



EUROPEAN UNION  
Investing in Your Future  
European Regional  
Development Fund 2007-13



**NORTH EAST OF ENGLAND EUROPEAN REGIONAL  
DEVELOPMENT FUND COMPETITIVENESS  
PROGRAMME 2007-13**

**ERDF Supplementary  
Guidance  
(December 2011 V2)**

**Output and Results**

## 1. What is this guide for?

This guide provides details of the performance Outputs and Results for the North East England ERDF Competitiveness Programme. It sets out:

- The definition of each output/result
- The specifics of what is to counted under each output/result
- Any activities that are excluded from the definition of an output/result
- The verification evidence that must be retained to demonstrate that outputs/results have been achieved.

**This version (V2) corrects an error in the original document i.e. this version includes the full definition of the Jobs Safeguarded Result (040/P2/R18) under Priority Two, which was omitted from the original version.** There are no other revisions.

N.B The outputs and results set out in this note should be used in all Outline and Full ERDF Applications to the North East ERDF Programme. These are the outputs and results that have been agreed with the European Commission and against which projects will be appraised and monitored.

The revised guidance must be used in all applications submitted under the new project calls launched in December 2011 and by all projects which have been selected into the Programme but have not yet been approved.

**Approved projects should continue to use the definitions in place at the time at which the project was approved.** The only exception to this is those projects providing enterprise support where the original result linked to referrals to the regional Business Link service is no longer relevant, such projects may use the revised definition 040/P2/R26 from July 2011.

## 2. Who is this guide for?

This guide is for anyone involved in **any** stage of developing or managing an ERDF funded project or anyone who provides or collates management information to the support the production of ERDF grant claims.

## 3. When should this guide be used?

This guide should be used constantly throughout the development and delivery of ERDF funded projects:

- During project development to estimate the likely levels of outputs and results a project will deliver.
- When preparing an outline ERDF Application
- When developing management information systems to support project management
- When completing a Full ERDF Application
- When compiling ERDF Grant Claims
- When preparing for an audit or verification visit
- When closing an ERDF project
- During project evaluation

## 4. The importance of Outputs/Results

Outputs and results are used to track the performance of projects and the Programme as a whole. It is vital for the continued performance of the Programme that projects maximise their achievement of outputs and results. Consideration of the level of deliverable outputs and results forms a key part of the project selection and appraisal process.

It is vital that projects are supported by effective management information systems that record all of the verification evidence required – failure to retain appropriate evidence is a frequent cause of ERDF grant being recovered from projects.

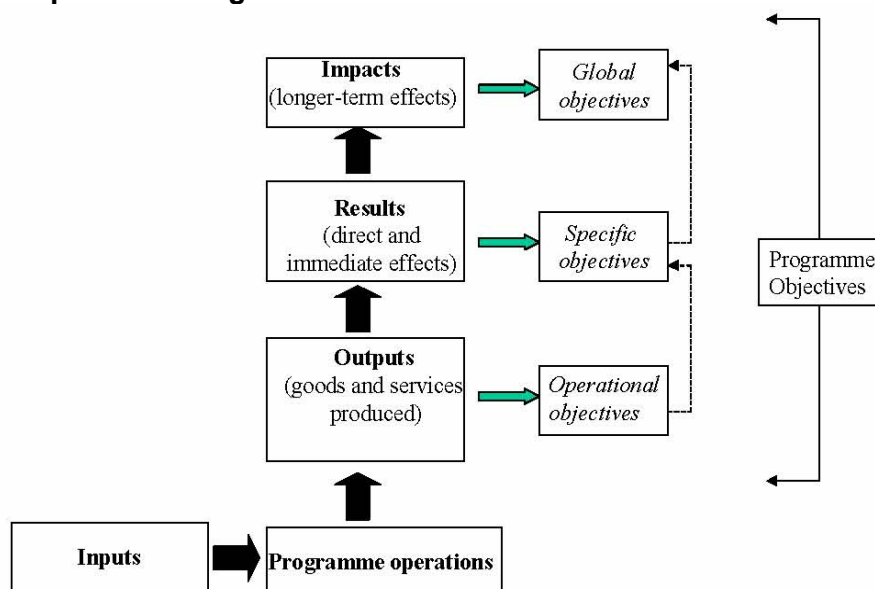
## 5. The relationship between Outputs and Results

Outputs are used to measure the progress of the project activities. Outputs must be capable of being forecast and delivered as part of the project. Outputs must be directly attributable to the project activities and be linked clearly to its objectives.

Projects also generate Results that reflect the objectives the project is seeking to achieve and provide measures to assess the project's success. They are generated by the project's Outputs and like outputs must be capable of being forecast and reported e.g. a project provides assistance to a business to support its growth, an output, consequently the business improves its performance and creates additional jobs, results.

The relationship between Outputs and Results is based upon a logic-chain which is summarised in Fig.1. The relationship between the Programme's Outputs and Results is summarised in Appendix 1.

**Fig 1. Output/Result logic chain**



## 6. Further information and advice

If you would like to discuss any aspect of the Programme's Outputs and Results please contact the ERDF Secretariat.

Chapter 11 of the ERDF User Manual\*\* explains the relationship between outputs, results and impacts in more detail.



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**WWW** Visit the ERDF website at [www.communities.gov.uk/erdf](http://www.communities.gov.uk/erdf)

\*\* Documents marked\*\* are available from the National Guidance Section of the [DCLG ERDF Website](http://www.dclg.gov.uk/erdf)

# ERDF Priority 1 Outputs

Table 1. sets out the relationship between Outputs and Results in Priority 1. Reading from left to right it identifies which results may be generated by each output. For example

- A project providing business support to SMEs would deliver SMEs assisted (output) which should lead to improved business performance and potentially increased employment (results).

Reading from top to bottom the outputs that are required to achieve the anticipated results. For example:

- A project providing business support to SMEs with the aim of improving performance (result) could only do so by first providing SME assists (output).

**In all cases results may only be claimed if they are they are linked to an output.**

It is not expected that a project delivering an output will deliver all of the possible results linked to it e.g. projects delivering outputs 040/P1/O02 or 040/P1/O03 are not expected to delivery every result.

The only mandatory relationship between outputs and results is between SMEs assisted (Outputs O01 and O02) to SMEs with improved performance (Result R09).

## Priority 1 Outputs

040/P1/O01 No. of new SMEs<sup>1</sup> and spin out businesses assisted with innovation, including integrated development of workforce skills

040/P1/O02 No. of SMEs assisted with innovation, including integrated development of workforce skills

040/P1/O03 No. of SMEs receiving financial assistance

04/P1/O06 No. of integrated packages of activity to embed the benefits of investments in innovation in disadvantaged communities

040/P1/O07 No. of people in the workforce of SMEs working in collaboration with Innovation Connectors and/or Centres of Excellence assisted with skills development

040/P1/O04 Area of R&D premises developed (m2)

040/P1/O05 Brownfield land reclaimed &/or redeveloped (ha)

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<sup>1</sup> [SME definition](#)

Table 1.

Priority 1	Results						Impacts	
	040/P1/R01 No. of gross jobs created	040/P1/R05 No. of gross jobs safeguarded	040/P1/R09 No. of businesses assisted with improved performance	040/P1/R10 No. of businesses assisted with improved environmental management	040/P1/R12 No. of assisted businesses within the region engaged in new collaborations with the knowledge base	040/P1/R13 Private sector expenditure on R&D levered	040/P2/I01 Net Increase in GVA as a result of the Programme	040/P2/I02 Net Increase in employment
Outputs								
040/P1/O01: No. of new SMEs and spin-out business assisted with innovation, including integrated development of workforce skills where appropriate	✓	✓	✓	✓	✓	✓	✓	✓
040/P1/O02: No. of SMEs assisted with innovation, including integrated development of workforce skills where appropriate	✓	✓	✓	✓	✓	✓	✓	✓
040/P1/O03: No. of SMEs receiving financial assistance	✓	✓	✓				✓	✓
040/P1/O04: Area of R&D premises developed (m2)	✓	✓					✓	✓
040/P1/O05: Brownfield land reclaimed &/or redeveloped (ha)	✓	✓					✓	✓
040/P1/O06: No. of integrated packages of activity to embed the benefits of investments in innovation in disadvantaged communities								
040/P1/O07: No. of people in the workforce of SMEs working in collaboration with Innovation Connectors and/or Centres of Excellence, or in those organisations, assisted with skills development			✓				✓	✓

**040/P1/O01: No. of new SMEs and spin-out businesses assisted with innovation, including integrated development of workforce skills where appropriate**

