

OUTPUT DEFINITIONS

FOR

ERDF PROGRAMMES 2007-13

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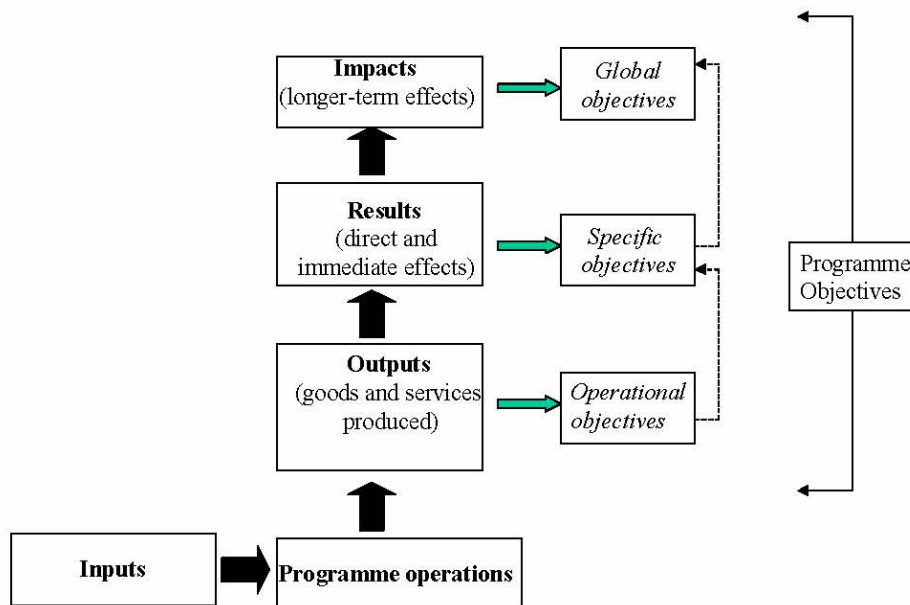
1. Purpose

- 1.1 This Technical Note on Indicators for ERDF programmes 2007-13 replaces the Technical Note of Combined Indicators for RDA Single Budget and ERDF Programme 2007-13.
- 1.2 In view of the Government's decision to abolish the RDAs and, as a consequence, the single budget, we have removed all references to the single budget and other RDA management processes. Nevertheless, the format for the Technical Note, as originally drawn up by Offpat, has proved very effective so far during the 2007-13 funding period, so remains unchanged.
- 1.3 The purpose of this Technical Note is:
- to provide the detailed definitions for the ERDF Programme 2007-core outputs and outcomes/results indicators;
 - to provide a set of manageable, reliable, measurable indicators of good quality which can be used to compare or aggregate data across programmes or for thematic analysis;
 - to provide basis for reporting outputs and outcomes/results by beneficiary characteristics disaggregated by spatial levels (rural/urban and disadvantaged areas);
 - to bring together the definitions, verification evidence and FAQs in one document;
 - to provide an indicative list of ERDF impact indicators which informed the final selection within each Operational Programme.
- 1.4 The Technical Note takes account of practitioners' practical experience of data collection and builds on existing information systems in a proportionate manner so that the indicators are consolidated and linked to make them manageable and useable and to rationalise the data collection requirements. It does not cover any supplementary outputs, outcomes/results or ERDF impacts that the Regions may choose to use in their programmes.

2. Context

- 2.1 This Technical Note provides the definitional framework for indicators for English ERDF programmes. Section 7 of this Technical Note lists and defines the indicators. The glossary at Annex B lists acronyms used in the text and the reference material drawn on or referred to in the text is listed in Annex C.
- 2.2 The indicators have been defined to ensure that they are used consistently by the ERDF teams and bodies funded by them. The lessons learnt from the operation of the Tier 3 Milestones and RDA Core Outputs were built into these output definitions. A health check was made of the proposed indicators to ensure they were in line with *Choosing the Right FABRIC: A Framework for Performance*¹.
- 2.3 The European Commission illustrate the intervention logic and terminology for the ERDF programme in Figure1 below.

Figure 1 - The Logical Framework



- 2.4 The principles in the European Commission's Working Document No. 2 *Indicative Guidelines on Evaluation Methods: Monitoring and Evaluation Indicators* have also been applied by:
- involving ERDF delivery staff to ensure that the system is "realistically designed" by drawing on their knowledge and experience of the "practical possibilities and limits of data collection" to support the "rationalisation of data collection" to mitigate the "risk of excessive requirements";

¹ <http://www.nao.org.uk/guidance/focus/fabric.pdf>
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- applying proportionality and a logic chain² approach to relate a set of “common minimum core” outputs and results that reflect a “bottom up system of output and results indicators” that will support the delivery of the Operating Programmes;
- providing “a clear definition” and “a definition of the measurement method” to give “reliability of data collection”;
- using beneficiary characteristics provide a structure that enables providers to “select and record data that is relevant to the for the users”;
- the system of indicators demonstrates good “coverage, balance, manageability, with individual indicators that are relevant, sensitive, their availability and cost of collection”. Data that is realistic and measurable so that targets can be forecast and delivery monitored and verified; and
- the monitoring and evaluation of environmental sustainability, sustainable development and equality for all cross cutting themes are embedded into the programme general indicator system rather than separated into a specific indicator system.

3. Attribution of Outputs and Outcomes/Results

- 3.1 The UK generally refers to outputs and outcomes while European Structural funds refer to outputs and results. Outcomes and results mean the same thing. Collectively outputs and outcomes may be referred to as benefits. The benefits from all the RDA funded projects are aggregated to provide reports on progress to the RDA Management, its Board and stakeholders such as the Regional Assembly, BERR, for ERDF to the Programme Monitoring Committee and CLG as Managing Authority. As the reported data is on a common basis, it can be used by the RDA, Government and European Commission to support evidence-based policy making.
- 3.2 In considering outputs and outcomes/results it is important to understand their role. **Outputs** are produced by projects, as a **direct** consequence of the project activities whereas its **outcomes/results** are **attributable**, in whole or in part, to those activities. The outputs are the milestones that provide assurance that the project is on course to deliver its objectives. The outcomes/results are the real reason for doing the project and are used to measure its success in meeting the project objectives. It is therefore essential that the legal agreement for the project sets out the data requirements for both the outputs and the outcomes/results so that the grant recipient takes steps to collect the data. By informing the project delivery body of the data requirements from the outset the project can plan how to collect the data effectively and efficiently.

Outputs

- 3.3 Projects use outputs to measure the progress of the project activities. Outputs therefore have to be capable of being forecast and delivered as part of the project.

² See Figure at 4.4 and OffPAT PAN 2/2006 *A Project Logic Chain Approach*.

Progress on delivering the outputs is monitored during the life of the project. Outputs forecast and reported by the ERDF teams must be directly attributable to the project activities and be linked clearly to project objectives. Outputs must be measurable and verifiable so that they can be forecast at the project development and appraisal stage and will normally be included in the legal funding/investment agreement between the RDA and its supplier, partner or delivery body.

Outcomes/Results

- 3.4 Projects also generate outcomes/results – the consequences (direct and indirect) the project is seeking to achieve as set out in its objectives. They provide the measures to assess the success of the project. While outputs are directly linked to the project activities there is not necessarily the same direct causal attribution with outcomes. Outcomes are the results that follow from the project activities and so generally follow after the project has completed and are gathered as part of the evaluation of the project. Outcomes may be affected by other factors but applying the project logic chain model it can be argued that the project intervention(s) contributed to the outcomes/results.
- 3.5 The outcomes/results generally occur after the legally agreed activities are completed and so are measured through the evaluation of the project. There is often a time lag following the practical completion of a project and collecting the outcomes/results data. This means that the relevant data requirements should be set out in the project contract or funding agreement so that the data can be efficiently collected and assessed during the evaluation stage.

Examples

Project A: To build a new training facility.

ERDF funding is provided for capital costs and the outputs must relate directly to that funding.

If there is other public and private sector funding, then Core Output 4 *Regeneration - Public and private regeneration infrastructure investment levered* is applicable.

If it was developed on brownfield land then Component Output 4b *Regeneration - Brownfield Land reclaimed and/or redeveloped* may also be claimed.

But not Core Output 6 *Skills - Number of people assisted in their skills development as a result of ERDF programmes*, unless the training that takes place is a contractual commitment to the recipient of the funding. If not it is simply an outcome of the project.

Project B: Provision of specialist equipment for training.

ERDF funding is for capital costs and the outputs must relate directly to that funding.

If there is other public and private sector funding, then Core Output 4 *Regeneration - Public and private regeneration infrastructure investment levered* is applicable.

If the project objective and activities includes provision of specialist training on the

- 3.6 It is also important to avoid double counting of outputs and outcomes/results and so over claiming those assisted under the project. Where a project's inputs and activities are phased over time and assistance is given to the same beneficiaries within the project each beneficiary may only be counted once under the project. Where the project activities are related it should not be split in order to claim additional outputs as this would be an inefficient use of public resources and is likely to have lower outcomes/results and impacts.

Example

Project C: Provision of marketing and knowledge management assistance to SMEs

ERDF funding is revenue. ERDF outputs must relate directly to that funding.

Each business to be assisted with a minimum of £250 or 2 days of assistance can be counted once under Core Output 3 *Business support - Number of businesses assisted to improve their performance*. The business can only be counted once within the project even if it receives the minimum assistance for marketing and knowledge management at separate times.

In this case each business that receives knowledge management assistance (if it meets all the relevant requirements) may also be counted under Component Output 3a *Business Support - Number of businesses within the region engaged in new collaborations with the knowledge base (business/knowledge base collaboration)*. This is a subsidiary of the core output and the information will not be aggregated.

Business assisted under this project may also be counted under other projects if they go on to receive assistance within new projects.

4. Multiple Funding

- 4.1 Where the public sector match funding body does not count the same indicators as the ERDF team - then the funders may agree that the ERDF team can forecast and report all its indicators. For example, the Heritage Lottery Fund does not count *jobs created or safeguarded* and the programmes do not count Heritage improvements. In this instance, they might count all the jobs created with the Lottery counting the heritage improvements;
- 4.2 Where there is a different share of risk in proportion to inputs, for example, one funder might be giving a grant where another is providing a secured loan and, therefore, bearing much less risk, the funder bearing the highest risk, everything

else being equal, should take a higher share of the outputs based on an agreed assessment of their share of the risk.

5. Output and Outcomes/Results Indicators

Definitions

- 5.1 Before considering the detailed output and outcome/result indicator definitions it would be sensible to ensure there is a common understanding of the terms being used. These are:

Inputs: *the resources that contribute to the production and delivery of an output. Commonly inputs are – financial resources, labour, physical resources and IT systems.*

Indicator: *the measurement of an objective to be met, a resource mobilised, an effect obtained, a gauge of quality or a context variable.*

Output indicators: *are the direct measurable consequences of project inputs and relate to the project activities. They are the goods and/or services produced by the project delivered to an external party and are measured in physical or monetary units e.g. no of business supported, levered funding from other sources. For grant funded projects these are often for society either individually or collectively. Note these include people and businesses who receive a service/ benefit even where the project fails to fully meet its objectives.*

Outcome/Result indicators: *are the effects on, or consequences for, the beneficiaries or community brought about by the project activities. They reflect the extent of the achievement of a project's objectives and provide the rationale for the public sector intervention. They provide evidence of changes to the behaviour, capacity or performance of beneficiaries.*

For instance those people or businesses that received the activity/service and obtain a measurable benefit consistent with the project objectives set. The outcome is almost inevitably subject to a time lag and will depend on the effectiveness of the monitoring/evaluation system. It requires conceptual acceptance that there is a link between a cause and effect - that an activity/output has led to a particular outcome.

Impact: *A measure that relates the outcome to a wider context identifiable with the wider population or problem definition that gave rise to the intervention in the first place. Impact measures will typically be those that are measured through standard government statistics e.g. Annual Business Inquiry, ONS Labour Force Survey, Census, OP level evaluations etc*

6. Indicators Summary

- 6.1 Table 1 below summarises the ERDF Programme indicators (outputs and results). Note that the terms gross and net are not used in the descriptions of the indicators since the forecast targets and reported achievements are given as gross numbers
- 6.2 The indicators are numbered for convenience and grouped by type of indicator, and where they are linked they are shown as components of a headline indicator. This means that the component may only cover element(s) of the output or



outcome/result. Hence, the core indicator can be disaggregated into its component indicator(s) but they cannot necessarily be aggregated up to the indicator total. The main exceptions to this are O2(a) and O3(a) due to definitional differences.

- 6.3 The Manual Chapter does not include indicators on the number of projects or by project categories as these can be identified from management information systems and so do not require definitions.

Indicator Beneficiary Characteristics

- 6.4 In addition to the basic output and result indicators ERDF teams may select relevant beneficiary characteristic data to provide a further level of evidential detail on how the investment has been used and the benefits achieved. These beneficiary characteristics would be **used for reporting** against **not setting targets**. They are used **in monitoring and evaluation** to identify who or what group or area has benefited. There are 4 main categories against which beneficiary characteristics can be identified, these are:

- Business
- People
- Place
- Geographical areas

- 6.5 Table 2 sets out indicative beneficiary characteristics by these categories showing how they could be used with the outputs and outcomes/results. Note that for ERDF Article 66.2 of the General Regulation requires that, where possible the reporting must be broken down by gender and by the size of the recipient undertakings. Selection of relevant characteristics depends on the project objectives and the change it seeks to bring about. To measure the change against beneficiary characteristics it is essential to establish the baseline before the project intervention takes place.

