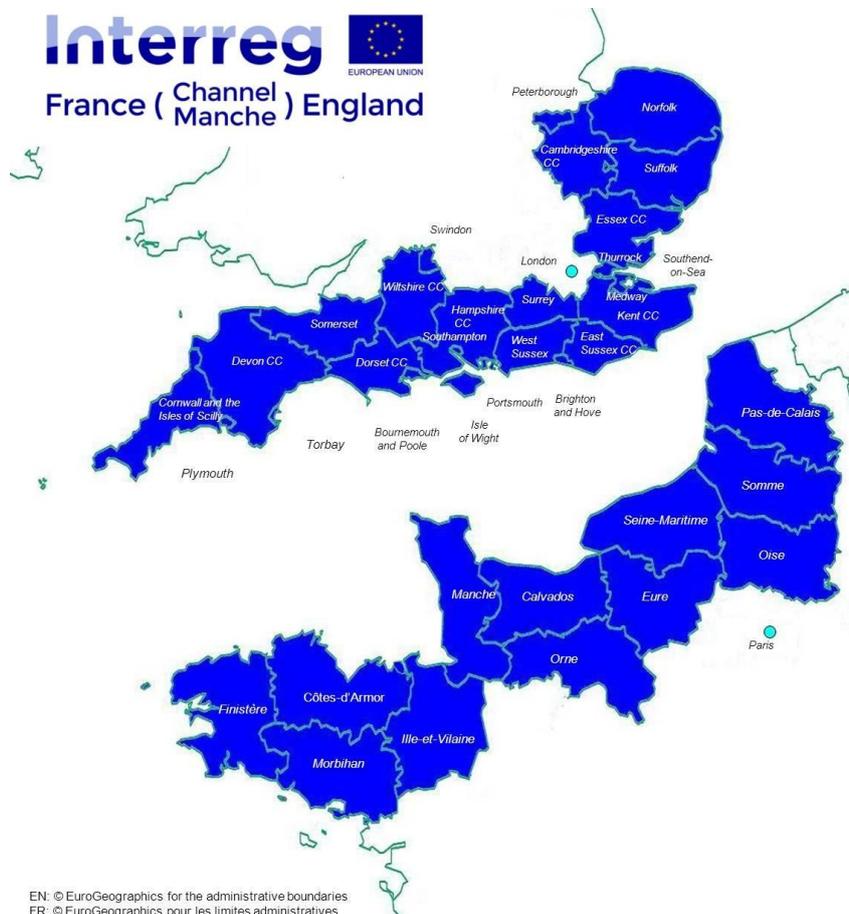
## Guidance Note 3 Project Development

Once the Partners have developed their project idea, they need to develop the formal partnership structure, and to develop the project concept into a concrete plan in order to bring their project to fruition. Just as cooperation is at the heart of the France (Channel) England Programme, it is at the heart of a good project, and it needs to be a central part of its development.

### I. Programme Area

The Programme Area covers the South and East Coasts of England from Cornwall to Norfolk, and the North Coast of France from Finistère to Pas-de-Calais. It has been enlarged from the previous programme to include the formerly adjacent areas of Somerset, Wiltshire, Surrey Cambridgeshire, Morbihan, Orne, Eure, Oise and Pas-de-Calais. Additionally, it now includes the Borough of Swindon and Peterborough.

Project Partners (PPs) should consult the [map and list of eligible regions](#) below to determine if they are located within the eligible area. If there is a need for further clarification of the Programme geography then Partners should contact the JS Facilitators.