Terms	Definitions
Unit of Measurement	No. of businesses
Counted	<p>Defined as SMEs, under 12 months old since the commencement of trading, receiving a minimum of:</p> <ul style="list-style-type: none"> <li>• 2 days active consultancy advice or other non-financial assistance (1 day = minimum of 6 hours activity i.e. it excludes travel time, lunch and other breaks), or</li> <li>• A consultancy grant of at least £1,000, or</li> <li>• Assistance to the value of £1,000, which may be through a combination of active support provided directly by the project, support provided by a third party or consultancy grant. This should be calculated on the basis of gross grant equivalent (GGE).</li> </ul> <p>GGE is the value of the public sector support to the SME based on the market value of the activity, for example a comparison to the cost of purchasing these/or-similar services in the open market; this assessment and evidence of the comparators should be set out in the full application.</p> <p>Where comparators are not available the project budget should be used to determine the full cost of providing the assistance, for example:</p> <ul style="list-style-type: none"> <li>• A project employs staff to work directly with SMEs for a total of 30,000 hours at £25 per hour, a total cost of £750,000.</li> <li>• The total cost of providing the support to SMEs i.e. the above staff plus support staff and overheads is £2,000,000.</li> </ul> <p>The full hourly cost/value of providing this support can be calculated as:</p> <ul style="list-style-type: none"> <li>• The total cost of providing the support divided by the client facing staff hours = £66 per hour.</li> </ul> <p>Calculations should be based on costs such as hourly rates that can be determined from the project budget at the start of the project; the proposed methodology should be included within the Full Application. Calculations should <b>not</b> be based on average costs of supporting beneficiaries as these do not reflect the value to the recipient and are subject to fluctuations in delivery.</p> <p>Where:</p> <ul style="list-style-type: none"> <li>• an SMEs receives 2 days of active support either from the project and or from a third party</li> <li>• a consultancy grant to the value of at least £1,000 is provided</li> </ul> <p>The GGE does not need to be calculated for the purposes of claiming ERDF outputs, however it should be calculated to determine the level of State Aid to the beneficiary</p> <p>Examples:</p> <ul style="list-style-type: none"> <li>• A 1 day workshop is provided free of charge and delivered at a cost of £8k with 10 businesses attending. The value of the workshop i.e. the price that beneficiaries would normally pay to attend this or a similar event is £1,000. This can be counted on the basis that the value of assistance to the SME is £1,000 regardless of the average cost per participant.</li> <li>• An SME receives one days support from the project with a GGE value of £500 which produces a business improvement plan, the SME then receives a grant of £750 towards implementing the plan. This can be counted as the assistance has a total value of more than £1,000.</li> <li>• A business receives a consultancy grant of £750 and no other assistance, this cannot be counted.</li> <li>• A business receives one day of support from the project to produce a business improvement plan but no GGE value is calculated, the SME then receives a grant of £750 towards</li> </ul>

**040/P1/O01: No. of new SMEs and spin-out businesses assisted with innovation, including integrated development of workforce skills where appropriate**

Terms	Definitions
	<p>implementing the plan. This <b>cannot</b> be counted as unless the support lasts for two days the value of support must be based on GGE.</p> <ul style="list-style-type: none"> <li>• An SME attends 3 half day workshops the GGE value of which exceeds £1,000. This can be counted as the business has received support to the value of £1,000 even though the assistance took place in less than 2 days.</li> </ul>
<b>Exclusions</b>	<p>Any business which does not meet the ERDF definition of an SME and is within a sector which is deemed ineligible for ERDF support by Chapter 2 (eligibility) of the ERDF User Manual**</p> <p>Services that are the legal, statutory responsibility of other organisations e.g. provision of statutory education to 16.</p>
<b>Verification Evidence</b>	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership.</p> <p>No. of employees.</p> <p>Business start date</p> <p><b>For Consultancy Days:</b> Standard letter from Business Owner, Chief Executive or Finance Director confirming support provided and hours worked.</p> <p><b>For Consultancy grants:</b> activities undertaken or services provided, value of the grant, number of hours/period, start-end dates.</p> <p><b>Assistance:</b> details of the activities/services provided</p> <p><b>Gross Grant Equivalent:</b> Where used evidence should be retained of how the gross grant equivalent value has been calculated.</p>
<b>Notes</b>	<p>A business can only be counted once against this output within a project irrespective of the number of times or forms of assistance it receives.</p> <p>Within a programme (package of projects/operation/range of complementary contracts under one project) SME assisted could be counted more than once where:</p> <ul style="list-style-type: none"> <li>• Complementary services are delivered by <b>different organisations</b> – 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.</li> <li>• Complementary services delivered through <b>different contracts</b> – 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.</li> </ul> <p>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.</p> <p>The rationale underpinning this output is that support of less than two days or with a total value of less than £1,000 is unlikely to lead to a significant or demonstrable improvement in business performance.</p> <p><b>Projects which deliver this Output should also deliver the Result 040/P1/R09, Business assisted with Improved Performance. It is expected that 100% of SMEs assisted under 040/P1/O01 will demonstrate improved performance reported under this result .</b></p> <p>The GGE value of support should be used to determine the level of State Aid to beneficiaries.</p>

040/P1/O02: No. of SMEs assisted with innovation, including integrated development of workforce skills where appropriate	
Terms	Definitions
Unit of Measurement	No. of businesses
Counted	<p>Defined as SMEs, over 12 months old since the commencement of trading, receiving a minimum of:</p> <ul style="list-style-type: none"> <li>• 2 days active consultancy advice or other non-financial assistance (1 day = minimum of 6 hours activity i.e. it excludes travel time, lunch and other breaks), <b>or</b></li> <li>• A consultancy grant of at least £1,000, <b>or</b></li> <li>• Assistance to the value of £1,000, which may be through a combination of active support provided directly by the project, support provided by a third party or consultancy grant. This should be calculated on the basis of gross grant equivalent (GGE).</li> </ul> <p>GGE is the value of the public sector support to the SME based on the market value of the activity, for example a comparison to the cost of purchasing these/or-similar services in the open market; this assessment and evidence of the comparators should be set out in the full application.</p> <p>Where comparators are not available the project budget should be used to determine the full cost of providing the assistance, for example:</p> <ul style="list-style-type: none"> <li>• A project employs staff to work directly with SMEs for a total of 30,000 hours at £25 per hour, a total cost of £750,000.</li> <li>• The total cost of providing the support to SMEs i.e. the above staff plus support staff and overheads is £2,000,000.</li> </ul> <p>The full hourly cost/value of providing this support can be calculated as:</p> <ul style="list-style-type: none"> <li>• The total cost of providing the support divided by the client facing staff hours = £66 per hour.</li> </ul> <p>Calculations should be based on costs such as hourly rates that can be determined from the project budget at the start of the project; the proposed methodology should be included within the Full Application. Calculations should <b>not</b> be based on average costs of supporting beneficiaries as these do not reflect the value to the recipient and are subject to fluctuations in delivery.</p> <p>Where:</p> <ul style="list-style-type: none"> <li>• an SMEs receives 2 days of active support either from the project and or from a third party</li> <li>• a consultancy grant to the value of at least £1,000 is provided</li> </ul> <p>The GGE does not need to be calculated for the purposes of claiming ERDF outputs, however it should be calculated to determine the level of State Aid to the beneficiary</p> <p>Examples:</p> <ul style="list-style-type: none"> <li>• A 1 day workshop is provided free of charge and delivered at a cost of £8k with 10 businesses attending. The value of the workshop i.e. the price that beneficiaries would normally pay to attend this or a similar event is £1,000. This can be counted on the basis that the value of assistance to the SME is £1,000 regardless of the average cost per participant.</li> <li>• An SME receives one days support from the project with a GGE value of £500 which produces a business improvement plan, the SME then receives a grant of £750 towards implementing the plan. This can be counted as the assistance has a total value of more than £1,000A business receives a consultancy grant of £750 and no other assistance, this cannot be counted.</li> <li>• A business receives one day of support from the project to produce a business improvement</li> </ul>



	<p>plan but no GGE value is calculated, the SME then receives a grant of £750 towards implementing the plan. This <b>cannot</b> be counted as unless the support lasts for two days the value of support must be based on GGE.</p> <ul style="list-style-type: none"> <li>An SME attends 3 half day workshops the GGE value of which exceeds £1,000. This can be counted as the business has received support to the value of £1,000 even though the assistance took place in less than 2 days.</li> </ul>
Exclusions	<p>Any business which does not meet the ERDF definition of an SME and is within a sector which is deemed ineligible for ERDF support by Chapter 2 (eligibility) of the ERDF User Manual**</p> <p>Services that are the legal, statutory responsibility of other organisations e.g. provision of statutory education to 16.</p>
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership.</p> <p>No. of employees.</p> <p>Business start date</p> <p><b>For Consultancy Days:</b> Standard letter from Business Owner, Chief Executive or Finance Director confirming support provided and hours worked.</p> <p><b>For Consultancy grants:</b> activities undertaken or services provided, value of the grant, number of hours/period, start-end dates.</p> <p><b>Assistance:</b> details of the activities/services provided</p> <p><b>Gross Grant Equivalent:</b> Where used evidence should be retained of how the gross grant equivalent value has been calculated.</p>
Notes	<p>A business can only be counted once against this output within a project irrespective of the number of times or forms of assistance it receives.</p> <p>Within a programme (package of projects/operation/range of complementary contracts under one project) SME assisted could be counted more than once where:</p> <ul style="list-style-type: none"> <li>Complementary services are delivered by <b>different organisations</b> – 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.</li> <li>Complementary services delivered through <b>different contracts</b> – 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.</li> </ul> <p>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.</p> <p>The rationale underpinning this output is that support of less than two days or with a total value of less than £1,000 is unlikely to lead to a significant or demonstrable improvement in business performance.</p> <p><b>Projects which deliver this Output should also delivery the Result 040/P1/R09, Business assisted with Improved Performance. It is expected that 100% of SMEs assisted under 040/P1/O01 will demonstrate improved performance reported under this result .</b></p> <p>The GGE value of support should be used to determine the level of State Aid to beneficiaries.</p>