- 6.6 Information is a key asset and its proper use is fundamental to the delivery and evaluation of programmes and projects³. Where information is held on individuals, companies or organisations they are entitled to expect that:

- their privacy will be protected, subject to Freedom of Information requirements;
- information risks (confidentiality, integrity, availability, storage) will be assessed and mitigated (including incident management) to an acceptable level;
- the data will be protected, used and handled professionally and only for the purposes it was collected

- 6.7 Note that the verification evidence in the following tables is that which should be held by the delivery body. The delivery body is responsible for collecting and

³ For more information on information security go to the Cabinet office [Central Sponsor for Information Assurance](#) (CSIA)



storing the data on individual beneficiaries. In reporting achievements to the ERDF team, it is only necessary to provide aggregate numbers not the information on individual beneficiaries. However, the raw data should be made accessible to the team to validate or audit the information reported to them and also to conduct beneficiary surveys as part of evaluation. When collecting and holding information that could identify individuals the requirements of the Data Protection Act must be complied with.

Data Protection Act

6.8 The Data Protection Act protects the rights of people about whom you collect and process data. It is therefore important that the methodology applied conforms to accepted standards.

6.9 When programmes and projects require the collection of data about a beneficiary account should be taken of the Government's [Mandatory Minimum Measures](#). When the information relates to the beneficiary's ethnicity, it is recommended that the guidance in [Ethnic Monitoring – A Guide For Public Authorities](#)⁴, is taken into account; these principles apply also to the other equality duties. Some of the key principles follow⁵:

- Inform: provide information on why the information is being collected, how it will be used and what will be done to protect confidentiality.
- Voluntary: completion of equality monitoring forms by individuals should be voluntary.
- Self-classification: wherever possible, self-classification should be used with individuals completing a declaration form.
- Recording: if the beneficiary does not provide the information you should record them as a nil response and in an unknown category.
- Confidentiality: when data is held on paper records it should be locked away in a secure place e.g. a locked cupboard, when not in use. If the records are to be held electronically they should be password protected. When data is held and accessed on ICT systems access should be by authentication (user name, password and best commercial practice) avoiding use of removable media e.g. laptops, CDs, USBs etc for storage or access, where possible. On completion the material used to store personal data should be subject to controlled disposal (incineration, pulping, shredding, secure destruction, overwriting, erasure or degaussing).

⁴ Commission for Racial Equality (CRE) provided this non-statutory guidance (May 2002) to support public authorities to meet their general duty under the Race Relations (Amendment) Act.

⁵ This should not be construed as legal advice.

Indicators Structure from April 2008

Table 1a Output & Outcome/Result Indicators ⁶ Logic Chain Summary				
Type of Indicator	No.	Output Description	No.	Outcome (ERDF Result) Description
Business:				
Jobs ⁷	O1	Jobs created or safeguarded		
	O1(a)	Jobs created	R1(a)	Jobs created
	O1(b)	Jobs safeguarded	R1(b)	Jobs safeguarded
Business: Creation	O2	Businesses created and/or attracted to the region		
	O2(a)	Business Pre-start assistance	R2	Businesses Created
Business: Support	O3	Businesses assisted to improve performance	R3	Businesses with quantifiably improved performance
	O3(a)	Businesses intensively assisted		R3 or a subset
	O3(b)	Businesses engaged in new collaborations with the knowledge base	R3a	Businesses with new/improved products, processes or services
	O3(c)	SMEs assisted ⁸		R3 or a subset
	O3(d)	Social Enterprises assisted ⁹		R3 or a subset
	O3(e)	Businesses assisted to reduce industrial & commercial waste	R3(b)	Businesses with industrial or commercial waste reduced/reused or recycled
	Other	Tonnes of carbon dioxide equivalent reduced		

⁶ Outcome is the same as ERDF Result. To clearly identify and differentiate the indicators the letter O has been used for outputs and R for outcomes/results. These are followed by numbers and lower case letters to show both the vertical and horizontal relationships between the indicators.

⁷ The difference between the jobs and business created output and results measures is explained in the detailed indicator definitions.

⁸ European Commission SME definition (which must be used for State aid e.g. SME Block Exemption)

⁹ Cabinet Office definition

Table 1a Output & Outcome/Result Indicators⁶ Logic Chain Summary

Type of Indicator	No.	Output Description	No.	Outcome (ERDF Result) Description
Place				
Regeneration : Physical	O4	Brownfield Land reclaimed &/or redeveloped (ha)	R4	Premises new /refurbished: floorspace
			R4(a)	Premises new/refurbished: with Environmental Accreditation certificates
	Other	Premises New and Upgraded Floor space		
	Other	Premises upgraded to BREEAM standard excellent/very good		
People				
Employment Support	O5	Individuals assisted to get a job	R5(a)	Individuals who get a job
			R5(b)	Individuals who start a business
Skills		People assisted with their skills development	R6(d)	Graduates placed in SMEs
		Other: Skills – Graduates into SME's		
Finance				
Financial	O7	Public sector and private sector investment levered	R7	Private sector investment induced
ERDF Inter-regional Activity				
	Other	Number of new networks established		

Table 1a Output & Outcome/Result Indicators⁶ Logic Chain Summary

Type of Indicator	No.	Output Description	No.	Outcome (ERDF Result) Description
	Other	Number of best practice pilot implementations		
ERDF Technical Assistance				
	Other	Number of capacity building initiatives		
	Other	Number of research studies		

ERDF PROGRAMME PERFORMANCE INDICATORS – IMPACTS

Table 1b ERDF Programme Impact Indicators

I1	Increase in the GVA as a result of the Programme
I2	Increase in employment
I3	Increase in Businesses created
I4	Net additional increase in number of firms
I5	Net additional increase in number of knowledge intensive firms
I6	Change in employment rate in target areas or target groups
I7	Net additional employment in target areas

TABLE 2a BENEFICIARY CHARACTERISTICS - BUSINESS

Indicator	Total	Type of Enterprise						Cluster/Sector				Environmental				Energy			
		Micro Enterprise	Small Enterprise	Medium Enterprise	Large Enterprise	Social Enterprise	Spin Out Enterprise	Automotive	ICT	Tourism	Construction	Add RES sectors	Environmental Technologies	EMS	Carbon Reduction ¹⁰	Waste Management	Micro-generation	Renewable	Energy Efficiency
O2 Business created																			
O3 Business assisted																			
O3b Business in new collaborations																			
R2 Businesses created																			
R3 Business improved performance																			

Indicator	Total	R&D ¹¹			Innovation ¹²			Financial		
		Fundamental	Industrial	Experimental	Products	Processes	Services	Access to Finance	Risk Capital Funds	R&D Investment
O2 Business created										
O3 Business assisted										
O3b Business in new collaborations										
R2 Businesses created										
R3 Business improved performance										

¹⁰ This measures "closing the gap" between emission levels before and after the intervention through change against the baseline established from the CO2 toolkit. Change may result from a range of actions from partners. The total gap between the supportive growth and business as usual scenarios is approx 45,000 Kilo tonnes of CO2.

¹¹ These categories are consistent with those in the European Commission Community [Framework for Research & Development and Innovation](#)

¹² Changes measured by the number that have occurred and are new to the business assisted

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TABLE 2b BENEFICIARY CHARACTERISTICS - PEOPLE

Indicator	Total	Ethnicity ¹³																	
		White				Mixed			Asian				Black			Chinese			Other
		W	W Br	E	O	W BC	W BA	WA	AB	I	P	Ba	BBr	BC	BA	C	CBr	O	
O1a Jobs ¹⁴ created																			
O1b Jobs safeguarded																			
O5 Employment support																			
O6 Skills																			
R1a Jobs created																			
R1b Jobs safeguarded																			
R5a Individuals who get a job																			
R5b Individuals who start a business																			

Indicator	Total	Age					Gender		Disabled ¹⁵		Quality		Other ¹⁶
		0-16	16-24	25-49	50-64	65+	M	F	Y	N	SOC ¹⁷	Salary	Lone Parent
O1a Jobs created													
O1b Jobs safeguarded													

¹³ Office for National Statistics (ONS) standard main categories – and sub-categories (16 in total) W= White, Br British (can be sub-categorised as English, Scottish, Welsh, Irish), E=European, O=Other, B= Black, BC= Black Caribbean, BA= Black African, A=Asian, I=Indian, P=Pakistani, Ba =Bangladeshi, C=Chinese. The level of data collection required will depend on the type of project and its relevance.

¹⁴ By first occupant

¹⁵ [Disability Discrimination Act](#) definition

¹⁶ CSR 2007 new PSA 17 identifies 4 groups at risk – care leavers; offenders under probation service supervision; adults with secondary mental health problems; adults with moderate to severe learning disabilities.

¹⁷ SOC Standard Occupational Classification (ONS)

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O5 Employment support												
O6 Skills												
R1a Jobs created												
R1b Jobs safeguarded												
R5a Individuals who get a job												
R5b Individuals who start a business												



TABLE 2c BENEFICIARY CHARACTERISTICS – PLACE

Indicator	Total	Derelict	Contaminated	Remediation Method	Construction Method	Construction Waste	Design Quality	Environmental Accreditation
O4 Brownfield Land								
Built Environment								
Indicator	Total	Public Realm	Housing	Industrial	Commercial	Cultural	Tourism	Other
R4 Premises new /refurbished: floorspace								
R4a Premises environmental accreditations								

To evidence the outcome analyse by type of land use - Industrial & Business, Recreation & Leisure, Retail or Community Services buildings. The categories are defined in the [National Land Use Database](#)

7.0 Geographical - Disadvantaged Areas

7.1 Outputs for disadvantaged areas are counted on a combination of:

- where the project objectives are to target those living in disadvantaged areas or where a project is specifically located in the disadvantaged area then all its outputs will be attributed to the disadvantaged area; and
- for those projects that either do not have specific objectives or location in disadvantaged areas or are regional or sub-regional then the outputs will be attributed to disadvantaged areas based on the % deprived area/population to that in the region/ sub-region.

OUTPUT INDICATORS

The following sections must be incorporated within the legal agreement together with the individual Output definitions to be shared with Applicants during project development and to be incorporated into the legal agreement as required.

Introduction and Scope

DCLG includes Outputs within its legal agreements in order to measure delivery of direct project activity. The Outputs that DCLG is currently measuring are listed below and apply to projects funded from the European Regional Development Fund (ERDF) programme 2007 - 2013.

The definition of each Output contains a set of criteria that must be met if the Output is to be reported in your monthly claim together with a core record of information you must maintain and a list of the evidence that you must retain for inspection during monitoring.

General Criteria

An Output can only be claimed as delivered if it fulfils all of the following criteria:

Definition - The activity must fall within the scope of activities defined for the Output (as described in this document);

Direct - It must be a direct consequence of funded activities, in effect those Outputs written into the legal agreement and which the recipient of the assistance is expected to deliver or report;

Note:- Where an Output is a subset of a main Output you must report both the main output and its subset.

Business: Jobs

O1. Job creation – Jobs created or safeguarded	
Terms	Definitions
Unit of Measurement	No. of jobs.
Counted	A job is counted as an output when the jobs are a direct consequence of the project intervention. The terms created and safeguarded are defined in the component elements below. For reporting ERDF to the Commission the jobs created and jobs safeguarded must be counted separately. See also R1 & R2

.O1. Job creation – Jobs created or safeguarded	
Terms	Definitions
Exclusions	<p><i>Inputs</i> to the project such as:</p> <ul style="list-style-type: none"> jobs to set up or deliver the project e.g. management/administrative staff, consultancies, or temporary contractors Construction jobs integral to the delivery of a project (e.g. those who remediate a site or construct premises), even if they last for more than a year. <p><i>Seasonal jobs</i> which are incidental to the project</p> <p><i>Transferred jobs</i> which are a result of a company moving either within the region or from other English regions or UK devolved administrations are not new jobs. These may be included as safeguarded jobs but only where the relocation is part of a rationalisation programme which will safeguard jobs by moving them and otherwise meet the criteria above.</p> <p><i>Occupancy of the post</i> - the job must not be counted again if it is filled over time by different individuals.</p>
Verification Evidence	<p>Business - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees.</p> <p>Job – new/safeguarded job title, contract of employment, (expected duration must be 1 year or longer or 4 weeks per annum for seasonal jobs integral to the project)/hours of work (for FTE calculation). Start date of employment.</p> <p>Letter or standard form (signed by employer) from employer confirming new jobs are a result of the project. If location is different from business address provide details.</p>
Notes	<ul style="list-style-type: none"> The unit of measurement is the job and not its occupant. However, to assess who benefits from the job analyse the first post occupant by gender, race, age, disability. Within a project this output may be associated with other complementary outputs e.g. Core Output 3 <i>Business creation</i> providing there is a direct relationship between the project activity and the outputs forecast and claimed. Construction jobs created in the region as part of a cluster development project may be counted provided they are not part of the project inputs excluded above.