Eligible NUTS3 Regions of the France (Channel) England Interreg VA Programme										
FR222 Oise	FR223 Somme	FR231 Eure	FR232 Maritime	Seine-	FR251 Calvados					
FR252 Manche	FR253 Orne	FR302 Calais	Pas-de-	FR521 d'Armor	Côtes-	FR522 Finistère				
FR523 Ille-et-Vilaine	FR524 Morbihan	UKH11 Peterborough	UKH12 Cambridgeshire CC	UKH14 Suffolk						
UKH15 Norwich and East Norfolk	UKH16 North and West Norfolk	UKH17 Breckland and South Norfolk	UKH31 Southend-on-Sea	UKH32 Thurrock						
UKH34 Essex Haven Gateway	UKH35 West Essex	UKH36 Heart of Essex	UKH37 Thames Gateway	Essex	UKJ21 Brighton and Hove					
UKJ22 East Sussex CC	UKJ25 West Surrey	UKJ26 East Surrey	UKJ27 West Sussex (South West)	UKJ28 West Sussex (North East)						
UKJ31 Portsmouth	UKJ32 Southampton	UKJ35 South Hampshire	UKJ36 Central Hampshire	UKJ37 North Hampshire						
UKJ34 Isle of Wight	UKJ41 Medway	UKJ43 Thames Gateway	Kent	UKJ44 East Kent	UKJ45 Mid Kent					
UKJ46 West Kent	UKK14 Swindon	UKK15 Wiltshire CC	UKK21 Bournemouth and Poole	UKK22 Dorset CC						
UKK23 Somerset	UKK30 Cornwall and Isles of Scilly	UKK41 Plymouth	UKK42 Torbay	UKK43 Devon CC						

## II. Building your partnership

### A. Minimum Eligibility Requirements

The minimum requirement for a project to be eligible is for the partnership to have at least one English Partner and at least one French Partner<sup>1</sup>, both based in the Programme Area. Any legal entity, from public or private sector, may be Lead Partner (LP) or PP of an INTERREG VA FCE project.

Partners may come from outside the Programme Area to take part in projects, but the share of the project expenditure which can be allocated to them will be limited, and there must be a clear benefit to the Programme Area as a result of them taking part.

Organisations which have a local branch within the Programme Area, but have their headquarters outside the Programme will be regarded as being located in the Programme Area provided it is the local branch office in the Programme Area which carries out the substantive work of the project. If clarifications are needed on this point please contact a Programme Facilitator.

<sup>1</sup> Article 12(2) of Regulation (EU) No 1299/2013

## B. Features of a Good Partnership

A good partnership should include organisations that are relevant for dealing with the common challenge or capitalising on the joint asset identified by the project. The Partners should have complementary expertise, and there should be a balanced selection of organisations in terms of split between the Member States and different sectors. Individual Partners will also need to demonstrate that they have the capacity to make a real contribution to the project.

In addition the France (Channel) England programme would like to see Partners included in projects who do not have previous experience in cross-border working, and encourages partnerships to have a mixture of experienced and new Partners.

## III. Lead Partner Principle

When building the partnership each Project must select a LP from amongst its partnership<sup>2</sup>. This LP will be responsible for the overall management of the project, and shall be the main contact for the Managing Authority and JS for all aspects of the project. This LP must be located within the Programme Area.

Rather than signing individual agreements with all the PPs, the Managing Authority shall sign a Grant Offer Letter with the LP setting out the conditions for support for the entire project. As a result the LP is considered to be the organisation that is legally responsible for the delivery of the project.

The general duties which fall onto the LP include:

- Submission of the Application Forms
- Submission of the project Progress Reports
- Submission of the project's financial claims
- Compile the financial claims and ensure Partners claims are certified by the relevant body (FLC)
- Receiving payment of the ERDF support, and distributing it amongst the Partners
- Recovering amounts paid in error to other Partners in the project
- Ensuring the delivery of outputs
- Ensuring all Partners are carrying out activities in line with the budget
- Ensuring that all activities are carried out in line with the time plan

The internal management of the project shall be governed by a Partnership Agreement drawn up between the Partners, setting out their responsibilities towards one another, including how they will ensure the sound financial management within the project.

Even though the LP carries the formal responsibility for the project, it is still expected that all Partners consider themselves to be fully responsible for implementing their elements of the project in accordance with the project application and subsidy contract.

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<sup>2</sup> Article 13(1) of Regulation (EU) No 1299/2013

## IV. Project Development

Alongside developing the Partnership fully, the PPs will need to think about developing the Project sufficiently to fill out the Application Form and apply to the Programme.

As a precursor to the application process, applicants are strongly encouraged to complete an Intervention Logic Outline and submit it to the Programme.

If positive feedback is given then the project should develop the full application, which sets out the detail of the project. The details on how to apply to the Programme, and the information required at each state is set out in the Guidance Note 4 on Project Application.