040/P1/O03: No. of SMEs receiving financial assistance	
Terms	Definitions
Unit of Measurement	No. of businesses
Counted	<p>Defined as SMEs receiving loans, equity investment and grants, except where the grants are for consultancy support.</p> <p>May be counted when there has been financial support with a <u>minimum</u> value of at least £1,000.</p>
Exclusions	Any business which does not meet the ERDF definition of an SME and is within a sector which is deemed ineligible for ERDF support by Chapter 2 (eligibility) of the ERDF User Manual**
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees. Business start date</p> <p><b>Financial Assistance Details:</b> signed agreement with financial institution, letter from financial institution confirming financial assistance and the amount.</p> <p><b>Confirmation</b> from Finance Director that the amount is being used for the intended purpose</p>
Notes	<p>Grants for consultancy support should be recorded under 040/P1/O01 or 040/P1/O02, depending on the age of the SME.</p> <p>A business can only be counted once against this output within a project irrespective of the number of times or forms of assistance it receives.</p> <p>Within a programme (package of projects/operation/range of complementary contracts under one project) SME assisted could be counted more than once where:</p> <ul style="list-style-type: none"> <li>Complementary services are delivered by <b>different organisations</b> – 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.</li> <li>Complementary services delivered through <b>different contracts</b> – 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.</li> </ul> <p>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.</p>

040/P1/O04: Area of R&D premises developed (m2)	
Terms	Definitions
Unit of Measurement	Area of premises developed (measured in square metres)
Counted	<p>Defined as the area of high specification accommodation provided for occupancy by or use of research institutions and or technology based SMEs.</p> <p>The entire ERDF eligible area inside the external walls of a building including corridors, lifts, plant rooms, service accommodation</p> <p>May be counted when the development or refurbishment is complete and ready for occupation.</p>
Exclusions	<p>Excludes internal walls.</p> <p>Cannot be counted when the only activity is the purchase of an existing building</p> <p>Premises previously developed with ERDF or other European funding</p>
Verification Evidence	<b>Accommodation information</b> – As built drawings showing floorspace, type of accommodation and description of what it is to be used for

040/P1/O05: Brownfield land reclaimed &/or redeveloped (ha)	
Terms	Definitions
Unit of Measurement	Area of land (measured in hectares)
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 projects must comply with the polluter pays principle. Categories covered may include:</p> <ul style="list-style-type: none"> <li>• previously developed vacant land;</li> <li>• vacant buildings unoccupied for a year or more;</li> <li>• derelict land and buildings;</li> <li>• land or buildings, currently in use, allocated for development in the adopted plan or having planning permission;</li> <li>• 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;</li> <li>• defence buildings;</li> <li>• land used for mineral extraction and or waste disposal.</li> </ul> <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>
Reclaimed and redeveloped	<p><b>1. Reclaimed:</b> making the land fit for use by:</p> <ul style="list-style-type: none"> <li>• removing physical constraints to development or improving the land for hard end use;</li> <li>• providing services to open it up for development e.g. provision of utilities and service roads</li> </ul> <p>Reclamation activities may include:</p> <ul style="list-style-type: none"> <li>• dealing with contamination, existing surface and buried structures,</li> <li>• stabilisation,</li> <li>• levelling,</li> <li>• provision of flood defences</li> <li>• provision of utilities and other services</li> <li>• environmental improvements or enhancements</li> </ul> <p><b>2. Redeveloped:</b> developing a site and putting up a new building or refurbishing an existing building e.g. construction of premises, new plant and equipment, fitting out of premises etc.</p>
Counted	<p>Defined as the number of hectares of brownfield land that will be taken to the point where accommodation can be provided on site i.e. available for development.</p> <p>May be counted when the ERDF-supported reclamation / site preparation operations are complete and the land is ready for development.</p>
Exclusions	<ul style="list-style-type: none"> <li>• Developing or improving land for "soft" end use i.e. land which is left substantially undeveloped for amenity, leisure, agricultural, forestry or other environmental use.</li> <li>• Land and buildings currently used for agricultural or forestry purposes;</li> <li>• Land in built-up areas not previously developed e.g. parks, recreation grounds, allotments, cemeteries;</li> <li>• 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 conservation.</li> <li>• Land previously developed or reclaimed with the assistance of European funding</li> <li>• Land reclaimed/redeveloped for provision of retail, housing, health, leisure facilities (see User</li> </ul>

	<p>Manual Chapter 2** for details)</p> <ul style="list-style-type: none"> <li>• It can not be counted when the only activity is the purchase of the land, building or site.</li> </ul>
<b>Verification Evidence</b>	<p><b>Site area</b> – full postal address inc postcode, Land registry record /deeds; Local Authority/NLUD register details (for previous use to ensure not excluded category).</p> <p><b>Contaminated land</b> - completed <b>Land Condition Record</b> and Remediation Complete Certificate.</p> <p><b>Works</b> - Certificate of Practical Completion of the Works. QS certification of works carried out e.g.:</p> <ul style="list-style-type: none"> <li>• Site services/utilities and infrastructure</li> <li>• Foundations laid</li> <li>• Walls and roof built</li> <li>• Landscaping completed</li> </ul>

040/P1/O06: No of integrated packages of activity to embed the benefits of investments in innovation in disadvantaged communities	
Terms	Definitions
Unit of Measurement	No of activities/initiatives
Counted	Defined as composite initiatives that seek to engage residents of disadvantaged communities with employment or other opportunities arising from Innovation Connector projects. A simple count of package activity. May be counted when the package is approved and work on the first constituent project commences.
Exclusions	Packages which are not derived from an Innovation Connector project
Verification Evidence	<b>Package information</b> – name, location, contact details, activities undertaken, number of residents supported, details of how/why, outcomes of the activity

040/P1/O07: No of people in the workforce of SMEs working in collaboration with Innovation Connectors and/or Centres of Excellence, or in those organisations, assisted with skills development	
Terms	Definitions
Unit of Measurement	No of employees
Counted	Defined as the number of beneficiaries of training or other HRD interventions supported who are in the workforce of SMEs working in collaboration with Innovation Connectors or designated Centres of Excellence, or within those organisations. May be counted when the individual completes their participation in the training course or other HRD support.
Exclusions	SMEs which are not derived from an Innovation Connector / Centres of Excellence project
Verification Evidence	<b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees. Type of training/learning, number of hours/period, start-end dates Contact details for training providers, attendance lists for training courses and event

# ERDF Priority 1 Results

040/P1/R01 No of gross jobs created, of which:

040/P1/R02 men

040/P1/R03 women

040/P1/R04 in disadvantaged areas

040/P1/R05 No of gross jobs safeguarded:

040/P1/R06 men

040/P1/R07 women

040/P1/R08 in disadvantaged areas

040/P1/R09 No. of businesses assisted with improved performance

040/P1/R10 No. of businesses assisted with improved environmental management, of which:

040/P1/R11 Related to improved energy efficiency, micro-renewables and other management of carbon footprint

040/P1/R12 No. of assisted businesses engaged in new collaborations with the knowledge base

040/P1/R13 Private sector expenditure on R&D levered

040/P1/R01: No of gross jobs created, of which: 040/P1/R02: men 040/P1/R03: women 040/P1/R04: in disadvantaged areas*	
Terms	Definitions
Unit of Measurement	No of jobs
Counted	<p>Defined as a new, permanent, paid, full time equivalent (FTE) job.</p> <p>New = should not have existed in the region or with that employer in the UK before the intervention.  Permanent = should have a life expectancy of at least 1 year from the point at which it is created.  FTE = paid work of 30 hours or more per week. Convert part time jobs to FTE on a pro rata basis based on hours.</p> <p>Jobs created are a result when the jobs follow after the project intervention, captured as project outputs, e.g. when a beneficiary utilises financial assistance or innovation support or when a speculative development to build new SME business space is occupied the subsequent jobs are the result.</p> <p>Temporary jobs may be counted where they are integral to the project and reflect normal employment practice in a sector provided there is a contract of employment that will last for a minimum of 4 weeks per annum. Calculated on a pro rata basis e.g. a 3 month job = 0.25FTE.</p>
Exclusions	Jobs which are created to directly deliver the project's activities, including construction jobs, as these are inputs to rather than outputs of the project.
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees.</p> <p><b>Job</b> - title of the new/attracted job, confirmation that a contract of employment is in place, details of expected start date of employment and duration (must be 1 year or longer and for temporary 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>

\* Disadvantaged areas are defined in Priority 2 Output 040/P2/O10: No of integrated initiatives to develop enterprise in disadvantaged communities