O1(a). Jobs created	
Terms	Definitions
Unit of Measurement	No. of jobs.
Job created	<p>It must be a new, permanent, paid, full time equivalent (FTE) and must not be covered under the exclusions.</p> <p>New = should not have existed in the region or with that employer in the UK before the intervention and should be a direct result of the intervention.</p> <p>Permanent = should have a life expectancy of at least 1 year from the point at which it is created.</p> <p>FTE = paid work of 30 hours or more per week. Convert part time jobs to FTE either:</p> <ul style="list-style-type: none"> • on a pro rata basis based on hours worked; or • 2 part time jobs = 1 FTE, where no other information available (i.e. EC approach)
Counted	<p>When a new, permanent, FTE or equivalent, paid job is created/attracted to the region and the post is filled e.g. jobs that arise from <i>Foreign Direct Investment (FDI)</i> and <i>SFIE</i> when they have been delivered.</p> <p>Seasonal jobs may be counted where they are integral to the project (for example in the tourism sector), provided there is a contract of employment that will last for a minimum of 4 weeks per annum.</p> <ul style="list-style-type: none"> • Calculate on a pro rata basis e.g. a 3 month job = 0.25FTE or 2 part-time jobs = 1FTE, if no data is available.
Verification Evidence	<p>Business - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees.</p> <p>Job –title of the new/attracted job, contract of employment with expected start date of employment & duration (must be 1 year or longer or for seasonal jobs 4 weeks per annum), hours of work (for FTE calculation). On completion a letter or standard form (signed by employer) from employer confirming new jobs are a result of the project. If job location is different from business address obtain details.</p>

O1(b). Jobs safeguarded	
Terms	Definitions
Unit of Measurement	No. of jobs.
Job safeguarded	<p>To qualify there must be a permanent, paid, full time equivalent (FTE) job which is at risk.</p> <p>At Risk is defined as being forecast to be lost normally within 1 year i.e. the jobs at risk must be specified, or if sector is in long-term decline a longer period might be appropriate (where project is proposing to undertake pre-emptive action).</p>
Counted	<p>When it is:</p> <ul style="list-style-type: none"> • forecast as at risk when the project was approved; and • is still in existence at the time of counting; and • is no longer at risk of being lost within a year.
Verification Evidence	<p>Business - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees.</p>

O1(b). Jobs safeguarded	
Terms	Definitions
	<p>Job Safeguarded - job title, contract of employment with duration (must be 1 year or longer), hours of work (for FTE calculation). If job location is different from business address obtain details</p> <p>Provide the employment profile at appraisal, check at decision. On completion a letter from employer or standard form (signed by employer) confirming safeguarded jobs are retained as a result of the project. Use best evidence available of real risk e.g. written company statement or letter signed by Owner, Chief Executive or Finance Director confirming jobs were at risk but no longer or statutory redundancy notices that were served/withdrawn on individuals. Statement should show how the project prevented the loss of the job(s).</p>
Jobs FAQs	
<p>Q. Can a sole trader be counted as a job created as well as a business created?</p> <p>A. Yes. To count as a job they must meet the definition criteria – recognising that the employer and employee is in this case the same person. Note sole traders include self-employed and free lance workers.</p> <p>Q. Does the type of business created make a difference to whether we can count a job as well? Does the first job created within a business always get discounted</p> <p>A. The type of business is not relevant. The first job is not discounted all jobs can be counted.</p> <p>Q. Can freelance jobs be counted as a full time job on the basis of 72 days = 1 job?</p> <p>A. No. If they work part time, to be counted, they must meet the same full time equivalent requirements as other part time jobs.</p> <p>Q. Can helping individuals to obtain voluntary work count as a job and meet the criteria for this output?</p> <p>A. No – a job is paid employment. They can be counted under core output 5 Employment Support. Obtaining voluntary work would be an outcome/result of the project Q. In counting the outputs are we expected to collect information on the actual jobs created from inward investment successes? This is unfeasible except where we are delivering funding whose release is reliant upon that data e.g. SFIE.</p> <p>Q. If we train people in construction skills with the aim of them becoming self-employed, can we count them under jobs created (output 1)?</p> <p>A. No. The project objective is to develop skills so they should be counted under core output 6. Having received the training they may go on to get either a job or become self-employed. These are the outcomes for the project and should be picked up when the project is evaluated.</p> <p>Q</p>	

Business: Creation

O2. Business creation - Businesses created and/or attracted to the region from outside the EU	
Terms	Definitions
Unit of Measurement	No. of businesses/enterprises (see Notes).
Business/Enterprise	<p>There are 3 main types of business/enterprise (i) sole proprietorships, (ii) partnerships and (iii) companies. All will be registered with HMRC for business tax; most but not all are governed by the Companies Act legislation. These include:</p> <ul style="list-style-type: none"> • start-ups of all sizes, whether or not VAT registered; • self-employed & sole traders • partnerships/limited liability partnerships • companies (private or public limited companies; private unlimited companies) • independent spin-outs from established businesses, universities and other research and development organisations; • not for profit companies, co-operatives, community enterprises, social enterprises¹⁸ • farm enterprises • new to the region branches of businesses which remain established elsewhere in the UK (i.e. expansions) • foreign direct investment (FDI) bringing new enterprises to the region; both first time investment and subsequent expansions
Business Created	<p>When a new business starts trading in the region and is sustained for at least 12 months as a direct result of the project intervention.</p> <p>Starts trading is the date when the business registers for VAT or registers for National Insurance (Class 2) contributions. Alternatively use the Business Link approach and use the date of the first transaction.</p>
Business Attracted	<p>These are:</p> <ul style="list-style-type: none"> • new to the region branches of businesses which remain established elsewhere in the UK (i.e. expansions). • foreign direct investment bringing new enterprises to the region, both first time investment and subsequent expansions from outside the UK
Counted	<p>New business - when it is still in operation 12 months after it started trading in the region.</p> <p>Attracted business – when it opens its premises in the region.</p>
Exclusions	<p>Businesses relocating within the region or from another English region or UK devolved administration or elsewhere in the EU</p> <p>The same business cannot be counted at different phases of its growth as this would be double counting.</p>
Verification Evidence	<p>Business - Name, Address inc post code, Tel no. Contact details. Ownership. No. of employees. Type of business</p> <p>New/attracted – the company incorporation statement or letter or standard form to collect the data signed by a senior officer of the business e.g. the Owner/Chief Executive or Finance Director to confirm it is either:</p> <ul style="list-style-type: none"> • a new company and still trading or • new branch operation of UK company or

¹⁸ Businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners
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	<ul style="list-style-type: none"> • new overseas company or expansion of an overseas company. <p>For new branches evidence that it is still trading in its original location(s). For attracted business date of opening.</p> <p>The statement/letter/form should include information on the nature of support provided by the project, how that led to it opening in the region, and the usefulness of support received.</p> <p>Start of trading - Company Registration No./VAT No. and date of registration or NI Class 2 date of registration or the date of the first transaction where evidence can be produced to evidence it.</p> <p>Business Attracted – date opened premises in the region.</p> <p>Evaluation – contact business site visit/telephone/survey to confirm still trading.</p>
Notes	Business is the term commonly used in the UK, the EU equivalent term is enterprise.
Business Creation FAQs	
<p>Q. Can Business Link business starts be counted under this output?</p> <p>A. Yes. It is acceptable to include the Business Link start ups using their verification evidence – the date of the first invoice.</p> <p>Q. Does the Businesses Creation growth measure (employment) also apply to the businesses attracted to the region?</p> <p>A. No. The demonstrating growth only applies to the businesses created. For business attracted to the region the definition is aligned with the UKTI inward investment definition for consistency in measurement and reporting.</p> <p>Q. Can the growth in employment counted for this output also be included under jobs created?</p> <p>A. It follows that if the employment growth is part of the business created output then the jobs themselves can be counted under the jobs created output. If the employment was part of the project outcome measures it could not be counted under jobs created.</p> <p>Q. For businesses attracted to the region is it only the first branch of an existing business trading elsewhere that can be counted or can subsequent branches also be counted?</p> <p>A. Only the first branch attracted to the region can be counted; this is consistent with counting under the Tier 3 technical Note.</p> <p>Q. Can we count virtual businesses e.g. where overseas companies have a postal address/bank account only but no physical presence?</p> <p>A. No. Only businesses which have a physical presence may be counted.</p> <p>Q. What can we count if a business relocates from another region and increases the number of people employed? Can we count the additional jobs - even if the jobs were not at risk in their previous location?</p> <p>A. The additional jobs can be counted under core output 1 jobs created, as these are new. The business cannot be counted as it has simply relocated from another region and is not a new business. If it was the first branch of a business that continued in its original location then it could be included as a new business attracted to the region.</p> <p>Q. When a project encourages a farm business to diversify, e.g. help a farmer to start up a bed and breakfast operation, I would regard this as a new business, but the farmer would probably not need or want to register separately for VAT or Class 2 NICs as a result of starting it up. Please will you confirm that new businesses resulting from diversification of an existing business may be counted and that persuasive alternative evidence of creation will be acceptable where the business owner does not need to register for VAT or Class 2 NICs?</p> <p>A. Where public resources are used to assist farmers to diversify from primary production it is essential that there is transparency between the businesses. As a minimum there must be a separation of accounts between the to ensure there is no cross-subsidisation between the farm primary production activities and any additional businesses run on the farm to ensure the aid complies with the State aid</p>	

rules (agricultural and SME BE etc). Where this is the case the additional business created may be counted.

Q. Can we count businesses that are 'Management Buy Outs' as it could be argued that the result is a new business has been created?

A. No. A "management buy out" means that there is an existing business hence a new business has not been created and it does not meet the output definition. The buy out price paid reflects the value of the existing business. However, it could be included under Output 3 Business Support.

Q. The 'UK Devolved Authority' is mentioned as an exclusion. Does this mean the Scottish and Welsh Assemblies? Is the consequence that a business relocating from one side of the border into England couldn't be counted for example Peebles to Berwick?

A. Yes. The reference to UK Devolved Authority or Administration means Scotland (Parliament), Wales (Assembly) and Northern Ireland (Assembly).

A business that simply relocates from one side of the border into England cannot be counted. The same principle applies as to a business relocating from another English region or even within a region. This is displacement with no net benefit to the UK economy hence it cannot be counted. However, where the business remained in Scotland etc but opened a new branch in the region then it could be counted as a business attracted to the region but only the first branch in the region.

Q. A project to give assistance to businesses is designed to run for three years with the contract performance reviewed annually and agree changes to the targets/ focus areas on the basis of the experience of the previous 12 months. Could we follow the example of the BL intensive assist and claim subsequent assistance given to companies under this project in years two and three?

A. No. Where assistance is given to a business within a project the business can only be counted once. As a result of intensive assistance under the project there should be clear **outcomes** that can be evidenced to demonstrate its value and impact.

Q. In a Science City (SC) project can we include in the job/business created output a beneficiary business whose head office is in Scotland that has a virtual tenancy agreement at the SC in the region? While the company has a new branch in the region, it is not a physical one.

A. No it cannot be included in the outputs. Depending on both the project objectives and the implications and practical benefits of the virtual tenancy it may be possible to include it as an outcome or impact and collect data through the project evaluation. This will require a case by case judgement taking account of the legal status of a virtual tenancy and whether or not real business benefits can be ascribed (and evidenced) to a virtual tenancy.

Q. Can franchises be counted as a business created?

A. There are 3 basic types of franchises:

1. Where the business set up a branch, owns it and looks for someone to manage it on their behalf (e.g. pubs with independent managers).
2. Where the franchisee sets up a business and buys the 'kit' (signs, machinery, branding etc.) and then runs as their own business.
3. Where the franchisee buys a part share of the business and the rest is owned by the parent company.

When the franchise is type 1 or 3 then they cannot be counted as a business created, unless they meet the 'new branch to the region' qualification.

When it is a type 2 franchise then it may be counted as a business created if it is a new franchisee in the region, in the same way as a new business expansion to the region. However, if an existing franchisee opens a new outlet in the region this may **not** be counted as it is an expansion of his/her existing business.

Q. What is the definition of an definition of an Ethnic Minority Business?

A. The definition used by BERR and the National Ethnic Minority Business Forum is Majority Ownership i.e. 51%+. <http://www.berr.gov.uk/files/file38528.pdf>.

O2(a) Business Creation - Pre-start assistance	
Terms	Definitions
Unit of Measurement	No. of pre-starts
Pre-starts	It must not be trading yet but enquiring about or trying to start up for trading. It can include; <ul style="list-style-type: none"> • individuals and groups (community, not for profit, other) who are seeking support to start a business • HEIs and others seeking to start spin out companies • An SME that is less than 12 months and not trading.
Assistance	Support activities may include advice and guidance e.g. to develop business plans, marketing strategies; support for trade fairs; support to develop business skills. This can be provided through a minimum of: <ul style="list-style-type: none"> • 2 days counselling, mentoring, information provision, training or other non-financial assistance, or • grant, or equivalent, of at least £1,000.
Counted	It is counted when the pre-start has received a <u>minimum</u> of 2 days active support, or a <u>minimum</u> £1,000 grant or equivalent. The pre-starts can only be counted once within a project irrespective of the number of times or forms of assistance received.
Exclusions	Travelling time to clients is excluded.
Verification Evidence	Details of the provider of any support (name, address etc). Details of the assistance provided to the pre-start to include a record of hours of assistance; names and addresses of pre-start contacts, the activities undertaken. Copy of receipts for grant or equivalent signed and dated by recipient. Evidence of business proposal documents, a business plan, marketing strategy, training undertaken, attendance at trade fairs etc.
Notes	To evaluate who has benefited data on size, gender/ethnicity and sector/cluster should be collected to see how well they fit with RES/SPD priorities.

Business: Support

O3. Business support – Number of businesses assisted to improve their performance	
Terms	Definitions
Unit of Measurement	No. of businesses/enterprises
Business/Enterprise	The 3 main types of business are sole proprietorships, partnerships and companies. For more information see Output 2.
Support	This is a minimum of either <ul style="list-style-type: none"> • 2 days active consultancy advice or other non-financial assistance (1 day = minimum of 6 hours activity i.e. it excludes lunch and other breaks), or • grant, or equivalent, of at least £1,000.
Assistance	Provision of consultancy support, information, diagnostic advice and guidance to individual businesses, located within the region The assistance can be personal face-to-face, telephone or web-based dialogue at conferences, seminars, workshops or through networks. Activities should support the project objectives and be directed to improving the performance of the business. These may include support for: <ul style="list-style-type: none"> • management/leadership • corporate and social responsibility e.g. awareness raising on statutory and legal responsibilities • participation in new supply chains • marketing • use of R&D • process and resource efficiency e.g. in use of ICT, waste management • environment management • quality assurance
Counted	It is counted when a business has received a <u>minimum</u> of 2 days active consultancy advice information, diagnostic and brokerage or other non-financial assistance, or a <u>minimum</u> £1,000 grant or equivalent Within a <u>project</u> a business can only be counted once irrespective of the number of times or forms of assistance it receives. Within a <u>programme</u> a business may be counted each time it receives assistance through a different project or intervention strand.
Exclusions	Distribution of mail-shots and brochures (electronic or hard copy).
Verification Evidence	Business - Name, Address inc post code, Tel no. Contact details. Ownership. Type of business Assistance – Standard form (signed by Finance Director) confirming consultancy support provided and hours. Date(s) assistance received. Copy of grant letter to business/receipt
Notes	Business is the term commonly used in the UK; the EU equivalent term is enterprise. The outcome or result measure is those with improved performance (see R3). In counting the output there is no need to demonstrate performance improvement; this is the outcome measure which will be assessed during the project evaluation. Identifying the benefits by size of business supports the Government's Impact

O3. Business support – Number of businesses assisted to improve their performance

[Assessment](#) approach.

