

This is the first partner briefing on Investment Planning setting out what it is, why we are doing it, when the plans will be produced and how to get involved.

What is Investment Planning?

Investment Planning is a new approach to "join up" the way public sector funds are spent to maximise their impact on the delivery of the Regional Economic Strategy (RES).

Five year investment plans will be produced by June 2004 for each of the four sub-regions – North, South and West Yorkshire and the Humber. They will set clear economic priorities based on the best available information and commission specific projects to address those priorities, with funding being sought from Yorkshire Forward's single pot, European funds and other funding streams.

Who will produce and agree the Plans?

The investment plans will be jointly produced and agreed by each of the four sub-regional partnerships – which bring together the full range of local partners - Yorkshire Forward, as the lead strategic agency on economic development, and other funders involved such as the European secretariats of the Government Office.

Funding decisions on specific projects will still be made through existing appraisal systems, including Yorkshire Forward's Performance Management Framework.

Why are we doing it?

If the 10 year Regional Economic Strategy is to be delivered successfully, a range of different public funding streams need to be 'joined up'. We need to look forward 5 years in planning this investment to be better prepared for local economic 'shocks' like the Selby closures and opportunities like the

enlargement of the European Union. With European funding due to reduce from 2006 onwards, we need to start planning for a smooth transition for those local communities that will lose funding and make better use of existing programmes. Investment Planning aims to correct weaknesses in Yorkshire Forward's previous action planning approach, resulting in an open, inclusive, clear and consistent process.

What are the benefits?

There are 3 main benefits :

- **joined-up delivery** will provide a better use of taxpayer's money. For example, joint commissioning and appraisal of projects using both Yorkshire Forward and European funds will ensure that the region not only uses all of the EU money available to it up to 2006, but achieves a performance bonus of more resources from Brussels.
- longer term financial certainty will lead to **better quality projects**. Five-year planning cycles will encourage the dedication of more resources to project development, avoid individual projects and public bodies having to chase funding through different processes and provide the private sector with a clear picture of future development priorities in local areas.
- Clearer processes and roles of different agencies will provide **stronger partnerships and greater transparency**. People will start to see a clearer rationale for funding decisions. The link between what is agreed in regional strategies and what is then delivered locally will be stronger.

What about regional projects?

Up to 25% of Yorkshire Forward's uncommitted resources will be used to develop regional projects. These resources will be called the Yorkshire Forward Development Fund. The Fund will have clear entry criteria and projects will be tested against these. It will also provide flexibility to be able to react to opportunities quickly, particularly from private sector investors.

How will it work in practice?



The process has three key stages:

1 Strategic Economic Assessments

The first half of the Investment Plans will be a full assessment of the sub-regional economy. This will utilise the best available data to assess the strengths and weaknesses of local economies and undertake a comprehensive audit of the current and planned investment from all sectors on economic development. The assessments will be produced and agreed by the sub-regional partnerships, with Yorkshire Forward acting as lead strategic partner to drive forward the work. Existing local, sub-regional and regional information and strategies will be utilised to paint a full picture of the health of the sub-regional economy and its future prospects. The assessments will be structured using the RES objectives and will build on the work of local strategic partnerships.

What are the benefits

Better use of tax payers money + Stronger partnerships + Higher quality projects = Maximum economic impact



SUB-REGIONAL CO-ORDINATORS

Humber Humber Forum
Mick King Tel: 01482 596777
mking@humberforum.co.uk

North Yorkshire York & North Yorkshire Partnership Unit
Jonathan French Tel: 01904 477970
jonathan.french@nypu.org.uk

South Yorkshire South Yorkshire Forum
Graham Joyce Tel: 01226 773 477
grahamjoyce@barnsley.gov.uk

West Yorkshire West Yorkshire Economic Partnership
Neil Heavens Tel: 01924 305282
nheavens@wakefield.gov.uk

SUB-REGIONAL YORKSHIRE FORWARD CONTACTS

Humber
Sarah Pearson Tel: 01482 599 000
sarah.pearson@yorkshire-forward.com

North Yorkshire
Andrew Wallhead Tel: 01904 693 335
andrew.wallhead@yorkshire-forward.com

South Yorkshire
Neil Jenkinson Tel: 01709 766 400
neil.jenkinson@yorkshire-forward.com

West Yorkshire
Geoff Needham Tel: 01274 386 900
geoff.needham@yorkshire-forward.com

2 Priority Project Commissioning

The second part of the Investment Planning Process will be to set clear priorities for investment. These priorities will flow directly from the strategic economic assessments, defining actions needed to tackle the greatest weaknesses and capitalise on opportunities.

Not unlike regeneration masterplans, they will commission specific projects from appropriate organisations at a local and sub-regional level. Rather than making an open call for general projects - for example, calling for projects to boost competitiveness or tackle inclusion -

they will seek precise interventions - for example, geographically specific projects drawn from renaissance masterplans, cluster action plans or local community plans. Working in partnership, funders like Yorkshire Forward and the European Secretariats will work with delivery organisations like local authorities and Business Links to ensure that projects are aspirational, high quality and holistic, as well as practically deliverable.

The commissioning frameworks will be jointly developed and agreed by sub-regional partnerships and relevant funders by June 2004.

3 Project Development and Delivery

From June 2004 onwards, delivery agencies will submit projects to funders for appraisal. Every effort will be made to 'join up' appraisal processes, for example with Yorkshire Forward and the European funding secretariat's using a single appraisal process for projects seeking money from both.

Once projects have been developed and appraised, financial decisions will remain in the hands of funders, in line with their own accountabilities. We expect that the earlier and more intensive preparation carried out by delivery agencies and funders will reduce energy and time being spent working up projects that do not fit funders' criteria.

In Yorkshire Forward's case, the Performance Management Framework will remain the same, except that inclusion of projects in the Investment Plans will provide 'stage one' sign off.

Who takes the decisions?

The Sub-regional partnerships – of which Yorkshire Forward is a member – will produce and agree the Investment Plans that will set priorities and commission projects jointly with relevant funders.

Funders will retain their own decision making structures for appraising and approving projects.

How much money will each sub-region get?

That depends on the funders. For its part, Yorkshire Forward will make a commitment that each sub-region will receive a fixed percentage of uncommitted single pot funds over the 5-year period, although the specific amount may vary from year to year.

What happens next?

From now until December 2003 Briefings will take place across the region to ensure that all partners understand what is happening and can promote the advantages of this approach.

December to February

Workshops will be held with sub regional partners to consider the emerging economic assessments.

February to June

Investment Plans agreed by Sub-Regional and Local Partnerships involving Yorkshire Forward and relevant funders and projects will be identified and move to a five year time frame.

June onwards

Commissioned projects are developed by delivery organisations and appraised and approved by funders.

How do businesses engage with this process?

We plan to engage with businesses through the representative organisations of the Chambers of Commerce, CBI, Federation of Small Business, etc. We are keen to develop with partners a quick and clear mechanism for businesses to submit investment proposals.

What about the voluntary and community sector and Black and Minority Ethnic groups?

We will work with representative organisations to make sure that those groups are well represented at the various events and discussions that take place in local partners.

How will this be monitored and evaluated?

We want to move away from annual bidding rounds by starting a rolling programme of projects being delivered from June 2004 onwards. There will be an annual review of the Investment Plans in June each year and a major review every 3 years, in the year following the RES review. (next one in 2005). From December onwards the Yorkshire Futures website (www.yorkshirefutures.com) will provide full information on progress and how to get involved.

If I need more information who do I contact?

Key contacts are detailed above.