040/P1/R05: No of gross jobs safeguarded, of which: 040/P1/R06: men 040/P1/R07: women 040/P1/R08: in disadvantaged areas*	
Terms	Definitions
Unit of Measurement	No of jobs
Counted	<p>Defined as an existing (i.e. occupied) permanent, paid, full time equivalent (FTE) job which is at risk. <i>At Risk</i> is defined as being forecast to be lost within 1 year normally i.e. the jobs at risk must be specified, or if sector is in long-term decline a longer period might be appropriate.</p> <p>May be counted when the relevant job:</p> <ul style="list-style-type: none"> <li>• is forecast as at risk when the intervention with the business is approved; <u>and</u></li> <li>• is still in existence (occupied) at the time of counting; <u>and</u></li> <li>• is no longer at risk of being lost within a year.</li> </ul> <p>Jobs safeguarded are a result when they follow after the project intervention, captured as project outputs, has ended e.g. when a beneficiary utilises financial assistance or innovation support. There may also be instances where jobs may be safeguarded when a speculative development to build new SME business space is occupied by an existing business that would have reduced staffing had the new premises not become available.</p>
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees.</p> <p><b>Job</b> –safeguarded job title, contract of employment with an expected duration of 1 year or longer or 4 weeks per annum for temporary jobs, hours of work (for FTE calculation). Start date of employment.</p> <p><b>Job Safeguarded</b> - job title, confirmation that a contract of employment is in place 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>Employment profile prior to and post the intervention. On completion of the intervention 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>

\* Disadvantaged areas are defined in Priority 2 Output 040/P2/O10: No of integrated initiatives to develop enterprise in disadvantaged communities

040/P1/R09: No of businesses assisted with improved performance	
Terms	Definitions
Unit of Measurement	No of businesses
Counted	<p>A subset of New SMEs Assisted (O1), SMEs assisted (O2) and SMEs receiving financial assistance (O3) reporting some improved performance in some dimension as a result of the assistance provided. May also be delivered as a result of Output O07.</p> <p>Should be counted up to 3 years following the support provided.</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 <b>not</b> included in the project and counted under the business support outputs (O01), (O02), (O03) or (O07).
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no. Contact details. Ownership. No. of employees. Type of business.</p> <p>A relevant baseline must be established before the SME receives the intervention:</p> <ul style="list-style-type: none"> <li>• The same baseline must be reviewed following intervention;</li> <li>• This baseline must be reviewed within 3 years of the intervention;</li> <li>• The information must be provided by the beneficiary SME to the project applicant and appropriate evidence retained by the project applicant.</li> </ul> <p>Where the output is claimed on the basis that business performance was expected to have reduced in the absence of the intervention, evidence should show the anticipated level of decline and how the project intervention has mitigated it.</p> <p>GVA is the preferred baseline/measure under this result, it shows the economic impact and taxpayer return, it is easy to calculate from company accounts and is unambiguous. GVA should be calculated using the following formula: Total wage costs + net profit before tax and interest + depreciation</p> <p>Examples of other appropriate baselines and sources of evidence <i>may</i> include:</p> <ul style="list-style-type: none"> <li>• Efficacy in conversion of inputs to outputs;</li> <li>• Turnover;</li> <li>• Production costs;</li> <li>• Profitability;</li> <li>• Sales levels;</li> <li>• Where projects focuses upon environmental performance appropriate environmental benchmarks may be used – see O40/P1/R10</li> </ul> <p>This list is not exhaustive or exclusive and the baselines to be used should be agreed as part of development of the project and the technical appraisal on a project by project basis.</p>
Notes	<p>Applying the project logic chain approach a successful project intervention should lead to an improvement in performance.</p> <p><b>Any projects which deliver the SME assisted outputs should deliver this result, and it is expected that C.100% of SMEs assisted under 040/P1/O01 and 040/P1/O02 will demonstrate improved performance reported under this result. If a project is unable to deliver this result then an explanation should be given in the business case as to why it is not feasible.</b></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>

040/P1/R10: No of businesses assisted with improved environmental management, 040/P1/R11: of which related to improved energy efficiency, micro-renewables and other management of carbon footprint	
Terms	Definitions
Unit of Measurement	No of businesses
Counted	A subset of No. of businesses assisted with improved performance (R9), where the focus of improvement was environmental performance. Should be counted up to 3 years following the support provided.
Exclusions	Any business <b>not</b> included in the project and counted under the business support outputs (O1), (O2) or (O3).or Business Improvement Result R9 .
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no. Contact details. Ownership. No. of employees. Type of business.</p> <p><b>Baselines:</b></p> <ul style="list-style-type: none"> <li>• A relevant baseline must be established before the SME receives the intervention;</li> <li>• The same baseline must be reviewed following intervention;</li> <li>• This baseline must be reviewed within 3 years of the intervention;</li> <li>• The information must be provided by the beneficiary SME to the project applicant and appropriate evidence retained by the project applicant.</li> </ul> <p>Relevant baselines may be absolute:</p> <ul style="list-style-type: none"> <li>• Utility consumption</li> <li>• Water consumption</li> <li>• Waste going to landfill</li> <li>• The amount of waste products reused or recycled</li> </ul> <p>Baselines may also be relative, for example the ratio of inputs to outputs measured by a reduction in inputs (including utilities, water or raw materials) to achieve the same amount of outputs, or an increase in outputs without a commensurate increase in inputs</p> <p>These examples are not exhaustive or exclusive and the baselines to be used should be agreed as part of development of the project and the technical appraisal on a project by project basis.</p>
Notes	<p>Baselines based on financial costs may be used. Although these are subject to price fluctuations that may offset or artificially increase the impact of the project (e.g. an increase in utility costs could negate any savings achieved by the project) they may be used where it can be demonstrated that the baseline (e.g. the cost of utilities) would have worsened in the absence of the project intervention.</p> <p>This indicator provides evidence to demonstrate how the EU Lisbon Agreement on a whole life approach and the Government's sustainable development commitments are being embedded.</p>

040/P1/R12: No of assisted businesses within the region engaged in new collaborations with the knowledge base	
Terms	Definitions
Unit of Measurement	No of assisted businesses
Knowledge Base	<p>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.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• Research collaborations and free dissemination of research</li> <li>• Contract research on behalf of industry</li> <li>• Licensing of technology to business users</li> <li>• The sale of services, data and software</li> <li>• Formation of joint ventures and spin-out companies.</li> </ul> <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 BIS website under <a href="#">Public Sector Research Exploitation Fund</a>.</p>
Counted	<p>Defined as involvement between at least one firm and one knowledge base organisation. It includes the first collaboration by a firm with a department within a knowledge base organisation.</p> <p>May be counted when the collaboration between a business and the knowledge base starts.</p>
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees.</p> <p>Evidence of collaboration between the business and the knowledge base organisation – agreement signed by both parties, showing start dates and end dates and the outcome of the agreement</p>

040/P1/R13: Private sector expenditure on R&D levered	
Terms	Definitions
Unit of Measurement	£m
Counted	<p>Defined as private sector expenditure on R&amp;D taking place as a result of non-financial and financial assistance provided to new SMEs and SMEs under this Priority.</p> <p>Should be counted up to 3 years following the support provided.</p>
Exclusions	Operational on-going costs such as beneficiary personnel costs.
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees.</p> <p><b>Details of expenditure</b> – dates, amounts, a breakdown of costs incurred</p>

# ERDF Priority 1 Impacts

The NE ERDF Programme has agreed Impact targets with the European Commission in respect of increased GVA and Net Employment. To support the monitoring and evaluation of progress towards these targets projects are required to record performance against the following impact measures. This reporting should take place only once at the end of the project, taking account of the project evaluation.

040/P1/I01 Net increase in GVA as a result of the programme

040/P1/I02 Net increase in employment

040/P1/I01: Net increase in GVA as a result of the programme	
Terms	Definitions
Unit of Measurement	Increase in GVA
Counted	<p>Targets and reporting should be based on the GVA data available at the point of project evaluation.</p> <p>GVA shows the economic impact and taxpayer return, it is easy to calculate from company accounts and is unambiguous. GVA of beneficiaries should be calculated using the following formula: Total wage costs + net profit before tax and interest + depreciation</p> <p>Data required to calculate Gross GVA can be obtained from the business/enterprise Annual Report of project beneficiaries. There is likely to be delay between the project activities and the realisation of improvements in GVA and it is acknowledged that it may not be possible to gather data to calculate the GVA impact on some beneficiaries during the life time of the project.</p> <p>Gross GVA should then be converted to Net GVA as part of the project's evaluation: Gross GVA, <b>minus</b> the effects of deadweight and displacement, <b>plus</b> multiplier effects. This must be expressed as annual levels in £s.</p>
Exclusions	For the purpose of calculating Gross GVA business <b>not</b> included in the project that delivered business support outputs.
Verification Evidence	Evidence of Gross GVA calculated from project beneficiaries and the methodology used to convert from Gross to Net GVA

040/P1/I02: Net increase in employment	
Terms	Definitions
Unit of Measurement	Increase in Employment
Counted	<p>Targets and reporting should be based on the data available at the point of project evaluation.</p> <p>Gross increases in employment should be converted to Net increase as part of the project's evaluation: Gross Jobs <b>minus</b> the effects of deadweight and displacement, <b>plus</b> multiplier effects.</p>
Exclusions	For the purpose of calculating Gross Jobs, any business <b>not</b> included in the project that delivered business support outputs.
Verification Evidence	Evidence of Gross Jobs created (as rerecorded and reported under R01) and the methodology used to convert from Gross to Net Jobs

## ERDF Priority 2 Outputs

Table 2. sets out the relationship between Outputs and Results in Priority 2. Reading from left to right it identifies which results **may** be generated by each output. For example

- A project providing business support to SMEs would deliver SMEs assisted (output) which should lead to improved business performance and potentially increased employment (results).