Business Support FAQs

- Q. Does the 2 days consultancy provision include travel time and preparation time on behalf of the client or just the actual time provided by the consultant to the client?**
- A.** Travelling time is excluded; it is the actual time delivering the consultancy service, including preparation and research to the business that can be counted.
- Q. If the assistance involves training of the staff of a business, can we also claim outputs under core output 6?**
- A.** Yes where this is part of the project objectives and there is a direct link and it meets core output 6 requirements then the individuals whose skills have been developed may also be counted under that output.
- Q. Does the restriction of counting business assists only once per project lead project managers to disaggregate projects artificially i.e. against the principle of GRADE?**
- A.** No. It is a fundamental requirement of public sector projects that these should not be split to keep within financial delegations or achieve higher outputs. This is an inefficient use of ERDF resources. It will generally result in less effective projects which are not likely to demonstrate the same value for money as other larger projects and so may not be approved when there is a limited budget.
- Q. Where more than one public sector funder contributes to a project and so a business receives different types and amounts from each funder would each funder claim this business under the Business support output?**
- A.** Yes, ERDF counts all contributions.
- Q. Can State schools that receive support on how to manage their budgets be included in the business support output?**
- A.** No. State schools are not companies in terms of the definition.

O3(a). Business support – Businesses intensively assisted to improve their performance

Terms	Definitions
Unit of Measurement	No. of businesses/enterprises
Business/Enterprise	The 3 main types of business are sole proprietorships, partnerships and companies For more information see Output 2.
Intensive assistance	<p>Businesses are “intensively assisted” at the point at which they make an investment (significant financial or significant management time) in their business in partnership with the project, either through</p> <ul style="list-style-type: none"> ▪ work with the project team or a brokered third party intermediary e.g. a relationship with an Account Manager/Adviser, consultant; or ▪ course of training and development. <p>To qualify for “intensive assistance” measurement there must be a shared agreement implementing an action plan or other formal agreement, developed in partnership between the project and business, including a strategy for improving business</p>

O3(a). Business support – Businesses intensively assisted to improve their performance	
	<p>performance with the necessary GVA baseline data (previous year) and a specific forecast for change to GVA over a defined period.</p> <p>The agreement must be auditable i.e. kept as a tangible document (paper or electronic) and have a suitable audit trail that is available to inspect on request.</p>
Counted	<p>An intensive assist may only be counted at the point at which the agreed business action plan starts to be implemented.</p> <p>This means an intensive assistance customer may be counted once at the time of the assistance and the subsequent 3 quarters only.</p> <p>A business can only be counted once <u>within a project</u> irrespective of the number of times or forms of assistance it receives. Within a programme it may be counted each time it receives assistance through a different project or intervention strand.</p>
Exclusions	Distribution of mail-shots and brochures (electronic or hard copy).
Verification Evidence	<p>Business - Name, Address inc post code, Tel no. Contact details. Ownership. Type of business.</p> <p>Assistance</p> <ul style="list-style-type: none"> • A written Action Plan for the business following standard template, noting the actions that need to be undertaken either by the business and/or project advisor including referrals to third party suppliers (private, public or voluntary sector). A record of the business formal agreement to it – signed by a Director. • Evidence of a planned, meaningful, ongoing relationship between the project provider and business, to include a minimum of 2 planned follow-up/account management activities over the year. These may take place by e-mail or by telephone with notes of date, time and points discussed recorded on the project file. • For Business Link projects this must include a minimum of 2 hours of a Business Link advisor's time. • Collection of GVA data, including the baseline (previous year to start) the forecast GVA to be achieved. • Grant letter to business; Letter or standard form (signed by Finance Director) confirming consultancy support provided and hours giving date(s) assistance received.
Notes	<p>The objective of projects that provide intensive assistance is that it will lead to a measurable improvement in the GVA or other performance of the business as a result of the intervention.</p> <p>Forecast GVA should not be treated as a simple data collection exercise. It should be informed by the project intervention and planned actions of the business.</p> <p>The outcome data collected in the evaluation will provide the evidence of the level of improvement achieved.</p> <p>As the intensive assistance minimum time is less than that in the O3 headline indicator it should not be included in the headline indicator, unless additional assistance has been provided to meet the additional requirements.</p>

O3(b) Business support – Businesses engaged in new collaborations with the knowledge base	
Terms	Definitions
Unit of Measurement	No. of businesses/enterprises
Business/Enterprises	The 3 main types of business are sole proprietorships, partnerships and companies (see Core Output 2 for examples) The business assisted must be located within the region.
Support	The minimum level of support is 2 days consultancy advice or other non-financial assistance, or a grant, or equivalent, of at least £1,000. It may be provided prior to or during the collaboration; and directed at the business and/or the knowledge base unit involved in the collaboration.
New collaboration	A first involvement between at least one business and one knowledge base organisation. It includes the first collaboration by a business with a department within a knowledge base organisation.
Knowledge base	Includes UK Public Sector Research Establishments (PSRE) or equivalents, Research and Development Organisations (RDOs), Research and Technology Organisations (RTOs), Higher Education and Further Education Institutions. Knowledge transfer is about transferring good ideas, research results and skills between the knowledge base and business to enable innovative new products and services to be developed and includes: <ul style="list-style-type: none"> • research collaborations and free dissemination of research • contract research on behalf of industry • licensing of technology to business users • the sale of services, data and software • formation of joint ventures and spin-out companies.
Counted	It is counted when the collaboration with a business starts. Each business involved in the collaboration may be counted if this is their first involvement with that department of the knowledge base organisation.
Exclusions	Businesses that receive assistance for the same collaboration more than once within a project and within the time period as this would be double counting unless, for example, they are collaborating with another Department of HEI on the same project.. Distribution of mail-shots and brochures (electronic or hard copy).
Verification Evidence	Business - Name, Address inc post code, Tel no. Contact details. Ownership. No. of employees. Date assistance received. Assistance – Standard form (signed by Finance Director) confirming consultancy support provided and hours. Date(s) assistance received. Copy of grant letter to business/receipt Knowledge Base - Name, Address inc post code, Tel no. Check it is included in the categories above. The name of the Department involved in the collaboration. Contact details. New collaboration - Letter of agreement for collaboration/memorandum of understanding, which states what each partner is going to put in /receive from the collaboration, confirm it is their first involvement in an activity signed by senior officers of each organisation.
Notes	The output is a subset of O3 and its aim is to measure is the number of businesses engaged in collaboration with the knowledge base.

O3(b) Business support – Businesses engaged in new collaborations with the knowledge base

Terms	Definitions
	<p>The purpose is to encourage businesses (demand side) to collaborate with the knowledge base (supply side) to transfer knowledge and encourage innovation. The activity should be additional to supply side programmes e.g. Faraday, LINK etc.</p> <p>A collaboration between:</p> <ul style="list-style-type: none"> • 1 business firm and 3 new knowledge base organisations = 1. • 3 businesses and the same knowledge base organisation = 3. <p>PSREs are public sector organisations that carry out research and include Research Council Institutes (including Centres, Surveys and Units), NHS Trusts and research institutions owned by Government Departments. More information may be found on them on the BERR website under Public Sector Research Exploitation Fund; the current fund guidelines identify PSREs.</p>
Business Support Collaboration FAQs	
<p>Q. What constitutes the knowledge base?</p> <p>A. The knowledge base is defined above. Broadly it is organisations publicly funded to do research and generate knowledge.</p> <p>Q. What constitutes a Research and Technology Organisation (RTO)? Does it include <i>any</i> company to company collaboration or is it restricted?</p> <p>A. Research and Technology Organisations are defined above. While AIRTO (Applied Industrial Research Trading Organisations) members¹⁹ are covered by the definition it is not exclusive to them. It can include any value-adding traders in knowledge. Not every organisation with the acronym RTO in its title would meet the criteria.</p> <p>The thrust of this output is to stimulate industry to make better use of the publicly funded research and science base. Clearly, business-to-business research is also vital, but it is not intended to be embraced by this output.</p> <p>Q. In collaborations with the knowledge base can we count collaborations with public sector RTOs not just private sector?</p> <p>A. Yes</p> <p>Q. Are only collaborations with the UK knowledge base allowed as the definitions says 'includes UK'?</p> <p>A. No. The output is for new collaborations with the knowledge base and includes European and international collaborations; this complies with the European Union Treaty and competition law.</p> <p>Q. Is Business investment as a % of R&D part of the BERR UK Productivity Indicators? If so is there a national definition or national/regional statistics collected on it?</p> <p>A. Yes, it is part of the innovation set of productivity indicators. R&D figures are measured by the ONS as a national statistics collection. For both business R&D and total R&D the ONS produces breakdowns at the regional level²⁰, and also produces information on business R&D by industry.</p> <p>Q. If we have a project which supports an event e.g. conference where business and academia are present, there are a series of talks by academics i.e. free dissemination of research (knowledge transfer), and the conference lasts 2 days, can the businesses attending be counted as Collaborating with the Knowledge Base.</p>	

¹⁹ A community of techno-business consultants and contract research organisations in Europe
<http://www.airto.co.uk/members.htm>

²⁰ Government Office Regions
ERDF 2007-13 Output Definitions
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O3(b) Business support – Businesses engaged in new collaborations with the knowledge base

Terms	Definitions
A.	<p>No. The intention behind it is businesses engaging with the knowledge base i.e. the demand side with the supply side, whereas a conference is an example of passive knowledge transfer that is led by the supply side led. The objective here is to measure the active transfer of good ideas, research results (i.e. for an identified business purpose) and skills between the knowledge base and business <u>to enable innovative new products and services to be developed</u>. Conferences generally do not lead to outcomes/results i.e. innovative new products or services. It includes:</p> <ul style="list-style-type: none"> • research collaborations with free dissemination of that research • contract research on behalf of industry • licensing of technology to business user • the sale of services, data and software formation of joint ventures and spin-out companies.

O3(c). Business Support - SMEs Assisted

Terms	Definitions
Unit of Measurement	No. of O3 businesses that are SME
SME	Use the EU SME definition in User Manual Chapter 2.
Assistance	The minimum level of support is 2 days consultancy advice or other non-financial assistance, or a grant, or equivalent, of at least £1,000.
Counted	<p>This output is a subset of Output 3 (O3). All businesses counted under O3 can be disaggregated and counted under this output if they are SMEs.</p> <p><i>Within a programme (package of projects/operation/range of complementary contracts under one project) SME assisted could be counted more than once where:</i></p> <ul style="list-style-type: none"> • <i>Complementary services are delivered by different organisations – an example is an enterprise and business support package where a local authority is the applicant for ERDF who has SLAs with a number of different organisations (other local authorities, universities, enterprise agencies) who deliver complementary interventions as part of the package.</i> • <i>Complementary services delivered through different contracts – an example is an enterprise and business support project where a local authority is the ERDF applicant and subcontracts delivery of a range of complementary services through a number of contracts.</i> <p><i>In all cases the approach should be aligned for ERDF and clear justification and evidence must be provided for counting more than one intervention for the same SME.</i></p>
Exclusions	Distribution of mail-shots and brochures (electronic or hard copy). Large enterprises and those that do not fit the EU SME definition.
Verification Evidence	<p>Business - Name, Address inc post code, Tel no. Contact details. Ownership. Type of business. Evidence it is an SME (evidence as set out in the EU SME definition (above) or a completed self-certification form).</p> <p>Assistance – Standard form (signed by Finance Director) confirming consultancy</p>

O3(c). Business Support - SMEs Assisted

	support provided and hours. Date(s) assistance received. Copy of grant letter to business/receipt
Notes	This is a subset of O3 that identifies the businesses assisted that are SMEs. An SME may also be a social enterprise SME if it meets the relevant criteria for each category. If it does then it may be counted under each category without it being double counted.

O3(d). Business Support - No. of Social Enterprises Assisted

Terms	Definitions
Unit of Measurement	No. of O3 businesses that are social enterprises.
Social Enterprises	<p>"Social enterprises are businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners."</p> <p>Source: Cabinet Office Social Enterprise Unit definition</p>
Assistance	The minimum level of support is 2 days consultancy advice or other non-financial assistance, or a grant, or equivalent, of at least £1,000.
Counted	This output is a subset of O3. All businesses counted under O3 can be disaggregated and counted under this output if they meet the social enterprise definition.
Exclusions	Distribution of mail-shots and brochures (electronic or hard copy).
Verification Evidence	<p>Business - Name, Address inc post code, Tel no. Contact details. Ownership. Type of business. Evidence that it is a social enterprise e.g. copy of the relevant section of the Articles of Association setting out its purpose.</p> <p>Assistance – Standard form (signed by Finance Director) confirming consultancy support provided and hours. Date(s) assistance received. Copy of grant letter to business/receipt.</p>
Notes	<p>This is a subset of O3 and as such all the definitions at O3 apply to it. It measures those businesses assisted that are social enterprises. A social enterprise may also be a SME if it meets the relevant criteria for each category. If it does then it may be counted under each category without it being double counted.</p> <p>Social enterprises use a wide variety of legal forms; some incorporate as companies while others take the form of industrial and provident societies. From July 2005 social enterprises have also been able to register as Community Interest Companies. There are at least 55,000 social enterprises in the UK with a combined turnover of £27billion per year. It encompasses co-operatives, development trusts, community enterprises, housing associations, football supporter's trusts, social firms and leisure trusts, among others.</p> <p>For further information see the Social Enterprise Coalition website</p>

O3(e). Business Support - No. of Businesses Assisted to Reduce Industrial & Commercial Waste

Terms	Definitions
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O3(e). Business Support - No. of Businesses Assisted to Reduce Industrial & Commercial Waste	
Unit of Measurement	No. of businesses
Assistance	Minimum level of assistance of at least two days consultancy advice or other non-financial assistance, or a grant, or equivalent, of at least £1,000.
Waste	This is a wide ranging term encompassing most unwanted materials, defined by the Environmental Protection Act 1990. It includes any scrap material, effluent or unwanted surplus substance or article that requires to be disposed of because it is broken, worn out, contaminated or otherwise spoiled. Explosives and radioactive wastes are excluded <i>Source: Defra e-Digest of Environmental Statistics</i>
<u>Industrial & Commercial Waste</u>	Waste from any factory and from any premises occupied by an industry (excluding mines and quarries) and waste arising from any premises which are used wholly or mainly for trade, business, sport recreation or entertainment but excluding municipal waste. This includes construction and demolition waste.
Reduce	<p>This may include a mixture of recycling, re-use or reduction.</p> <p>Recycling involves the reprocessing of wastes, either into the same product or a different one. Many non-hazardous industrial wastes such as paper, glass, cardboard, plastics and scrap metals can be recycled. Special wastes such as solvents can also be recycled by specialist companies, or by in-house equipment.</p> <p>Re-use - after for instance composting or energy recovery or mechanised extraction of metals.</p> <p>Reduction – through improved processes to minimise waste in operational processes.</p>
Counted	This output is a subset of O3. All businesses counted under O3 can be disaggregated and counted under this output if they meet the reduced waste definitions.
Exclusions	Distribution of mail-shots and brochures (electronic or hard copy) and municipal and domestic waste.
Verification Evidence	<p>Business - Name, Address inc post code, Tel no. Contact details. Ownership. Type of business.</p> <p>Assistance – Standard form (signed by Finance Director) confirming consultancy support provided and hours. Date(s) assistance received. Copy of grant letter to business/receipt.</p> <p>Evidence of waste processes that the intervention targeted.</p>
Notes	This is a component output of O3 and as such all the definitions at O3 apply to it. It measures those businesses who are assisted to reduce their industrial and commercial waste through the project activities.