Whilst not all information relating to this section of the manual will be needed for the Intervention Logic Outline, PPs should still consider how they intend to develop their project ahead of the submission of the Intervention Logic Outline so that they understand what will be required of them before completing a Full Application Form.

### A. Intervention Logic Outline

In order to support the development of projects, and to allow potential applicants the opportunity to gauge their chances of success if they develop and submit a Full Application Form, applicants are strongly encouraged to submit an Intervention Logic Outline.

This document will be reviewed by the Programme Selection Committee, which will meet every 2 months to provide feedback. The dates of these meetings, and the deadlines for submitting Outlines will be made available on the Programme website.

Once the Committee has reviewed the Outline the JS will send a summary of the comments to the applicants, for them to take into consideration during the development of the Full Application Form.

The Intervention logic Outline contains the following sections;

- Project Name
- Specific Objective
- Partners
- Summary description of Project idea (1 page maximum)
- Need (1 page maximum)
- Cross Border Added Value (1 page maximum)
- Expected Outputs (1 page maximum)
- Changes that the project will contribute to (1 page maximum)
- Sustainability – Transferability (1 page maximum)
- Identified Risks
- Estimated costs
- Other Comments ( ½ page maximum)

Please note that the Intervention logic Outline should be submitted in both French and English.

## B. Main Features of a Successful France (Channel) England Project

Although projects will carry out a range of different activities, there are a set of core criteria which they should all meet, which will be considered during the project selection process. These relate to various strategic and operational criteria.

These criteria are:

- **Cross-border added value (Cooperation character).** The importance of the cross border approach to tackle the issue at hand should be clear, and the benefit for the Programme Area and for the Partners in using a cross-border approach over other means should be apparent. Owing to the importance this criteria has to the Programme, there is further given in the next section.
- **Contribution to the achievement of the Programme Strategy and delivery of the expected results and outputs.** The project's overall objective should have a clear link to a Programme Specific Objective. In general, the main outputs and result(s) must be Specific, Measurable, Attainable, Realistic and Time Related.
- **The Results and Outputs should be sustainable.** In this context, the sustainability of a project refers to the ability of the project to continue making a difference after it has been formally completed. PPs should not only think about the potential of the project to continue making an impact after the closure of the project, but how they will ensure that this happens. If the project does not have a clear long term impact this has to be justified and the value of the project as a one off activity must be clearly explained.
- **Complementing existing strategies and knowledge.** Projects should be in line with wider strategies which are relevant to the areas it will operate in. These could be strategies adopted at local, Regional, National or EU level. Projects should consider knowledge that is already available, and how to capitalise on this.
- **Partnership Relevance and Quality.** The partnership should include organisations that are relevant to dealing with the common challenge or capitalising on the joint asset identified by the project. The Partners should have complementary expertise, and there should be a balanced selection of organisations in terms of split between the Member States and different sectors. Partners will also need to demonstrate they have the capacity to make a real contribution to the project.

In addition the France (Channel) England programme would like to see Partners included in projects who do not have previous experience in cross-border working, and encourages partnerships to have a mixture of experienced and new Partners.

In addition to the strategic criteria outlined above, there are several operational criteria which a project should consider, and which will be assessed and the 2<sup>nd</sup> Phase Appraisal.

- **Project management.** Management procedures and structures should be sufficient to manage the project, taking into account its budget and the number of Partners. The Procedures to manage the project should clearly laid out, transparent, efficient and effective and allow for input from all Partners involved. These procedures should include measures for effective internal communication.

The partnership, in particular the LP should be able to demonstrate sufficient competence and capacity to manage the project. It is desirable that the LP should have experience of EU-funded or similar projects. The project will also need to demonstrate that a proper risk and quality management system is in place.