Reading from top to bottom the outputs that are required to achieve the anticipated results. For example:

- A project providing business support to SMEs with the aim of improving performance (result) could only do so by first providing SME assists (output).

In all cases results may only be claimed if they are they are linked to an output.

It is not expected that a project delivering an output will deliver all of the possible results linked to it e.g. projects delivering outputs 040/P2/O08 or 040/P2/O09 are not expected to delivery every result.

The only mandatory relationship between outputs and results is between SMEs assisted (Outputs O08 and O09) to SMEs with improved performance (Result R33).

Table 2.

Priority 2	Results							Impacts	
	040/P2/R10 No. of businesses assisted with improved environmental management	040/P2/R14 No. of gross jobs created	040/P2/R18 No. of gross jobs safeguarded	040/P2/R22 No. of businesses assisted with improved performance	040/P2/R23 No. of businesses created or attracted to the region	040/P2/R25 No. of businesses created or attracted to the region surviving 12 months	040/P2/R26 Potential entrepreneurs going on to access Business Link Services	040/P2/I01 Net Increase in GVA as a result of the Programme	040/P2/I02 Net Increase in employment
Outputs									
040/P2/O03: No. of SMEs receiving financial assistance		✓	✓	✓				✓	✓
040/P2/O05: Brownfield land reclaimed &/or redeveloped (ha)		✓	✓		✓	✓		✓	✓
040/P2/O08: No. of new SMEs assisted, including integrated development of workforce skills where appropriate	✓	✓	✓	✓	✓	✓	✓	✓	✓
040/P2/O09: No. of SMEs assisted, including integrated development of workforce skills where appropriate, with additional actions	✓	✓	✓	✓	✓	✓	✓	✓	✓
040/P2/O10: No. of integrated initiatives to develop enterprise in disadvantaged communities									
040/P2/O12: Area of business premises developed (m2)		✓	✓		✓	✓		✓	✓
040/P2/O13: Potential entrepreneurs assisted to be enterprise ready		✓			✓	✓	✓	✓	✓

## Priority 2 Outputs

040/P2/O03: No of SME<sup>2</sup>s receiving financial assistance

040/P2/O05 Brownfield land reclaimed &/or redeveloped (ha)

040/P2/O08: No of new SMEs assisted, including integrated development of workforce skills where appropriate

040/P2/O09: No of SMEs assisted, including integrated development of workforce skills where appropriate

040/P2/O10: No of integrated initiatives to develop enterprise in disadvantaged communities

040/P2/O11: No of SMEs assisted that are social enterprises

040/P2/O12: Area of business premises developed (m2)

040/P2/O13 Potential entrepreneurs assisted to be enterprise ready of which:

040/P2/O14 (i) Men

040/P2/O15 (ii) Women

040/P2/O16 (iii) in disadvantaged areas

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<sup>2</sup> [SME definition](#)



040/P2/O03: No. of SMEs receiving financial assistance	
Terms	Definitions
Unit of Measurement	No. of businesses
Counted	<p>Defined as SMEs receiving loans, equity investment and grants, except where the grants are for consultancy support.</p> <p>May be counted when there has been financial support with a <u>minimum</u> value of at least £1,000.</p>
Exclusions	Any business which does not meet the ERDF definition of an SME and is within a sector which is deemed ineligible for ERDF support by Chapter 2 (eligibility) of the ERDF User Manual**
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees. Business start date</p> <p><b>Financial Assistance Details:</b> signed agreement with financial institution, letter from financial institution confirming financial assistance and the amount.</p> <p><b>Confirmation</b> from Finance Director that the amount is being used for the intended purpose</p>
Notes	<p>Grants for consultancy support should be recorded under 040/P1/O01 or 040/P1/O02, depending on the age of the SME.</p> <p>A business can only be counted once against this output within a project irrespective of the number of times or forms of assistance it receives.</p> <p>Within a programme (package of projects/operation/range of complementary contracts under one project) SME assisted could be counted more than once where:</p> <ul style="list-style-type: none"> <li>Complementary services are delivered by <b>different organisations</b> – 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.</li> <li>Complementary services delivered through <b>different contracts</b> – 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.</li> </ul> <p>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.</p>

040/P2/O05: Brownfield land reclaimed and/or redeveloped (ha)	
Terms	Definitions
Unit of Measurement	Area of land (measured in hectares)
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 projects must comply with the polluter pays principle. Categories covered may include:</p> <ul style="list-style-type: none"> <li>• previously developed vacant land;</li> <li>• vacant buildings unoccupied for a year or more;</li> <li>• derelict land and buildings;</li> <li>• land or buildings, currently in use, allocated for development in the adopted plan or having planning permission;</li> <li>• 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;</li> <li>• defence buildings;</li> <li>• land used for mineral extraction and or waste disposal.</li> </ul>
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><b>1. Reclaimed:</b> making the land fit for use by:</p> <ul style="list-style-type: none"> <li>• removing physical constraints to development or improving the land for hard end use;</li> <li>• providing services to open it up for development e.g. provision of utilities and service roads</li> </ul> <p>Reclamation activities may include:</p> <ul style="list-style-type: none"> <li>• dealing with contamination, existing surface and buried structures,</li> <li>• stabilisation,</li> <li>• levelling,</li> <li>• provision of flood defences</li> <li>• provision of utilities and other services</li> <li>• environmental improvements or enhancements</li> </ul> <p><b>2. Redeveloped:</b> developing a site and putting up a new building or refurbishing an existing building e.g. construction of premises new plant and equipment, fitting out of premises etc.</p>
Counted	<p>Defined as the number of hectares of brownfield land that will be taken to the point where accommodation can be provided on site i.e. available for development.</p> <p>May be counted when the ERDF-supported reclamation / site preparation operations are complete and the land is ready for development.</p>

<p><b>Exclusions</b></p>	<ul style="list-style-type: none"> <li>• Developing or improving land for “soft “end use i.e. land which is left substantially undeveloped for amenity, leisure, agricultural, forestry or other environmental use.</li> <li>• Land and buildings currently used for agricultural or forestry purposes;</li> <li>• Land in built-up areas not previously developed e.g. parks, recreation grounds, allotments, cemeteries;</li> <li>• 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 conservation.</li> <li>• Land previously developed or reclaimed with the assistance of European funding</li> <li>• Land reclaimed/redeveloped for provision of retail, housing, health, leisure facilities (see User Manual Chapter 2** for details)</li> <li>• It can not be counted when the only activity is the purchase of the land, building or site.</li> </ul>
<p><b>Verification Evidence</b></p>	<p><b>Site area</b> – full postal address inc postcode, Land registry record /deeds; Local Authority/NLUD register details (for previous use to ensure not excluded category).</p> <p><b>Contaminated land</b> - completed <b>Land Condition Record</b> and Remediation Complete Certificate.</p> <p><b>Works</b> - Certificate of Practical Completion of the Works. QS certification of works carried out e.g.:</p> <ul style="list-style-type: none"> <li>• Site services/utilities and infrastructure</li> <li>• Foundations laid</li> <li>• Walls and roof built</li> <li>• Landscaping completed</li> </ul>

**040/P2/O08: No of new SMEs assisted, including integrated development of workforce skills where appropriate**

Terms	Definitions
Unit of Measurement	No. of businesses
Counted	<p>Defined as SMEs, under 12 months old since the commencement of trading, receiving a minimum of:</p> <ul style="list-style-type: none"> <li>• 2 days active consultancy advice or other non-financial assistance (1 day = minimum of 6 hours activity i.e. it excludes travel time lunch and other breaks), <b>or</b></li> <li>• A consultancy grant of at least £1,000, <b>or</b></li> <li>• Assistance to the value of £1,000, which may be through a combination of active support provided directly by the project, support provided by a third party or consultancy grant. This should be calculated on the basis of gross grant equivalent (GGE).</li> </ul> <p>GGE is the value of the public sector support to the SME based on the market value of the activity, for example a comparison to the cost of purchasing these/or-similar services in the open market; this assessment and evidence of the comparators should be set out in the full application.</p> <p>Where comparators are not available the project budget should be used to determine the full cost of providing the assistance, for example:</p> <ul style="list-style-type: none"> <li>• A project employs staff to work directly with SMEs for a total of 30,000 hours at £25 per hour, a total cost of £750,000.</li> <li>• The total cost of providing the support to SMEs i.e. the above staff, support staff and overheads is £2,000,000.</li> </ul> <p>The full hourly cost/value of providing this support can be calculated as:</p> <ul style="list-style-type: none"> <li>• The total cost of providing the support divided by the client facing staff hours = £66 per hour.</li> </ul> <p>Calculations should be based on costs such as hourly rates that can be determined from the project budget at the start of the project; the proposed methodology should be included within the Full Application. Calculations should <b>not</b> be based on average costs of supporting beneficiaries as these do not reflect the value to the recipient and are subject to fluctuations in delivery.</p> <p>Where:</p> <ul style="list-style-type: none"> <li>• an SMEs receives 2 days of active support either from the project and or from a third party</li> <li>• a consultancy grant to the value of at least £1,000 is provided</li> </ul> <p>The GGE does not need to be calculated for the purposes of claiming ERDF outputs, however it should be calculated to determine the level of State Aid to the beneficiary</p> <p>Examples:</p> <ul style="list-style-type: none"> <li>• A 1 day workshop is provided free of charge and delivered at a cost of £8k with 10 businesses attending. The value of the workshop i.e. the price that beneficiaries would normally pay to attend this or a similar event is £1,000. This can be counted on the basis that the value of assistance to the SME is £1,000 regardless of the average cost per participant.</li> <li>• An SME receives one days support from the project with a GGE value of £500 which produces a business improvement plan, the SME then receives a grant of £750 towards implementing the plan. This can be counted as the assistance has a total value of more than £1,000A business receives a consultancy grant of £750 and no other assistance, this</li> </ul>