OTHER:- TONNES OF CARBON DIOXIDE EQUIVALENT REDUCED

Unit of Measurement = Tonnes of carbon dioxide equivalent (CO₂e) reduced

DEFINITIONS

Carbon Dioxide - Carbon Dioxide Equivalent:- Carbon dioxide (CO₂) is one of a number of greenhouse gases (GHGs) produced naturally and through human activity and which contribute to increasing the concentration of GHGs in the atmosphere.

The six principle GHGs are: Carbon dioxide (CO₂); Methane (CH₄); Nitrous Oxide (N₂O); Hydrofluorocarbons (HFCs); Perfluorocarbons (PFCs); Sulphur Hexafluoride (SF₆).

Carbon dioxide equivalent (CO₂e) is the unit of measurement that allows the range of greenhouse gases other than carbon dioxide to be incorporated into a standardised measure.

Carbon Reduction Projects:- The following project types are those eligible under this measure:

The Built Environment

New build and refurbishment of buildings that:

- Improves the environmental performance of buildings;
- Achieves high building standards above minimum Part L regulations;
- Verified through BREEAM ratings (see AWM's Built Environment Standards).

Electricity & Heat Generation

Projects utilising low impact technologies or fuels to produce electricity and heat with reduced carbon emissions compared to mainstream sources, including but not exclusively:

- All renewable technologies;
- Combined Heat & Power.
- Changing mix of fuels used. e.g. incorporate solar water heating into the overall fuel mix or switching to

less CO₂e-intensive energy such as from coal-derived electricity to natural gas.

Energy and Resource Efficiency

Delivering projects that:

- Implement measures to use energy more efficiently;



OTHER:- TONNES OF CARBON DIOXIDE EQUIVALENT REDUCED

- Implement waste reductions, recycling, re-use, or waste reduction schemes diverting waste from landfill across the commercial, municipal, industrial and construction waste sectors;
- Switch public, business and freight transport demand to modes with reduced carbon emissions (compared to original mode) e.g, transferring freight haulage from road to rail.

The amount claimed under this measure is defined as the carbon reduction resulting from activity which exceeds Business as Usual (BAU). All carbon reduction savings claimed must be direct and verifiable as a result of the intervention

Support:- This can either be revenue or capital.

COUNTED

From the date where the project, building or generation scheme is approved for investment operational. With the CO₂e savings per project counted for a period of ten years.

Projects will be assessed through AWM's Carbon Assessment Tool during project appraisal to calculate the amount of CO₂e in tonnes to be saved annually for the lifetime of the project.

The CO₂e saving identified is based on the successful delivery of all elements of the project. Savings calculated on pro-rata basis where project fails to deliver all aspects intended to deliver CO₂e savings

EXCLUSIONS

CO₂e savings calculated using a methodology distinctly different to that of DCLG and activities that have an indirect or future direct benefit, such as from R&D activities. Record as additional CO₂e savings in a narrative format to demonstrate wider carbon reduction achievements.

OTHER:- TONNES OF CARBON DIOXIDE EQUIVALENT REDUCED

CORE RECORD

You must record and retain the following information which varies with intervention:

- **Built Environment:**
 - Building size and function;
 - Before (refurbishment) and after energy consumption.
- **Electricity and Heat Generation:**
 - Before energy consumption and estimated CO₂e generation;
 - Post energy consumption and estimated CO₂e generation.
- **Energy and Resource Efficiency:**
 - Energy Efficiency Measures:
 - Before and after energy consumption and estimated CO₂e generation.
 - Waste reduction:
 - Volume and type of waste prior to scheme;
 - Volume and type of waste after the scheme.
 - Transport Modal shift:
 - Transport patterns prior to shift;
 - Transport patterns post shift.
- Supplementary Evaluation data as required by the Project Evaluation Plan.

OTHER:- TONNES OF CARBON DIOXIDE EQUIVALENT REDUCED

VERIFICATION EVIDENCE

You must retain at least one of the following pieces of evidence relevant to the intervention:

- **Built Environment Projects:**
 - Evidence of achievement of BREEAM standards;
 - For refurbishment projects - Evidence of before and post BREEAM energy consumption.
- **Electricity and Heat Generation:**
 - Energy consumption and estimated CO₂e generation pre-intervention
 - Energy consumption and estimated CO₂e generation post-intervention.
- **Energy and Resource Efficiency:**
 - Energy Efficiency Measures - Evidence of before and post energy consumption.
 - Waste reduction - Evidence of before and post waste levels.
 - Transport Modal shift - Evidence of transport volumes and patterns before and after intervention (Material Transport records, Travel Surveys, etc).

Place: Physical Regeneration

O4. Regeneration – Brownfield land reclaimed and/or redeveloped (Ha)	
Terms	Definitions
Unit of Measurement	Area in hectares (Ha).
Brownfield land	<p>Includes contaminated, derelict or previously developed land (PDL) which is or was occupied by a permanent structure (excluding agricultural or forestry buildings), and associated fixed surface infrastructure within the curtilage of the development. In all cases the RDA activity must comply with the polluter pays principle. Categories covered may include:</p> <ul style="list-style-type: none"> ▪ previously developed vacant land; ▪ vacant buildings unoccupied for a year or more; ▪ derelict land and buildings; ▪ land or buildings, currently in use, allocated for development in the adopted plan or having planning permission; ▪ land or buildings currently in use where it is known there is potential for redevelopment but sites do not have any plan allocation or planning permission; ▪ defence buildings ▪ land used for mineral extraction and waste disposal.
Reclaimed and redeveloped	<p>Total number of hectares of brownfield land reclaimed to an acceptable condition and/or redeveloped into effective use. The project activities are limited to:</p> <p>1. <i>Reclaimed</i>: making the land fit for use by:</p> <ul style="list-style-type: none"> • removing physical constraints to development or improving the land for soft²¹ or hard end use; • providing services to open it up for development e.g. provision of utilities and service roads²². <p>Reclamation activities may include:</p> <ul style="list-style-type: none"> • dealing with contamination, existing surface and buried structures, • stabilisation, • levelling, • provision of flood defences • provision of utilities and other services • environmental improvements or enhancements <p>2. <i>Redeveloped</i>: developing a site and putting up a new building or refurbishing an existing building e.g. construction of premises (commercial, housing, industrial, retail), new plant and equipment, fitting out of premises etc</p>
Counted	Count outputs at practical completion of the works. Where a site is reclaimed in phases count the hectares when each phase is completed.
Exclusions	<ul style="list-style-type: none"> • Land and buildings currently used for agricultural or forestry purposes; • Land in built-up areas not previously developed e.g. parks, recreation grounds, allotments, cemeteries; • Land previously developed but where the remains of any structure or activity has blended into the landscape in the process of time e.g. amenity use, contribution to nature

²¹ Soft end use means that the site is left substantially undeveloped for amenity, leisure, agricultural, forestry or other environmental use.

²² Note that these are not eligible costs under the State aid Land Remediation scheme.

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	<p>conservation.</p> <ul style="list-style-type: none"> • Retail, housing, health, leisure facilities (see User Manual Chapter 2 for details) <p>It can not be counted when the only activity is the purchase of the land, building or site.</p>
Verification Evidence	<p>Type of Assistance - Reclaimed and/or Redeveloped</p> <p>Site area – full postal address inc postcode, Land registry record /deeds; Local Authority/NLUD register details (for previous use to ensure not excluded category).</p> <p>Contaminated land - completed Land Condition Record and Remediation Complete Certificate.</p> <p>Works - Certificate of Practical Completion of the Works. QS certification of works carried out e.g.:</p> <ul style="list-style-type: none"> • site services/utilities and infrastructure • foundations laid • walls and roof built • landscaping completed
Notes	<p>This is not a subsidiary indicator of the core output. Its purpose is to identify all the brownfield land that the RDAs have reclaimed and redeveloped.</p> <p>Using the project logic chain approach results might include ha transferred to a productive use by major land use types (include open space as a productive use), increased rental/rateable value of the property; % change in floor space stock by type of use.</p>
Brownfield Land FAQs	
<p>Q. Can the cost of master planning be included within regeneration infrastructure investment?</p> <p>A. While the output relates to the physical assets regenerated the investment costs are the “gross project costs”. If the master planning is an integral part of the development costs to reclaim and redevelop a site then they may be included, along with other surveys or professional design costs.</p> <p>Q. Brownfield land definition - should last bullet be "land used for mineral extraction and/or waste disposal"?</p> <p>A. Yes. These should be regarded as 2 separate elements. It is not restricted to land which has been used for mineral extraction and then used for waste disposal.</p>	

OTHER: PHYSICAL:- PREMISES NEW AND UPGRADED FLOORSPEACE

Unit of Measurement = Area in Square Metres of new and upgraded floor space

DEFINITION

Internal Floor space:- The entire area inside the external walls of a building including corridors, lifts, plant rooms, service accommodation

New or upgraded:- New buildings constructed as part of the project.

Upgraded buildings:- Refurbished, improved or adapted for productive use as part of the project.

COUNTED

On the practical completion of the works.

EXCLUSIONS

Excludes internal walls and cannot be counted when the only activity is the purchase of an existing building.

CORE RECORD

You must record and retain the following;

- Address of premises including postcode;
- Area of floor space built or upgraded;
- New Construction or Upgrade;
- Purpose of building; and
- Supplementary Evaluation data as required by the Project Evaluation Plan.

VERIFICATION EVIDENCE

You must obtain and retain the following evidence:

- As built drawings showing floor space;
- Copy of completion certificate.

OTHER: PHYSICAL:- PREMISES UPGRADED TO BREEAM STANDARD EXCELLENT/VERY GOOD

Unit of Measurement = Area upgraded, measured in square metres

DEFINITION

Environmental Accreditation:- e.g. BREEAM/CEEQUAL Post Completion Review Certificate or equivalent

Premises:- New or refurbished premises include Industrial & Business, Recreation & Leisure, Dwellings, Retail or Community Services buildings. The categories are defined in CLG's National Land Use Database.

COUNTED

On receipt of relevant post completion certificate showing the standards achieved (very good, excellent).

EXCLUSIONS

Residential dwellings are ineligible

**OTHER: PHYSICAL:- PREMISES UPGRADED TO BREEAM STANDARD
EXCELLENT/VERY GOOD**

CORE RECORD

You must record and retain the following;

- Address of premises including postcode;
- Area of floor space upgraded;
- BREEAM Standard achieved;
- Purpose of building; plus
- Supplementary Evaluation data as required by the Project Evaluation Plan.

VERIFICATION EVIDENCE

You must obtain and retain the following evidence:

- As built drawings showing floor space;
- Copy of relevant post completion accreditation certificate.

People: Employment Support

O5. Employment Support – Individuals assisted to get a job	
Terms	Definitions
Unit of Measurement	No. of Individuals
Individuals	Those of working age who are unemployed or economically inactive or in employment at risk. <i>Working Age</i> - men and women aged 16 and over. <i>Employment at risk</i> : those in paid employment but at risk of losing their job e.g. have received a statutory redundancy notification
Assistance	The assistance must be directed to assisting individuals towards getting a job and so will involve some form of interaction with individuals. These may be face-to-face or telephone consultations or other activity, conferences or workshops, interactive/web-based dialogue. Forms of assistance may include the following: <ul style="list-style-type: none"> • provision of information, advice and guidance (IAG) e.g. careers advice, CV writing, interview training • removing barriers to getting back into the labour market e.g. return to work training , using crèche facilities • advice on how to start own businesses
Counted	When an individual who meets the criteria above has received the assistance.
Exclusions	Any individual who is under age 16 as they are still in full time education. Assistance which is covered under skills development (see Output 6) or provided in the form of electronic or hard copy mail-shots
Verification Evidence	Individual - Name, Address inc post code; Date of birth. Evidence he/she was either unemployed or economically inactive or in employment at risk e.g. copy of P45, letter from employer. Type of assistance – letter or standard form signed and dated by the person on what assistance they received and date(s) it was provided. Electronic assistance need to demonstrate how they were assisted not just sign posting. Web registration of users.
Notes	The unit of measurement is the individual who is assisted in a way that would enable them to get a job. It is not measuring the job . Whether or not they get a job is the outcome measure, which will be assessed during the project evaluation. A broader definition of working age is used here than that in the ONS Labour Market Guide Glossary (Working age: a female aged 16–59 or a male aged 16–64. Economically active: People aged 16 and over who are either in employment or unemployed). ONS confirmed that the definitions are still correct, despite the 2006, Age Discrimination legislation, because they reflect the State pension age as well as the legislation. ONS are “currently considering how to manage the change in the State pension age for women (changes from 2010 until parity with men is achieved in 2020) in consultation with key stakeholders”. As projects may go beyond 2010 the wider “aged 16 and over” definition is used
Employment Support FAQs	
Q. Is there a minimum level of assistance similar to that for Businesses Support?	
A. No there is no minimum assistance intervention value or period.	