- **Project communication.** The communication activities should be in line with the project objectives, the proposed work plan and the main outputs and results. It should contain tools to ensure that the relevant target groups and stakeholders are reached and will be made aware of the project's achievements and results.
- **Realistic, consistent and coherent work plan.** The distribution of tasks among the Partners should have a clear logic in view of Partners' experience, skills and budget. The time plan should be realistic and take into account the need for contingencies. The proposed activities should be relevant to the project objectives and will lead to a timely delivery of the planned outputs and results.
- **Coherent budget.** The PPs should have sufficient financial support and cash flow to properly implement the project activities, bearing in mind that the Programme will reimburse expenditure rather than paying in advance. The budget should be proportionate to the proposed activities, and it should provide good value for money for the outputs and results the project is aiming to achieve.

### C. Co-operation Criteria

There are four cooperation criteria that are present in good territorial cooperation projects.<sup>3</sup> These four cooperation criteria are:

- **Joint development.** The project idea is jointly developed and planned by the Partners.
- **Joint implementation.** The activities, outputs and results are jointly carried out by the Partners
- **Joint staffing.** All Partners provide staff to support the project activities
- **Joint financing.** All Partners contribute financially to the project.

Projects are required to cooperate in at least three of these criteria. The first two fields are obligatory for all projects; the third can be either cooperation in the staffing or in the financing of the project. Projects are of course free to co-operate in all four areas.

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<sup>3</sup> Article 12(4) of Regulation (EU) No 1299/2013

The table below explores these concepts in more detail:

<p><b><u>Joint development</u></b></p> <ul style="list-style-type: none"> <li>• All Partners should contribute to the development of the project, including Joint development of objectives and outputs, budget, timing and responsibilities for work packages and activities to achieve the objective.</li> <li>• PPs should Identify knowledge and experience, which each Partner brings to the project and what each Partner expects to get from the project.</li> </ul>	<p><b><u>Joint implementation</u></b></p> <ul style="list-style-type: none"> <li>• The LP bears the overall responsibility for the project; all Partners take responsibility for different parts of the implementation.</li> <li>• Each PP responsible for coordinating a work package, ensures that planned activities are carried out, milestones are met and unexpected challenges to implementation are dealt with.</li> <li>• Several Partners contribute to each work package as per work plan.</li> </ul>
<p><b><u>Joint staffing</u></b></p> <ul style="list-style-type: none"> <li>• All PPs have a defined role and allocate staff to fulfil this role.</li> <li>• Staff members coordinate their activities with others involved in the activity or work package and exchange information regularly.</li> <li>• There should be no unnecessary duplication of roles in different Partner Organisations (for example there should be only one project manager per project, rather than several).</li> </ul>	<p><b><u>Joint financing</u></b></p> <ul style="list-style-type: none"> <li>• The project has a joint budget with funding allocated to Partners according to the activities they are carrying out</li> <li>• All PPs contribute to the match funding or have sourced external match funding.</li> </ul>

#### D. Work Packages

In addition to giving a general project description setting out the overall ambition of the project and an overview of its activities, project applicants are required to submit a description of the different work packages that the PPs have developed and agreed to in order to structure their project activities.

Structuring project activities into work packages assists with project planning and will assist with the appraisal of a project application and monitoring throughout its lifetime.

A Work Package can be defined as one of the building blocks of a project’s structure. These set out the detail of each section of the project, stating what will be done, which Partner will do it, when it will be done and the budget required to achieve it.

The tasks allocated to a work package should be related tasks that are to be carried out together. For example, if the project involves a pilot test the pilot testing could be an individual work package.

With the exception of the Project Preparation, Project Management and Project Communications work packages, all packages are expected to include key targeted deliverables.

Work Package P, “Project Preparation,” sets out the tasks associated with the development of the project to the point of the Full Application. All tasks undertaken during this time period must be carried out within this Work Package, and should cover developing the full operational details of the project and project budget.

The Programme contribution to these activities will be paid at a fixed rate of 30,000€. For more information on this payment, please see the Guidance Note 8 related to Budget lines and Eligibility of Expenditure.

Work Package M, “Project Management”, consists of tasks associated with internal communication and coordination of the overall project administration, reporting and financial claims. The information included in this work package should explain the structure, responsibilities and procedures for the day to day management and coordination; name and background of the management team; communication within the partnership; reporting and evaluation procedures; risk and quality management. Some information should also be provided with regard to planning for the selection of the First-Level Controllers and for all Partners to attend training.