	<p>cannot be counted.</p> <ul style="list-style-type: none"> <li>• A business receives one day of support from the project to produce a business improvement plan but no GGE value is calculated, the SME then receives a grant of £750 towards implementing the plan. This <b>cannot</b> be counted as unless the support lasts for two days the value of support must be based on GGE.</li> <li>• An SME attends 3 half day workshops the GGE value of which exceeds £1,000. This can be counted as the business has received support to the value of £1,000 even though the assistance took place in less than 2 days.</li> </ul>
<b>Exclusions</b>	<p>Any business which does not meet the ERDF definition of an SME and is within a sector which is deemed ineligible for ERDF support by Chapter 2 (eligibility) of the ERDF User Manual**</p> <p>Services that are the legal, statutory responsibility of other organisations e.g. provision of statutory education to 16.</p>
<b>Verification Evidence</b>	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership.</p> <p>No. of employees.</p> <p>Business start date</p> <p><b>For Consultancy Days:</b> Standard letter from Business Owner, Chief Executive or Finance Director confirming support provided and hours worked.</p> <p><b>For Consultancy grants:</b> activities undertaken or services provided, value of the grant, number of hours/period, start-end dates.</p> <p><b>Assistance:</b> details of the activities/services provided</p> <p><b>Gross Grant Equivalent:</b> Where used evidence should be retained of how the gross grant equivalent value has been calculated.</p>
<b>Notes</b>	<p>A business can only be counted once against this output within a project irrespective of the number of times or forms of assistance it receives.</p> <p>Within a programme (package of projects/operation/range of complementary contracts under one project) SME assisted could be counted more than once where:</p> <ul style="list-style-type: none"> <li>• Complementary services are delivered by <b>different organisations</b> – 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.</li> <li>• Complementary services delivered through <b>different contracts</b> – 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.</li> </ul> <p>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.</p> <p>The rationale underpinning this output is that support of less than two days or with a total value of less than £1,000 is unlikely to lead to a significant or demonstrable improvement in business performance.</p> <p><b>Projects which deliver this Output should also delivery the Result 040/P1/R09, Business assisted with Improved Performance. It is expected that 100% of SMEs assisted under 040/P1/O01 will demonstrate improved performance reported under this result .</b></p> <p>The GGE value of support should be used to determine the level of State Aid to beneficiaries.</p>

040/P2/O09: No of SMEs assisted, including integrated development of workforce skills where appropriate	
Terms	Definitions
Unit of Measurement	No. of businesses
Counted	<p>Defined as SMEs, over 12 months old since the commencement of trading, receiving a minimum of:</p> <ul style="list-style-type: none"> <li>• 2 days active consultancy advice or other non-financial assistance (1 day = minimum of 6 hours activity i.e. it excludes travel time, lunch and other breaks), <b>or</b></li> <li>• A consultancy grant of at least £1,000, <b>or</b></li> <li>• Assistance to the value of £1,000, which may be through a combination of active support provided directly by the project, support provided by a third party or consultancy grant. This should be calculated on the basis of gross grant equivalent (GGE).</li> </ul> <p>GGE is the value of the public sector support to the SME based on the market value of the activity, for example a comparison to the cost of purchasing these/or-similar services in the open market; this assessment and evidence of the comparators should be set out in the full application.</p> <p>Where comparators are not available the project budget should be used to determine the full cost of providing the assistance, for example:</p> <ul style="list-style-type: none"> <li>• A project employs staff to work directly with SMEs for a total of 30,000 hours at £25 per hour, a total cost of £750,000.</li> <li>• The total cost of providing the support to SMEs i.e. the above staff, support staff and overheads is £2,000,000.</li> </ul> <p>The full hourly cost/value of providing this support can be calculated as:</p> <ul style="list-style-type: none"> <li>• The total cost of providing the support divided by the client facing staff hours = £66 per hour.</li> </ul> <p>Calculations should be based on costs such as hourly rates that can be determined from the project budget at the start of the project; the proposed methodology should be included within the Full Application. Calculations should <b>not</b> be based on average costs of supporting beneficiaries as these do not reflect the value to the recipient and are subject to fluctuations in delivery.</p> <p>Where:</p> <ul style="list-style-type: none"> <li>• an SMEs receives 2 days of active support either from the project and or from a third party</li> <li>• a consultancy grant to the value of at least £1,000 is provided</li> </ul> <p>The GGE does not need to be calculated for the purposes of claiming ERDF outputs, however it should be calculated to determine the level of State Aid to the beneficiary</p> <p>Examples:</p> <ul style="list-style-type: none"> <li>• A 1 day workshop is provided free of charge and delivered at a cost of £8k with 10 businesses attending. The value of the workshop i.e. the price that beneficiaries would normally pay to attend this or a similar event is £1,000. This can be counted on the basis that the value of assistance to the SME is £1,000 regardless of the average cost per participant.</li> <li>• An SME receives one days support from the project with a GGE value of £500 which produces a business improvement plan, the SME then receives a grant of £750 towards implementing the plan. This can be counted as the assistance has a total value of more than £1,000A business receives a consultancy grant of £750 and no other assistance, this cannot be counted.</li> <li>• A business receives one day of support from the project to produce a business</li> </ul>

	<p>improvement plan but no GGE value is calculated, the SME then receives a grant of £750 towards implementing the plan. This <b>cannot</b> be counted as unless the support lasts for two days the value of support must be based on GGE.</p> <ul style="list-style-type: none"> <li>An SME attends 3 half day workshops the GGE value of which exceeds £1,000. This can be counted as the business has received support to the value of £1,000 even though the assistance took place in less than 2 days.</li> </ul>
<b>Exclusions</b>	<p>Any business which does not meet the ERDF definition of an SME and is within a sector which is deemed ineligible for ERDF support by Chapter 2 (eligibility) of the ERDF User Manual**</p> <p>Services that are the legal, statutory responsibility of other organisations e.g. provision of statutory education to 16.</p>
<b>Verification Evidence</b>	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership.</p> <p>No. of employees.</p> <p>Business start date</p> <p><b>For Consultancy Days:</b> Standard letter from Business Owner, Chief Executive or Finance Director confirming support provided and hours worked.</p> <p><b>For Consultancy grants:</b> activities undertaken or services provided, value of the grant, number of hours/period, start-end dates.</p> <p><b>Assistance:</b> details of the activities/services provided</p> <p><b>Gross Grant Equivalent:</b> Where used evidence should be retained of how the gross grant equivalent value has been calculated.</p>
<b>Notes</b>	<p>A business can only be counted once against this output within a project irrespective of the number of times or forms of assistance it receives.</p> <p>Within a programme (package of projects/operation/range of complementary contracts under one project) SME assisted could be counted more than once where:</p> <ul style="list-style-type: none"> <li>Complementary services are delivered by <b>different organisations</b> – 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.</li> <li>Complementary services delivered through <b>different contracts</b> – 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.</li> </ul> <p>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.</p> <p>The rationale underpinning this output is that support of less than two days or with a total value of less than £1,000 is unlikely to lead to a significant or demonstrable improvement in business performance.</p> <p><b>Projects which deliver this Output should also delivery the Result 040/P1/R09, Business assisted with Improved Performance. It is expected that 100% of SMEs assisted under 040/P1/O01 will demonstrate improved performance reported under this result .</b></p> <p>The GGE value of support should be used to determine the level of State Aid to beneficiaries.</p>

040/P2/O10: No of integrated initiatives to develop enterprise in disadvantaged communities	
Terms	Definitions
Unit of Measurement	No of initiatives
Counted	<p>Defined as packages of projects undertaken to stimulate interest in enterprise and pre-start up support in disadvantaged communities.</p> <p>A simple count of package activity. May be counted when the package is approved and work on the first constituent project commences.</p>
Verification Evidence	<p><b>Initiative</b> - Name, Address inc post code, Tel no, Contact details, details of activities undertaken number of residents supported, outcomes of the activity</p> <p>Confirmation that the initiative is helping disadvantaged areas. <b>Disadvantaged areas are defined as:</b></p> <ul style="list-style-type: none"> <li>• <b>Durham</b> – These areas which were designated to receive investment under the LEGI programme, consisting of coverage at the level of the former District Authority areas of Easington, Wear Valley, Sedgefield and Derwentside. In addition Durham partners will use the top 30% most deprived Super Output Areas (SOA) as identified by the <u>Index of Multiple Deprivation (IMD) 2007</u> Employment Domain.</li> <li>• <b>Northumberland</b> - Northumberland partners have agreed that the employment domain of the IMD 2007 will provide the basis for defining the county's most disadvantaged areas. The use of this approach broadly corresponds to the regeneration priorities of the county as reflected in the Strategic Investment Plan, namely: <ul style="list-style-type: none"> <li>• The South East Northumberland area, focusing on Ashington and Blyth</li> <li>• The market towns of Berwick and Amble where particular market economic failure is apparent.</li> </ul> </li> <li>• <b>Tees Valley</b> - Tees Valley disadvantaged areas will consist of the former LEGI area of Redcar and Cleveland and those wards that contain Super Output Areas (SOA) that score in the worst 30% nationally of the Employment Domain IMD 2007. The wards identified correspond to areas previously designated to receive investment from the Working Neighbourhood Fund.</li> <li>• <b>Tyne and Wear</b> - Tyne and Wear partners have agreed that disadvantaged areas will be identified on the basis of those lying within the 30% of the IMD 2007 (Employment Domain) and the former LEGI area in South Tyneside.</li> </ul>