05. Employment Support – Individuals assisted to get a job

- Q. Can I count people who are already employed but who are given advice on how to start their own business?**
- A.** Not unless their job is at risk They should be counted under Output 2a.
- Q. Job is defined as any employment requiring an employment agreement; however sole traders will not have this. Can we still count assisting people to become their own boss?**
- A.** Yes- as long as the other definitions of people and assistance are met.
- Q. Can the provision of travel information and subsidised travel to interviews and work by public transport for a short period of time be included under this output as it falls into category of removing barriers to getting back into the labour market?**
- A.** Yes. The provision of travel information falls under the information aspect of the outputs definition. Provision of subsidised travel for individuals to encourage them to go to interviews/ start work without financial penalty can form part of Employment Support as long as it does not duplicate Jobcentre responsibilities. Providing support to individuals should not cause any State aid problems but if the aid is to companies then the State aid implications would need to be considered.
- Q. Can individuals be counted for Employment Support and Skills if a project provides general Information Advice or Guidance (IAG) and requires participants to complete a training course? Or individuals who complete a training course and are assisted under the same project are assisted to get a job e.g. CV writing etc.**
- A.** Where the project objectives clearly identifies the provision of employment support and training and they are a direct result of the project activities then the beneficiaries may be counted under both Employment Support and Skills. However, if this is not part of the objectives or a direct result of the project activities but as a result of the project IAG an individual goes on to a training course then that would be an **outcome** of the project.
- Q. A project that has a number of clients who are economically inactive but not in direct receipt of benefits e.g. due to a partner being economically active. Would a declaration signed by the client stating that they are unemployed be considered as acceptable evidence, provided name, address including post code; date of birth and possibly NI number are incorporated in the declaration?**
- A.** Self-certification should only be used as a last resort because of the risk of abuse. If used then appropriate mitigation measures to verify the data (e.g. sample check of individual details) should be considered as well as Data Protection considerations (e.g. what happens to the self-certification forms on completion of a project)..
- The ONS definition of the **Economically Inactive** are people who are neither in employment nor unemployed e.g. students not working or seeking work and those in retirement are classed as economically inactive. They comprise:
- those who want a job but who have not been seeking work in the last 4 weeks,
 - those who want a job and are seeking work but not available to start and
 - those who do not want a job.
- Those covered by the first two bullets should have some evidence to demonstrate that they want a job either by registering their interest with the Job Centre or an Employment agency etc even if they are not claiming/receiving benefits. It would therefore be preferable to seek evidence of this rather than self-certification. Those covered under the last bullet are not likely to be eligible for Employment Support assistance.
- Q. Can we count assistance to seasonal workers, people on temporary or short term fixed contracts, or individuals on probationary periods or placements as in employment at risk?**
- A.** Yes. These groups can be considered to be in “employment at risk” for this output.
- Q. With A8 migrants coming to the UK, can we include these in project regardless of how long they have been residents in the country? We have heard that they have to be residents for three**

O5. Employment Support – Individuals assisted to get a job

years first.

- A.** Eastern European Accession 8 (A8) countries joined the European Union in 2004. The UK allowed unfettered access to its Labour market to new Eastern European member states in 2004. Migrants from these countries are therefore entitled to enter UK to work and there is no residency qualification. See also the Q&A on migrants and basic skills.
The 3 years confusion may be in relation to Bulgaria and Romania, which joined the EU in January 2007 but under tougher conditions than the 2004 cohort, which may last for seven years. In their case the UK has imposed restrictions details at <http://www.bia.homeoffice.gov.uk/workingintheuk/sbs/bulgariaromania/eligibility/>
- Q. Can we include asylum seekers who are in receipt of [National Asylum Support Service \(NASS\)](#) support whilst awaiting decisions about status, in our employment support and skills outputs**
- A.** Non asylum-seekers are only entitled to limited support whilst waiting for a decision on their status by the UK Border Agency (for more information see [Asylum Aid](#)).
However, should UK Border Agency decide to i) allow the claim and give them Refugee Status or ii) the legal Indefinite Leave to Remain (ILR status) or iii) give permission for them to work as they have been waiting for a decision on their case for more than a year through no fault of their own then they may be included in project activities and counted.

OTHER: SKILLS:- GRADUATES INTO SMEs

Unit of Measurement = Number of individuals placed

DEFINITION

Assistance:- Assistance could take the form of:

- Secondments;
- Employability skills;
- Brokerage or Employment Agency Activity; or
- Technology transfer.

Graduate:- Someone who has successfully completed a degree or a full NVQ Level 4 or equivalent.

Employment:- As a direct result of Agency intervention, employment of a graduate level in an SME that would not otherwise have existed, that is either:

- a prolonged secondment or placement, of 2 months or more in duration; or
- a permanent, paid position.

SME:- A small or medium sized enterprise classified as an SME under EU State aid rules.

COUNTED

When a duly qualified person takes up a newly created graduate level position in an SME organisation

When a person progresses in an existing position/employment in an SME organisation following graduation;

When a long term secondment is established in an SME organisation.

EXCLUSIONS

Where the attainment of a relevant qualification does not lead to career advancement except where it is required to keep a job, for example where attaining the qualification is a condition of employment or is required to meet an increase in the skills levels of a position.

CORE RECORD

You must record and retain the following;

- New graduate – Name, Address inc. post code, Date of birth, Gender, Degree Subject; Grade: level< Type of Assistance Provided, Employment or Placement; Duration of Placement, Conversion of placement to employment;
- Private Sector Organisation Name, Address inc post code, Tel Number, Contact details; evidence that the organisation is an SME and
- Supplementary Evaluation data as required by the Project Evaluation Plan.

VERIFICATION EVIDENCE

You must obtain and retain the following evidence:

- Details of qualification achieved, which should include copies of certificates; or
- Other than for a degree or full NVQ 4, evidence confirming NVQ 4 equivalence should be sought; and one of the following as appropriate:
 - Employment records showing job title; start date of employment in new position; hours of work; pay rate for new position;
 - Letter from employer confirming contract of employment in new position;
 - Accountant certificate confirming post; or
 - Details of placement/secondment, including duration and purpose.

Financial

O7. Financial- Public and Private Sector Investment Levered.	
Terms	Definitions
Unit of Measurement	£million
Public Sector	Public sector organisations other than English Partnerships, Learning Skills Council (LSC), Lottery funders, local authorities etc.
Private Sector	Includes businesses, registered charities, not for profit organisations, private individuals and FE/HE institutions (where the funding cannot be traced to a public source).
Investment	The gross funding provided to cover the project costs, including investment in fixed assets, working capital and in-kind contributions, from the funding bodies. Note that ERDF In-kind contributions may only be donations of land or buildings, in line with ERDF eligibility rules as defined in the User Manual Chapter 2.
Leverage	For ERDF these are funds which are not part of the eligible expenditure, including match funding, as contained in the funding agreement.
Counted	<p>The levered investment is counted when it is defrayed or spent by the project. Reporting on this output will be calculated by:</p> <p>ERDF investment (£m) in the project = ERDF</p> <p>Public Sector Leverage (£m)</p> <ul style="list-style-type: none"> • • ERDF Sum of the other public sector investment excluding ERDF and match funding in the project B£m <p>Private Sector Leverage (£m)</p> <ul style="list-style-type: none"> • Sum of the all the private sector investment (£m) in the project, including monetarised in-kind contributions excluding ERDF and match funding. C£m <p>Total value of levered investment (£m)</p> <ul style="list-style-type: none"> • • ERDF = B+C
Exclusions	Any expenditure on the project by any public or private sector funder prior to the project being approved and contracted. Investment subsequent to the project by other public sector and/or the private sector as this is a result measure.
Verification Evidence	<p>Public and private sector organisations – For each funder their name, address, contact details, status of organisation or individual & organisation/business they represent. For public bodies check their status here.</p> <p>Gross Funds Received:</p>

07. Financial- Public and Private Sector Investment Levered.

Terms	Definitions
	<p>Public – copy of grant letter from contributor Private – copy of receipts for each contributor's financial contribution.</p> <p>Gross Funds Spent Recipient statement (signed by Finance Director) when spent and on what. Validate through the recipient accounts and primary records e.g. invoices/receipts.</p> <p>In-kind contributions – The donation of land or buildings is the only CIK allowed in English ERDF programmes..</p> <p>•</p>
Notes	For first bidding or commissioning round, any expenditure on the project by any public or private sector funder since 1 January 2007 may be included. Thereafter, any expenditure prior to issue of the ERDF offer letter is excluded.

Financial FAQs

- Q. Can we count revenue expenditure as well as capital?**
- A.** Yes revenue expenditure may be included. This can include such expenditure as professional fees, feasibility studies and other related costs.
- Q. Where HEFCE or LSC provide the funds for a project but channel them through an HE or FE institution to administer them can we count these funds as public sector?**
- A.** Yes provided that the funds are not for their statutory functions e.g. undergraduate/post graduate teaching. In this case the funder would be HEFCE or the LSC not the institution. In this scenario the HE and FE institutions are only administering the funds on behalf of the public body providing the funding and are in effect an intermediary not funding body. It is essential to correctly and accurately identify who is the funding body. To maintain the project audit trail such funds should be held in a separate project account by the intermediary and its role and responsibilities clearly identified. However, where the FE or HE institution contributes to the project costs from its own reserves then that funding is private sector and if it is also a beneficiary its contribution may be counted under the private sector induced funding.
- Q. Can we include money invested by a private sector company if they had to borrow the money to invest in the project for example by the way of a bank loan?**
- A.** Yes. The financial investment made by the private sector company can be counted as it is the investment and not the source of the funds which is material.
- Q. Can subsequent investment by other public bodies on coalfield site e.g. Local Authority be included in the output?**
- A.** The subsequent public investment on coalfields has to be considered against 2 scenarios:
- If the investment is part of the coalfields project funding with the ERDF funding the site remediation and the local authority funding the infrastructure and buildings then the local authority funding can be counted.
 - Where the investment follows after the project to remediate the coalfield site it is subsequent investment and is a **result**. It is part of the evidence of the impact of the ERDF investment and may be taken into account in assessing the vfm of the project. Such investment should be reflected in the project objectives i.e. to remediate site X to make it attractive to subsequent investment from public sector and private sector bodies to develop for commercial/ industrial/ housing/retail/ leisure (as appropriate) purposes.
- Q. Why are FE and HE Institutions classed as Private Sector, when their core funding essentially comes from the Public Sector (LSC and HEFCE respectively), so would appreciate some guidance.**
- A.** The Office of National Statistics (ONS) is responsible for the classification as organisations as public or private sector. ONS classifies both FE and HE Institutions as private sector as they are bodies corporate. FE colleges were designated as corporate bodies under the Further and Higher Education Act 1992 (c. 13)

07. Financial- Public and Private Sector Investment Levered.

Terms	Definitions
	<p><u>and the Education (Further Education Corporations) Order 1992</u>, it came into force 28 Sept 1992. The statutory FE college sector comprises of a number of different 'types' of institutions, and within these broad organisational forms, there are wide differences in size and focus covering - GFECs and tertiary colleges; Sixth form colleges; Specialist colleges; Specialist designated institutions.</p> <p>Both FE and HE provide statutory services and it is these services which are funded from public funds. HEFCE provides the funding for the statutory services to HEIs, which cover a range of institutions – Universities, specialist institutions and general colleges; it also directly funds 135 further education colleges. Most FE colleges get the majority of their income from public sources: on average 78% comes from the LSC, with 9% from fees from employers or individuals.</p> <p>Where FE or HE institutions operate commercially e.g. providing bespoke training for employers, undertaking research for businesses they are operating as an undertaking. It is therefore essential to establish exactly what the funding is for and consider whether they are providing:</p> <ul style="list-style-type: none"> • statutory educational services (if so they should not be seeking funding from RDAs but from LSC or HEFCE) therefore are not operating as undertakings; or • commercial services when they are and consider the State aid implications during development

OTHER: ERDF INTER-REGIONAL ACTIVITY:– NO. BEST PRACTICE PILOT IMPLEMENTATIONS

Unit of Measurement = Number of best practices implemented

DEFINITION

Pilot:- Activity planned as trial designed to test a given approach for a limited group of beneficiaries over a limited period; intended to attract future activity in the field/discipline or sector.

Best practice:- A way, technique, methodology, innovative practice that, through experience and research, has proven to reliably lead to a desired result and is considered to be superior to all other known. It contributes to the improved performance of an organisation, usually recognised as "best" by other peer organisations.

Implementation:- The process during which best practice is put into place according with the agreed work plan; delivery of the best practice to the intended audience and the use by that audience.

COUNTED

When best practice has been identified and delivered and the process of implementation has been funded through Priority Axis 4 - Developing Inter-Regional Activity.

EXCLUSIONS

Any activity fundable by the other Axes.

CORE RECORD

You must maintain a record of;

- the activity, its duration and purpose, and names of the individuals and organisations involved.

OTHER: ERDF INTER-REGIONAL ACTIVITY:- NO. BEST PRACTICE PILOT IMPLEMENTATIONS

VERIFICATION EVIDENCE

You must record and retain the following evidence;

- Invitation acknowledgements or participant feedback; and
- Publicity Material or Information disseminated.



OTHER: ERDF INTER-REGIONAL ACTIVITY:– NUMBER OF NEW NETWORKS ESTABLISHED

Unit of Measurement = Number of inter-regional networks established

DEFINITION

Network:- A formal or informal grouping of inter-regional bodies sharing common aims/target groups/ambitions and active in a particular field, discipline or sector.