Work Package C “Communication”, shall describe the project communication strategy and tools. The planned communication activities need to be relevant, effective and targeted to reach the appropriate audiences. When designing this work package Partners should take into account the Programme rules relating to communication. For further information please refer to the Guidance Note 6 related to Project Implementation.

Work Package T (T1 up to T5) concerns project implementing activities. This will need to include information on the timeline for each work package, the budget, the Partners responsible, the target groups and the main outputs.

Work Packages relating to activities that implement the project should provide concrete information on the nature and quantity of the outputs delivered by the project activities.

## V. Budget: Financial Planning

It is important that projects consider how to budget for their project from the very beginning. This requires the involvement of all Partners in the preparatory work and planning meetings during the development phase of the project. Time invested prior to the submission of the application has been seen to produce strong partnerships with clear responsibilities and well justified budget allocations, which provide sufficient resources to effectively carry out the projects.

### A. Important Principles related to Budgeting

In planning a project budget it is important to ensure that PPs are aware of what types of expenditure are eligible, and which budget line it should be placed under. This will ensure that all their expenditure is considered to be eligible, and their project does not find itself losing money because it has spent money that it is then not able to reclaim.

For detailed guidance PPs should consult the Guidance Note 8 related to Budget lines and Eligibility of Expenditure. If they have any doubts regarding proposed expenditure they should also contact the JS to seek clarifications.

Generally speaking, to be eligible at project level, expenditure must:

- relate to activities foreseen in the Application Form, be necessary for carrying out these activities and achieve the project's outputs and results, and be included in the estimated budget,
- be reasonable, justified, consistent with the applicable internal rules of the Partner, national, Programme and EU rules and in accordance with the principles of sound financial management,
- be identifiable, verifiable, plausible, and determined in accordance with the relevant accounting principles, be incurred and paid by the Partner organisation, debited from its bank account no earlier than the project start date and no later than the project end date and be substantiated by proper evidence allowing identification and checking.

The formal start date of the project for the purposes of the Programme shall be the date of the decision of the SSC approving the project.

If expenditure is to be reimbursed on the basis of a flat rate the latter two principles do not apply.

For expenditure occurring before the project start date, this expenditure is to be reimbursed on the basis of a lump sum and therefore cannot be declared in later claims.

## **B. Horizontal topics related to finance**

### **Co-financing and sources of funding**

Under the France (Channel) England Programme, project activities are co-financed by the Programme, meaning that a percentage is paid for by the Programme, and the remainder has to be provided by the Partners themselves. This sources of the Partner's own contribution can either come from the Partners own budget, or from external sources.

If a Partner is intending to rely on external funding then a Letter of Engagement from the organisation providing the external funding should be attached to the Application Form setting out the amount and conditions for the provision of this funding.

The co-financing rate applicable to each Call for Projects is decided by the Programme Monitoring Committee and will be indicated in the Terms of Reference published at the launch of a Call.

### **Simplification**

Simplification is at the core of the legislative package proposed by the European Commission (EC) for 2014-2020. This is to make access to EU funding easier and quicker for all beneficiaries. At the same time, it should lighten the administration linked to the management and audit of EU funding Programmes.

This is relevant for the budgeting process as there are areas where the Partners will be reimbursed on the basis of a simplified cost option (flat rates, lump sums, unit costs) rather than on the basis of real costs. For detailed information partners should consult the Guidance Note 8 related to Budget lines and Eligibility of Expenditure.

## VI. Timeline

Projects should consult with their facilitator to determine a realistic start date for the project. Project expenditure will only be eligible after approval of the project by the Selection Committee, therefore PPs should plan for the likely date of approval, rather than planning an immediate start after the project is submitted.

All costs incurred prior to the project start date are considered to have been covered by a lump sum payment for project development and therefore may not be claimed in any later project claims.

In order to avoid being unable to claim costs due to amounts not leaving the Partners' bank accounts until after the end of the project, Partners should plan to close project activities 3 months before the official project end date in order to ensure that they can claim the costs linked to Project Closure.

The final date for which the programme will accept project expenditure is the 30<sup>th</sup> of June 2023, therefore Partners must ensure that their project is completed and closed by this date.

Please refer to Guidance Note 13 for more information on Project Closure.