040/P2/O11: No of SMEs assisted that are social enterprises	
Terms	Definitions
Unit of Measurement	No of Enterprises
Counted	<p>Subset of New SMEs assisted, SMEs assisted and SMEs receiving financial assistance conforming to the definition: "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>As per New SMEs assisted, SMEs assisted and SMEs receiving financial assistance.</p>
Verification Evidence	<p><b>Initiative</b> - Name, Address inc post code, Tel no, Contact details. Ownership.</p> <p>No. of employees.</p> <p>Evidence, for example documents of incorporation, that the business is a Social Enterprise this should be tested using the above definition.</p>
Notes	<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 <u>Community Interest Companies</u>.</p> <p>'Owners' includes employees of employee owned cooperatives.</p>

040/P2/O12: Area of business premises developed (m2)	
Terms	Definitions
Unit of Measurement	Area of floorspace (in square metres)
Counted	<p>Defined as the area of new and refurbished floorspace provided for occupancy by SMEs.</p> <p>The entire ERDF eligible area inside the external walls of a building including corridors, lifts, plant rooms, service accommodation</p> <p>May be counted when the development or refurbishment is complete and ready for occupation.</p>
Exclusions	<p>Excludes internal walls.</p> <p>Cannot be counted when the only activity is the purchase of an existing building</p> <p>Premises previously developed with ERDF or other European funding</p>
Verification Evidence	<b>Accommodation information</b> – As built drawings showing floorspace, type of accommodation and description of what it is to be used for.

040/P2/O13: Potential entrepreneurs assisted to be enterprise ready of which: 040/P2/O14 (i) Men 040/P2/O15 (ii) Women 040/P2/O16 (iii) in disadvantaged areas*	
Terms	Definitions
Unit of Measurement	No of individuals
Individuals	Those of working age – i.e. aged 16 and over
Assistance	<p>Assistance must be reported on the following target groups:</p> <ul style="list-style-type: none"> <li>• individuals located in disadvantaged areas*</li> <li>• individuals currently in employment, unemployed or economically inactive with an interest in exploring alternative career pathways</li> </ul> <p>The assistance will involve some form of direct interaction with individuals. These may be one to one, one to many, coaching, mentoring, workshops constituting part of the enterprise journey and could include:</p> <ul style="list-style-type: none"> <li>• Workshops and sessions to develop understanding of the issues of starting a business</li> <li>• Coaching and mentoring to nurture behaviours values and dispositions to support self employment and new businesses start up</li> <li>• Support to explore appropriate business opportunities, for example franchise, social enterprise, building enterprise teams</li> <li>• Community enterprise coaching – using community based infrastructures to support people to overcome barriers and actively explore starting a business;</li> <li>• Supporting those in employment to consider business start-up and ownership as a career opportunity</li> </ul>
Counted	When an individual has received the assistance a minimum of 3 hrs assistance. There is no maximum level of assistance.
Exclusions	<ul style="list-style-type: none"> <li>• An individual who is under 16.</li> <li>• Assistance which is provided in the form of mail shots either electronic or hard copy.</li> <li>• Individuals may only be counted once regardless of the number of activities they participate in.</li> <li>• Sign posting activity alone will not count as a form of assistance</li> </ul>
Verification Evidence	<p><b>Individual:</b></p> <ul style="list-style-type: none"> <li>• Name, date of birth, address, postcode.</li> <li>• Confirmation that the address is within a disadvantaged area (if appropriate)</li> </ul> <p><b>Activity:</b></p> <ul style="list-style-type: none"> <li>• Letter or standard form signed and dated by the individual specifying what assistance they received and on what date(s)</li> <li>• Evidence of Client Registration to include tracking of Client Journey process.</li> </ul>
Notes	The unit of measurement is the individual, not whether they actually go on to start a business or access business support services.

\* Disadvantaged areas are defined in Priority 2 Output 040/P2/O10: No of integrated initiatives to develop enterprise in disadvantaged communities

## ERDF Priority 2 Results

040/P2/R10 No of businesses assisted with improved environment management

040/P2/R11 of which related to improved energy efficiency and micro-renewables and other management of carbon footprint

040/P2/R14 No of gross jobs created, of which:

040/P2/R15 men

040/P1/R16 women

040/P1/R17 in disadvantaged areas

040/P2/R18 No of gross jobs safeguarded:

040/P2/R19 men

040/P2/R20 women

040/P2/R21 in disadvantaged areas

040/P2/R22 No of businesses assisted with improved performance.

040/P2/R23 No of businesses created/attracted to the region;

040/P2/R24 in disadvantaged areas

040/P2/R25 No of businesses created/attracted to the region surviving 12 months

040/P2/R26 Potential entrepreneurs going on to access Business Link Services of which:

040/P2/R27 (i) men

040/P2/R28 (ii) women

040/P2/R28 (iii) in disadvantaged areas

040/P2/R10: No of businesses assisted with improved environmental management, 040/P2/R11: of which related to improved energy efficiency, micro-renewables and other management of carbon footprint	
Terms	Definitions
Unit of Measurement	No of businesses
Counted	A subset of No. of businesses assisted with improved performance, where the focus of improvement was environmental performance. Should be counted up to 3 years following the support provided.
Exclusions	Any business <b>not</b> included in R22.
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no. Contact details. Ownership. No. of</p> <p>A relevant baseline must be established before the SME receives the intervention;</p> <ul style="list-style-type: none"> <li>• The same baseline must be reviewed following intervention;</li> <li>• This baseline must be reviewed within 3 years of the intervention;</li> <li>• The information must be provided by the beneficiary SME to the project applicant and appropriate evidence retained by the project applicant.</li> </ul> <p>Relevant baselines may be absolute:</p> <ul style="list-style-type: none"> <li>• Utility consumption</li> <li>• Water consumption</li> <li>• Waste going to landfill</li> <li>• The amount of waste products reused or recycled</li> </ul> <p>Baselines may also be relative, for example the ratio of inputs to outputs measured by a reduction in inputs (including utilities, water or raw materials) to achieve the same amount of outputs, or an increase in outputs without a commensurate increase in inputs</p> <p>These examples are not exhaustive or exclusive and the baselines to be used should be agreed as part of development of the project and the technical appraisal on a project by project basis.</p>
Notes	<p>Baselines based on financial costs may be used. Although these are subject to price fluctuations that may offset or artificially increase the impact of the project (e.g. an increase in utility costs could negate any savings achieved by the project) they may be used where it can be demonstrated that the baseline (e.g. the cost of utilities) would have worsened in the absence of the project intervention.</p> <p>This indicator provides evidence to demonstrate how the EU Lisbon Agreement on a whole life approach and the Government's sustainable development commitments are being embedded.</p>

040/P2/R14: No of gross jobs created, of which: 040/P2/R15: men 040/P2/R16: women 040/P2/R17: in disadvantaged areas*	
Terms	Definitions
Unit of Measurement	No of jobs
Counted	<p>Defined as a new, permanent, paid, full time equivalent (FTE) job.</p> <p>New = should not have existed in the region or with that employer in the UK before the intervention.  Permanent = should have a life expectancy of at least 1 year from the point at which it is created.  FTE = paid work of 30 hours or more per week. Convert part time jobs to FTE on a pro rata basis based on hours.</p> <p>Jobs created are a result when the jobs follow after the project intervention, captured as project outputs, has ended e.g. when a beneficiary utilises financial assistance or innovation support or when a speculative development to build new SME business space is occupied the subsequent jobs are the result.</p> <p>Temporary jobs may be counted where they are integral to the project and reflect normal employment practice in a sector provided there is a contract of employment that will last for a minimum of 4 weeks per annum. Calculated on a pro rata basis e.g. a 3 month job = 0.25FTE.</p>
Exclusions	Jobs which are created to directly deliver the project's activities, including construction jobs, as these are inputs to rather than outputs of the project.
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees.</p> <p><b>Job</b> - title of the new/attracted job, confirmation that a contract of employment is in place, details of expected start date of employment and duration (must be 1 year or longer and for temporary 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>

\* Disadvantaged areas are defined in Priority 2 Output 040/P2/O10: No of integrated initiatives to develop enterprise in disadvantaged communities