COUNTED

When a new network is established and the process of setting it up has been funded through Priority Axis 4 - Developing Inter-Regional Activity.

EXCLUSIONS

Any activity fundable by the other Axes.

CORE RECORD

You must retain a record of;

- each activity, its duration and purpose, and names of the individuals and organisations involved.

VERIFICATION EVIDENCE

You must retain the following evidence:

- Invitation acknowledgements or participant feedback; and
- Publicity Material or Information disseminated.



OTHER: ERDF TECHNICAL ASSISTANCE - NUMBER OF CAPACITY BUILDING INITIATIVES

Unit of Measurement = Number of capacity building initiatives established.

DEFINITION

Initiative:- Events or activities where the purpose has been defined as improving the capacity of individuals and/or organisations through the development of skills/training to meet identified needs or specific requirements of the ERDF Programme.

Capacity Building:- In this context, assistance given to organisations participating in the ERDF Programme, which have a need to develop certain skills and/or competences, or for general upgrading of performance ability. Capacity building can be defined as "activities which strengthen the knowledge, abilities, skills and behaviour of individuals and improve institutional structures and processes such that the organisation can efficiently meet its mission and goals in a sustainable way".

Initiatives:- Actions devised to meet a need or solve a problem.

COUNTED

When a project can be ascribed as being for the purpose of Capacity Building, as defined above, funded through Priority Axis 5 - Technical Assistance.

EXCLUSIONS

Such activity would not be eligible for funding from any of the other Priority Axes.

CORE RECORD

You must record and retain the following;

- A record of the activity, organiser its duration and purpose, and names of the individuals and organisations involved.

VERIFICATION EVIDENCE

You must obtain and retain the following evidence:

- Attendance Registers or Participant feedback.



OTHER: ERDF TECHNICAL ASSISTANCE - NUMBER OF CAPACITY BUILDING INITIATIVES

OTHER: ERDF TECHNICAL ASSISTANCE - NUMBER OF RESEARCH STUDIES

Unit of Measurement = Research commissioned for meeting the purposes of the ERDF 2007-13 Programme.

DEFINITION

Research Study:- A detailed study to discover information or improve understanding for the purposes of the Programme presented as a discrete piece of work.

COUNTED

When a study is commissioned and produced funded through Priority Axis 5 - Technical Assistance.

EXCLUSIONS

Any activity that would be eligible for funding from any of the other Priority Axes.

CORE RECORD

You must record and retain the following;

- Details of the studies commissioned, dates commissioned and completed.

VERIFICATION EVIDENCE

You must obtain and retain the following evidence:

- Copies of each study completed.



OTHER: ERDF TECHNICAL ASSISTANCE - NUMBER OF RESEARCH STUDIES

Unit of Measurement = Research commissioned for meeting the purposes of the ERDF 2007-13 Programme.

DEFINITION

Research Study:- A detailed study to discover information or improve understanding for the purposes of the Programme presented as a discrete piece of work.

COUNTED

When a study is commissioned and produced funded through Priority Axis 5 - Technical Assistance.

EXCLUSIONS

Any activity that would be eligible for funding from any of the other Priority Axes.

CORE RECORD

You must record and retain the following;

- Details of the studies commissioned, dates commissioned and completed.

VERIFICATION EVIDENCE

You must obtain and retain the following evidence:

- Copies of each study completed.

OUTCOME/RESULT INDICATORS

It is important that the programme and the project contract identifies the outcome/result data requirements in order to have the data to analyse during evaluation. This data is normally collected following the project intervention as part of the project evaluation activities. For projects expected to last for several years an interim evaluation is carried out, and provisional outcomes might be collected to ensure the project is on course to deliver its expected benefits.

BUSINESS

R1(a). Jobs created	
Terms	Definitions
Unit of Measurement	No. of jobs
Definitions	See O1, 1(a) and 1(b) for definition of terms.
Counted	Jobs created are an outcome/result when the jobs follow after the project intervention has ended e.g. when a speculative development to build a new factory is sold on the market and a firm purchases it the subsequent jobs are the outcome. For reporting ERDF to the Commission the Jobs created outcomes should be added to the jobs created outputs i.e. R1(a)+ O1(a)
Verification Evidence	Business - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees. Job – new job title, contract of employment/, (expected duration must be 1 year or longer or 4 weeks per annum for seasonal jobs integral to the project), hours of work (for FTE calculation). Start date of employment. Letter or standard form (signed by employer) from employer confirming new jobs are a result of the project. If location is different from business address provide details.

R1(b). Job safeguarded	
Terms	Definitions
Unit of Measurement	No. of jobs
Definitions	See O1, (a) and (b) for definition of terms.
Counted	Jobs safeguarded are an outcome/result when they are a direct result of the project intervention e.g. the project may intervene at 1 level in the supply chain which results in jobs being retained further down the supply chain and this can be evidenced. For reporting ERDF to the Commission, the Jobs safeguarded outcomes should be added to the jobs safeguarded outputs i.e. R1(b) + O1(b)



R1(b). Job safeguarded	
Terms	Definitions
Verification Evidence	<p>Business - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees.</p> <p>Job –safeguarded job title, contract of employment/, (expected duration must be 1 year or longer or 4 weeks per annum for seasonal jobs integral to the project), hours of work (for FTE calculation). Start date of employment.</p> <p>Letter or standard form (signed by employer) from employer confirming safeguarded jobs are a result of the project. If location is different from business address, provide details.</p>



R2. Business Created	
Terms	Definitions
Unit of Measurement	No. of businesses/enterprises
Business/Enterprise	There are 3 main types of business/enterprise (i) sole proprietorships, (ii) partnerships and (iii) companies. For more information see O2
Business Created	<p>As for O2 business created.</p> <p>These may be business created as a result of an RDA funded project. e.g. pre start assistance For example</p> <ul style="list-style-type: none"> • where a project provides start up support for a business (O2a) that then results in a new business, which starts trading; • following development of a brownfield site(O4/R4) a new business starts trading on the site; • Businesses created under R5(b) may also be included. <p>Starts trading is the date when the business registers for VAT or registers for National Insurance (Class 2) contributions or the date of the first transaction (the Business Link approach)</p>
Counted	When the business is still in operation 12 months after it started trading in the region.
Exclusions	Counting the same business at different phases of its growth as this would be double counting.
Verification Evidence	<p>Business - Name, Address inc post code, Tel no. Contact details. Ownership. No. of employees. Type of business</p> <p>New business – the company incorporation statement or letter from the Owner/Chief Executive or Finance Director to confirm it is a new company.</p> <p>Start of trading - Company Registration No./VAT No. and date of registration or NI Class 2 date of registration or the date of the first transaction where evidence can be produced to evidence it.</p>

R3. Business with improved performance	
Terms	Definitions
Unit of Measurement	No. of businesses/enterprises
Improved Performance	Measured through increase in GVA.
GVA	Total wage costs + net profit before tax and interest + depreciation (Business Link).
Counted	<p>Those businesses counted under O3 which have had an increase in their GVA against the baseline before the project intervention(s) and following it.</p> <p>Data required to calculate GVA can be obtained from the business/enterprise Annual Report. There is likely to be delay between the project activities and the realisation of improvements in GVA.</p> <p>Where business performance was expected to have reduced in the absence of the intervention, an improvement may be recorded if the intervention has resulted in a lesser fall.</p>
Exclusions	Any business not included in the project that delivered business support outputs (O3).
Verification Evidence	<p>Business - Name, Address inc post code, Tel no. Contact details. Ownership. No. of employees. Type of business</p> <p>New business – the company incorporation statement or letter from the Owner/Chief</p>



R3. Business with improved performance

	<p>Executive or Finance Director to confirm it is a new company.</p> <p>Start of trading - Company Registration No./VAT No. and date of registration or NI Class 2 date of registration.</p> <p>GVA – use the data from the Company accounts.</p>
Notes	<p>Applying the project logic chain approach it may be expected that a successful project intervention should either lead to an increase in the business turnover or reduce cost of sales (materials/ bought in services). Both of these outcomes support sustainable job growth or safeguard an existing job. The difference between the two represents gross value added that finances sustainable wages or profits. Labour productivity is the gross value added divided by the actual employment.</p> <p>GVA is a useful measure of productivity. It shows the economic impact and taxpayer return, it is easy to calculate and unambiguous. It fits with RES and it can be benchmarked against ONS data. It has political acceptance.</p> <p>It is recognised that while the GVA result may not be a direct result of the project intervention and that other factors external to the project may have also contributed to the improved GVA or indeed have had a negative effect on it.</p>

R3(a) Business with new or improved products, processes or services

Terms	Definitions
Unit of Measurement	<p>No. of new or improved:</p> <ul style="list-style-type: none"> • Products or • Processes or • Services
Terms	As for O3 and O3(b)
Counted	<p>For a new or improved</p> <ul style="list-style-type: none"> • Product - when it is either at pre-launch or launched to the market • Process - when it has been introduced into the business • Service - when it has been introduced to the market.
Exclusions	Any business not included in the project that delivered business support outputs (O3).
Verification Evidence	<p>Business - Name, Address inc post code, Tel no. Contact details. Ownership. No. of employees. Type of business</p> <p>New business – the company incorporation statement or letter from the Owner/Chief Executive or Finance Director to confirm it is a new company.</p> <p>Start of trading - Company Registration No./VAT No. and date of registration or NI Class 2 date of registration.</p> <p>Products/processes services - Evidence might include the date a new/improved process became operational, the date the new product or service was launched from the market/marketing literature</p>
Notes	<p>This is a measure of innovation resulting from knowledge transfer projects which have been recipient of business support activities.</p> <p>It is most likely to result from involvement with the knowledge base but is not restricted to this.</p>



R3(b) Businesses with industrial and commercial waste reduced, reused or recycled	
Terms	Definitions
Unit of Measurement	No. of businesses.
Waste	Industrial & Commercial waste is as defined in Output 3(e).
Counted	Linked to project activities that delivered O3(e) outputs. It can be counted when there is evidence that waste has been reduced or recycled or re-used.
Exclusions	Municipal and domestic waste.
Verification Evidence	<p>Evidence will be dependent on the project objectives and interventions. A baseline needs to be established before project activities start as basis for comparing position after the project intervention activities have been embedded. This might be tonnage figures of waste at start and end but note that not all businesses have the facilities to measure this.</p> <p>It might include:</p> <ul style="list-style-type: none"> • new contracts e.g. to collect and <u>recycle</u> paper. • <u>reduce</u> the raw materials used in the production process to produce the same outputs as a result of process improvements. • <u>reduce</u> the construction/demolition materials going to landfill; or are <u>re-used</u>. These can be evidenced through the BREEAM certification process.



PLACE

R4(a) Regeneration – Premises with New or Upgraded Floorspace (m²)	
Terms	Definitions
Unit of Measurement	Area m ²
Internal Floorspace	The entire area inside the external walls of a building including corridors, lifts, plant rooms, service accommodation
New or upgraded	New buildings constructed as part of the project. Upgraded buildings refurbished, improved or adapted for productive use as part of the project.
Counted	On the practical completion of the works.
Exclusions	Excludes internal walls. It cannot be counted when the only activity is the purchase of an existing building.
Verification Evidence	Address of premises including postcode. As built drawings showing floorspace
Notes	This measures the new floorspace available for use in the region.
Premises FAQs	
<p>Q. If I regenerate an old multi-storey building, can I count the area of the floor space?</p> <p>A. Yes. The outcome counts the floor space produced as a consequence of the project.</p> <p>Q. We are involved in the development of a Higher Education Campus, other funders include local authorities and HEFCE (a DIUS NDPB), which are classified by ONS as public sector. The University, is the accountable body, so presumably as an HE Institution we would classify their contribution as Private Sector leverage?</p> <p>A. Yes. The University own funds are private sector as ONS classifies all HEIs as private sector bodies. The funds for their core activity (under/post-graduate education) come from the public sector. The assumption is that the project is additional to their core activity otherwise no market failure is being addressed or added value from the ERDF intervention which would preclude its investment.</p> <p>Q. We are getting conflicting advice from our consultants on whether to count construction jobs as an outcome in our evaluations. The Technical Note is clear that if they are a part of a project activity that they are an input, but clearly if we don't assess the contribution of activity to project outcomes particularly over large builds (and periods) then we are losing a swathe of data that cannot be assessed which would be a shame in our assessment of impact.</p> <p>A. The consultants appear to be mixing inputs, outcomes and impacts. They each measure different aspects of a project when the definitions are not applied correctly the risk is that the consultants will try to measure the wrong effects. The simple answer is that the construction jobs are an input (necessary to make the project happen) and so cannot be counted as an outcome (the result or consequence of the project). Its evaluation should consider to what extent the project success factors have been achieved against its SMART objectives and baseline identified before the project started. A large build has both negative and positive effects during and after its construction phase. Examples might include:</p> <ul style="list-style-type: none"> • Negative - additional noise, dust, traffic congestion (impact on health and well being of local community – surveys, incidence of illness reported etc) • Positive – contractor takes on/trains local unemployed people to work on the site (impact being a reduction in local unemployment). <p>Other factors might include:</p> <ul style="list-style-type: none"> • jobs/new business that invest on the site on completion (R1/2); • improved confidence of the area reflected in higher land/premises values/rental; further investment by the private sector (R7); • improvements in the visual amenity of the area; • multiplier effect of the spend by site staff in the local community – papers, food, pubs etc. <p>If the project had a direct role in matching job opportunities between the unemployed and contractor to</p>	



R4(a) Regeneration – Premises with New or Upgraded Floorspace (m²)

assist the take up then they could be counted under O5 *individuals assisted to get a job* and if the unemployed individuals are employed by the company become permanent employees for at least 6 months then they could be counted as R5(a) *individuals who gain employment*.

R4(b) Regeneration – Premises New/Refurbished with Environmental Accreditations

Terms	Definitions
Unit of Measurement	No. of Environmental Accreditation post completion certificates
Environmental Accreditation	Examples include BREEAM/CEEQUAL Post Completion Review Certificate or equivalent
Premises	New or refurbished premises include Industrial & Business, Recreation & Leisure, Dwellings, Retail or Community Services buildings. The categories are defined in CLG's National Land Use Database .
Counted	On receipt of relevant post completion certificate showing the standards achieved (Pass, good, very good, excellent).
Exclusions	ERDF Programme – retail, health, residential dwellings are ineligible.
Verification Evidence	Address of premises including postcode. Copy of relevant post completion accreditation certificate.
Notes	This is a subset of R4. It provides evidence to demonstrate how the EU Lisbon Agreement on a whole life approach, the Office of Government Commerce's mandatory Common Minimum Standards , the Government and RES sustainable development commitments. Are being embedded.

PEOPLE

R5(a) Employment Support - Individuals who gain employment	
Terms	Definitions
Unit of Measurement	No. of individuals
Individuals	Are those assisted under O5 Employment Support.
Employment	The intention is to assist those who are economically inactive into or back into work. Employment is therefore broadly interpreted and may include, work experience, voluntary work, part-time work as well as full time employment (paid or self-employed).
Counted	The output should be recorded when the individual who received the support has gained some form of employment within 6 months of the assistance. Where the person was in employment at risk and has changed to a more secure job, this may also be counted.
Exclusions	Anyone not assisted under a project that delivered Employment Support outputs (O5)
Verification Evidence	Name of individual supported (O5) Evidence of their job: <ul style="list-style-type: none"> paid employment wage slip for or work experience/voluntary work a letter from employer/supervisor
Notes	Applying the project logic chain approach this result involves the movement of individuals from being economically inactive or unemployed into employment. Six months is considered an appropriate cut-off point for this type of intervention but may vary depending on the project objectives and interventions. In analysing the results it would be useful: <ul style="list-style-type: none"> to establish the drop out rate from the project for equality analysis the number of nil/partial returns

R5(b) Employment Support - Individuals who start a business	
Terms	Definitions
Unit of Measurement	No. of individuals
Individuals	Are those assisted under Output 5 Employment Support
Business	The 3 main types of business/enterprise are (i) sole proprietorships, (ii) partnerships and (iii) companies. All will be registered with HMRC for business tax; most but not all are governed by the Companies Act legislation.
Start	Starts trading is the date when the business registers for VAT or registers for National Insurance (Class 2) contributions. Alternatively use the Business Link approach and use the date of the first transaction.
Counted	When the business is still in operation 12 months after it started trading in the region
Exclusions	Counting the same business at different phases of its growth as this would be double counting.
Verification Evidence	Business - Name, Address inc post code, Tel no. Contact details. Ownership. No. of employees. Type of business New business – the company incorporation statement or letter from the Owner i.e. the individual who started it , to confirm it is a new company.



R5(b) Employment Support - Individuals who start a business

Terms	Definitions
	Start of trading - Company Registration No./VAT No. and date of registration or NI Class 2 date of registration or the date of the first transaction where evidence can be produced to evidence it.

R6(d) - Graduates placed in SMEs

Terms	Definitions
Unit of Measurement	No. of individuals who are graduates
Graduates	Person with NVQ4 or equivalent qualification awarded in the previous 3 academic years.
Placed	A graduate is placed when they actually start working in the SME.
SMEs	Use EU SME definition (see O3(b))
Counted	The date the graduate starts in the SME.
Exclusions	Non-graduates and graduates in large enterprises
Verification Evidence	Individual - Name, address, post code, evidence of the graduate qualification (signed certificate with name of awarding body and date awarded). Business - Name, address and evidence it is an SME
Notes	The placement may be for non paid and work experience opportunities, research assignments etc therefore the length of time of the placement is not relevant.



Financial

R7 Private sector investment leverage	
Terms	Definitions
Unit of Measurement	£m
Private sector	Includes businesses, registered charities, not for profit organisations, HE and FE institutions and private individuals.
Investment	The gross investment made by the private sector as a result of the project.
Induced	<p>The investment must have been levered in as a result of ERDF financial support. Examples of levered in investment include:</p> <ul style="list-style-type: none"> • Physical regeneration - where the ERDF applicant has sought a joint venture partner through a competitive procurement for a physical regeneration project then the private sector financial investment is induced and may be counted. • Business support – where the project provides assistance to SMEs who are expected to contribute a share of the costs of the provision e.g. when using the SME block exemption outside assisted areas small and medium firms should contribute the relevant percentage of the costs and this would be the induced investment by beneficiaries as a result of the project. • Risk capital – where the private sector puts funds into a venture capital fund to meet the fund investment criteria
Counted	When private investment is made. The total private sector investment made may be counted where there is evidence to confirm it has been defrayed on activities that support the project. If not, only eligible expenditure should be included. This may include private sector investment if it is included in the OP financial tables.
Exclude	<p>Co-financing (match funding) as this is covered in the output.</p> <p>National Lottery Funds</p> <p>Operational on-going costs such as beneficiary personnel costs.</p>
Verification Evidence	<p>For each investor:</p> <p>Name, address, contact details;</p> <p>Copy of receipt of financial contribution or intangible investment or recipient statement (signed by Finance Director) on what was provided, with evidence of its financial value e.g. equipment invoice.</p>
Notes	<p>Where reporting on capital investment induced it should be noted that the figures can fluctuate significantly between years depending on where the project is in the construction stage.</p> <p>The Finance impact measure would be the investment that is subsequent to the project as a consequence of the project interventions. For example, where a public realm project has improved an area and the private sector come in after the project to invest in vacant or unoccupied properties or the rental value of the properties increases.</p>



Annex A: Glossary of Acronyms & Terms

The list below gives the full description of acronyms used in the text.

AIRTO	Applied Industrial Research Trading Organisations
BE	Block Exemption
BERR	(Department) Business Enterprise and Regulatory Reform
BL	Business Link
BL CRM	Business Link Customer Relationship Management
BREEAM	Building Research Establishment Environmental Assessment Method
CLG	Communities and Local Government
CRM	Customer Relationship Management
DCSF	Department for Children, Schools and Families
DCMS	Department of Culture Media and Sport
DEFRA	Department for Environment Food and Rural Areas
DIUS	Department for Innovation, Universities & Skills
DWP	Department for Work and Pensions
EC	European Commission
ECDL	European Computing Driving Licence
EMS	Environmental Management System
ERDF	European Regional Development Fund
ESF	European Social Fund
ESOL	English for Speakers of Other Languages
EU	European Union
FAQ	Frequently Asked Questions
FE	Further Education
FDI	Foreign Direct Investment
FTE	Full Time Equivalent
GCSE	General Certificate of Secondary Education
GFEC	General Further Education College
GO	Government Offices of the Regions
GRADE	Guidance for RDAs on Appraisal Delivery and Evaluation
GVA	Gross Added Value
HA	Highways Agency
HE	Higher Education
HEFCE	Higher Education Funding Council for England
HEI	Higher Education Institutions
HMRC	HM Revenue & Customs
HMT	Her Majesty's Treasury
H&S	Health & Safety
IAG	Information Advice and Guidance
ICT	Information and Communication Technologies
ILR	International Labour Register
IMD	Index of Multiple Deprivation
IT	Information Technology
LDA	London Development Agency
LLSC	Local Learning and Skills Council
LSC	Learning and Skills Council
NAO	National Audit Office
NASS	National Asylum Support Service
NFA	No Fixed Abode
NI	National Insurance
NIC	National Insurance Contributions
NLUD	National Land Use Database
NVQ	National Vocational Qualification
OffPAT	Office of Project & Programme Advice & Training

ONS	Office of National Statistics
OP	Operating Programme
OPG	OffPAT Practitioners Group
OSG	OffPAT Steering Group
PDL	Previously Developed Land
PSA	Public Service Agreement
PSRE	Public Sector Research Establishment
Q&A	Question and Answer
QS	Quantity Surveyor
R&D	Research and Development
RDA	Regional Development Agency
RDO	Research & Development Organisation
RDPE	Rural Development Programme for England
REP	Regional Economic Performance
RES	Regional Economic Strategy
RTO	Research and Technology Organisation
SAV	Strategic Added Value
SB	Single Budget
SFIE	Selective Finance for Investment in England
SIC	Standard Industrial Classification
SMEs	Small and Medium Enterprises
SOA	Super Output Area
SOC	Standard Occupational Classification
SPD	Single Programme Document
SPAG	Single Programme Appraisal Guide
UK	United Kingdom
UKTI	UK Trade & Investment
VAT	Value Added Tax
3Rs	Assessing the Impacts of Spatial Interventions-Regeneration Renewal and Regional Development (The '3Rs' guidance)

Glossary of Terms

Assistance: Consultancy advice, guidance or information through the following media: face-to-face, telephone, web-based dialogue, conference, seminar, workshop, or networks. The assistance encompasses only active advisory work and does not include travel time to clients. The amount of assistance should be calculated on a cumulative basis.

Business: the smallest group of legal units within an Enterprise Group with a relative degree of autonomy (source IDBR). If the business age is not known they should be treated as an established business.

Business Link Customer: a business or a pre-start

Created: achieved through the project assistance or financial **support** and did not exist prior to the project activity.

Enterprise: Any entity engaged in an economic activity, irrespective of its legal form. This includes self-employed persons and partnerships or associations regularly engaged in an economic activity.

Established business: a business customer that began trading more than 12 months ago.

Financial support: Loans, equity investment, or grants, excluding grants which are for consultancy support; in this case the duration of consultancy support should be counted, cumulatively, towards assistance.

Gross: The total number achieved for an indicator through project activity and has not been adjusted for deadweight, displacement, leakage and multiplier effects.

Net: The total number achieved for an indicator through project activity and has been adjusted for deadweight, displacement, leakage and multiplier effects.

Pre-start: a customer not trading yet but enquiring about or trying to start up.

Research institutions: Research institutions include UK Public Sector Research Establishments (PSREs) or equivalents, Research and Development Organisations (RDOs), Research and Technology Organisations (RTOs), Higher Education and Further Education Institutions.

Start up: a business customer that has begun trading and is less than 12 months. The start date is the date of the first transaction.



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Annex C - National Principles for the Evaluation of all 2007-13 ERDF Programmes

1) Summary

This paper outlines the Department of Communities and Local Government's (DCLG) overarching evaluation strategy for all ERDF Operational Programmes (OP) through the 2007-13 period and is consistent with the principles outlined in Articles 47 (1), (2) (3) & (4) of EC Regulation 1083/2006 to wit:-

“Evaluations shall aim to improve the quality, effectiveness and consistency of the assistance of the funds...carried out before, during and after the programming period and shall be carried out under the authority of responsibility of the Member State”.

The rationale for the evaluation of the 2007-13 ERDF programmes fulfils the DCLG's (SEREP) strategic objectives of:-

- Ensuring that all the programmes meet their intended outcomes;
- Identifying and sharing relevant good national and international practice across the ERDF network,
- Creating and fostering a culture of openness and transparency;
- Providing greater assurance to key stakeholders.

2) Key elements of the national evaluation principles

Building on the National Strategic Reference Framework and measures to improve the strategic focus of EU Regional Policy, every English region has a regional competitiveness OP and, in the case of the South West, a convergence objective ERDF Operational Programme. It is therefore appropriate that the focus of ERDF evaluation plans should be regional (and sub-regional) in nature.

It is also important to draw an appropriate distinction between regional level monitoring of Programme progress (through the provision of management information), ongoing operational evaluation issues, and impact evaluation work (to quantify the net impact on employment and GVA from ERDF-funded activity).

To help inform the effective implementation of the 2007-13 ERDF Operational Programmes, DCLG considers the following evaluation requirements as germane and all OPs have adopted them in their relevant evaluation plans and strategies.

a) An assessment of how the funds have been spent including:

An analysis of financial data to assess how efficiently the funds have been spent e.g.

Determining the proportion spent on delivering outputs compared to administration

b) An assessment of outputs that have been achieved

This needs to adjust from gross to net outputs to get the additionality of the ERDF spend.
Adjust for

- **The counterfactual** What would have happened anyway.
- **Leakage** Those who benefit from the intervention who are outside the target area.
- **Displacement** Those outputs resulting from the intervention which is accounted for by reduced outputs elsewhere.
- **Substitution** Where a firm substitutes one activity for a similar one, for example recruiting a jobless person whilst another person loses a job.
- **Multiplier effects** Further economic activity associated with additional local income.

c) An assessment of value for money of outputs (i.e. cost per unit of output delivered)

d) An assessment of the outcomes and impacts on objectives that have been achieved

- How has the spending supported delivery of other regeneration schemes or strategies?
- What is the value for money of these outcomes and impacts on objectives?
- What is the distribution of the beneficiaries of the interventions?

e) An assessment of approaches to programme delivery ?

- What can we learn from the spending in terms of which interventions are effective and which are not?
- How will these lessons be used to feedback into future policy development?
- Have there been any unintended consequences of the spending, positive and negative?

f) Details on the approach to evaluation?

- What data need to be collected?
- How will baselines be measured?
- What resources will be used?
- What will be reported and when?

g) Details of how the evaluation strategy and/or plan meets the Regulatory requirements

- How do the evaluation plans fit with the requirements of Articles 47, 48, 49 of Council Regulations 1083/2006 and Articles 13, 59 (b), (c) and 103(2) of the same regulations?

3) Key principles

The underlying principles of the evaluation will be:-

- Proportionality,
- Strategic coherence and delivery relative to each OP
- Relevance to solving a particular national, regional and/or cross-cutting issue(s).

To that extent, these principles complement the requirements A47 (2) 1083/2006 which provides that evaluations may be of a strategic nature *“in order to examine the evaluation of a programme or group of programmes in relation to Community and national priorities, or of an operational nature in order to support the monitoring of an operational programme”*.

4) Funding

The OP evaluations will be part-funded from OPs' technical assistance budget in line with the requirements of Article 48(4), EC Reg 1083/2006.

Subject to resources, DCLG will take a view on the need to contribute to any England-wide evaluation of any aspect of ERDF programme by RDA(s).