040/P2/R18 No of gross jobs safeguarded: 040/P2/R19 men 040/P2/R20 women 040/P2/R21 in disadvantaged areas*	
Terms	Definitions
Unit of Measurement	No of jobs
Counted	<p>Defined as an existing (i.e. occupied) permanent, paid, full time equivalent (FTE) job which is at risk. <i>At Risk</i> is defined as being forecast to be lost within 1 year normally i.e. the jobs at risk must be specified, or if sector is in long-term decline a longer period might be appropriate.</p> <p>May be counted when the relevant job:</p> <ul style="list-style-type: none"> <li>• is forecast as at risk when the intervention with the business is approved; <u>and</u></li> <li>• is still in existence (occupied) at the time of counting; <u>and</u></li> <li>• is no longer at risk of being lost within a year.</li> </ul> <p>Jobs safeguarded are a result when they follow after the project intervention, captured as project outputs, has ended e.g. when a beneficiary utilises financial assistance or innovation support. There may also be instances where jobs may be safeguarded when a speculative development to build new SME business space is occupied by an existing business that would have reduced staffing had the new premises not become available.</p>
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no, Contact details. Ownership. No. of employees.</p> <p><b>Job</b> –safeguarded job title, contract of employment with an expected duration of 1 year or longer or 4 weeks per annum for temporary jobs, hours of work (for FTE calculation). Start date of employment.</p> <p><b>Job Safeguarded</b> - job title, confirmation that a contract of employment is in place 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>Employment profile prior to and post the intervention. On completion of the intervention 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>

\* Disadvantaged areas are defined in Priority 2 Output 040/P2/O10: No of integrated initiatives to develop enterprise in disadvantaged communities

040/P2/R22: No of businesses assisted with improved performance.	
Terms	Definitions
Unit of Measurement	No of businesses
Counted	<p>A subset of New SMEs Assisted (O1), SMEs assisted (O2) and SMEs receiving financial assistance (O3) reporting some improved performance in some dimension as a result of the assistance provided.</p> <p>Those businesses counted which have had an improvement in their performance following the project intervention(s). Should be counted up to 3 years following the support provided.</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 <b>not</b> included in the project and counted under the business support outputs (O1), (O2) or (O3).
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no. Contact details. Ownership. No. of employees. Type of business.</p> <p>A relevant baseline must be established before the SME receives the intervention:</p> <ul style="list-style-type: none"> <li>• The same baseline must be reviewed following intervention;</li> <li>• This baseline must be reviewed within 3 years of the intervention;</li> <li>• The information must be provided by the beneficiary SME to the project applicant and appropriate evidence retained by the project applicant.</li> </ul> <p>Where the output is claimed on the basis that business performance was expected to have reduced in the absence of the intervention, evidence should show the anticipated level of decline and how the project intervention has mitigated it.</p> <p>GVA is the preferred baseline/measure under this result, it shows the economic impact and taxpayer return, it is easy to calculate from company accounts and is unambiguous. GVA should be calculated using the following formula: Total wage costs + net profit before tax and interest + depreciation Examples of other appropriate baselines and sources of evidence <i>may</i> include:</p> <ul style="list-style-type: none"> <li>• Efficacy in conversion of inputs to outputs;</li> <li>• Turnover;</li> <li>• Production costs;</li> <li>• Profitability;</li> <li>• Sales levels;</li> <li>• Where projects focuses upon environmental performance appropriate environmental benchmarks may be used – see O40/P1/R10</li> </ul> <p>This list is not exhaustive or exclusive and the baselines to be used should be agreed as part of development of the project and the technical appraisal on a project by project basis.</p>
Notes	<p>Applying the project logic chain approach a successful project intervention should lead to an improvement in performance.</p> <p><b>Any projects which deliver the SME assisted outputs should deliver this result, and it is expected that C100% of SMEs assisted under 040/P1/O01/O02 will demonstrate improved performance reported under this result. If a project is unable to deliver this result then an explanation should be given in the business case as to why it is not feasible.</b></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>

040/P2/R23: No of businesses created or attracted to the region from outside the EU 040/P2/R24: in disadvantaged areas*	
Terms	Definitions
Unit of Measurement	No of businesses
Counted	<p>When a new business is created in the region or locates in the region with ERDF support and starts trading.</p> <p>Businesses attracted to the region are defined as:</p> <ul style="list-style-type: none"> <li>new to the region branches of businesses which remain established elsewhere in the UK and in the EU.</li> <li>foreign direct investment bringing new enterprises to the region, both first time investment and subsequent expansions from outside the UK and outside the EU.</li> </ul> <p>Starts trading is the date when the business registers for VAT or registers for National Insurance (Class 2) contributions</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><b>Business</b> - Name, Address inc post code, Tel no. Contact details. Ownership. No. of employees. Type of business</p> <p><b>New business</b> – the company incorporation statement or letter from the <b>Owner/Chief Executive or Finance Director</b> to confirm it is a new company.</p> <p><b>Start of trading</b> - 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>
Notes	The jobs of owner managers created within businesses captured under this result should also be captured under O40/P2/R14

\* Disadvantaged areas are defined in Priority 2 Output 040/P2/O10: No of integrated initiatives to develop enterprise in disadvantaged communities.

040/P2/R25: No of businesses created or attracted to the region surviving 12 months	
Terms	Definitions
Unit of Measurement	No of businesses
Counted	<p>Subset of No. of businesses created or attracted to the region.</p> <p>May be counted when the business created or attracted is still in operation 12 months after it started trading in the region. This is defined as "still trading and employing at least one person"</p>
Exclusions	Counting the same business at different phases of its growth as this would be double counting.
Verification Evidence	<p><b>Business</b> - Name, Address inc post code, Tel no. Contact details. Ownership. No. of employees. Type of business</p> <p><b>New business</b> – the company incorporation statement or letter from the <b>Owner/Chief Executive or Finance Director</b> to confirm it is a new company.</p> <p><b>Start of trading</b> - 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><b>Evaluation</b> – contact business site visit/telephone/survey to confirm still trading.</p>



040/P2/R26 Potential or New entrepreneurs going on to access Business Support Services of which: 040/P2/R27 (i) men 040/P2/R28 (ii) women 040/P2/R28 (iii) in disadvantaged areas*	
Terms	Definitions
Unit of Measurement	No of individuals
Individuals	Are those supported under the output O13 - Potential Entrepreneurs assisted to be enterprise ready
Counted	<p>When an individual accesses business support services within 12 months of receiving support under output O13.  Business support services may include:</p> <ul style="list-style-type: none"> <li>• Business Link</li> <li>• Business support services delivered within the <b><u>Solutions for Business</u></b> portfolio</li> <li>• Other publicly funded business support services</li> <li>• Support provided by private sector providers e.g. accountants, lawyers or banks, where free of charge or on a commercial basis.</li> </ul>
Exclusions	<ul style="list-style-type: none"> <li>• Anyone not assisted to be enterprise ready by that particular project and claimed under output 040/P2/O13.</li> <li>• Anyone accessing business support services more than 12 months after receiving support under output O13.</li> <li>• Individuals provided with pre start support and business support within the same project.</li> </ul>
Verification Evidence	<p><b>Individual:</b></p> <ul style="list-style-type: none"> <li>• Name, address, postcode.</li> </ul> <p><b>Activity: The nature of the support.</b></p> <ul style="list-style-type: none"> <li>• Evidence by way of a tracking system e.g. Hanlon Enterprise that the individual has accessed support, type of support received and date; or.</li> <li>• Confirmation e.g. through a beneficiary survey that beneficiaries have gone on to access support</li> </ul>
Notes	<p>This result is designed to track the progress of individuals along the enterprise journey. All individuals supported under 04/P2/R13 should be tracked including those who have started a businesses which has been captured under 04/P2/R23.</p> <p>This definition may be used from July 2011</p>

\* Disadvantaged areas are defined in Priority 2 Output 040/P2/O10: No of integrated initiatives to develop enterprise in disadvantaged communities.

# ERDF Priority 2 Impacts

The NE ERDF Programme has agreed Impact targets with the European Commission in respect of increased GVA and Net Employment. To support the monitoring and evaluation of progress towards these targets projects are required to record performance against the following impact measures. This reporting should take place only once at the end of the project, taking account of the project evaluation.

040/P1/I01 Net increase in GVA as a result of the programme

040/P1/I02 Net increase in employment

040/P1/I01: Net increase in GVA as a result of the programme	
Terms	Definitions
Unit of Measurement	Increase in GVA
Counted	<p>Targets and reporting should be based on the GVA data available at the point of project evaluation.</p> <p>GVA shows the economic impact and taxpayer return, it is easy to calculate from company accounts and is unambiguous. GVA of beneficiaries should be calculated using the following formula: Total wage costs + net profit before tax and interest + depreciation</p> <p>Data required to calculate Gross GVA can be obtained from the business/enterprise Annual Report of project beneficiaries. There is likely to be delay between the project activities and the realisation of improvements in GVA and it is acknowledged that it may not be possible to gather data to calculate the GVA impact on some beneficiaries during the life time of the project.</p> <p>Gross GVA should then be converted to Net GVA as part of the project's evaluation: Gross GVA, <b>minus</b> the effects of deadweight and displacement, <b>plus</b> multiplier effects. This must be expressed as annual levels in £s.</p>
Exclusions	For the purpose of calculating Gross GVA business <b>not</b> included in the project that delivered business support outputs.
Verification Evidence	Evidence of Gross GVA calculated from project beneficiaries and the methodology used to convert from Gross to Net GVA

040/P1/I02: Net increase in employment	
Terms	Definitions
Unit of Measurement	Increase in Employment
Counted	<p>Targets and reporting should be based on the data available at the point of project evaluation.</p> <p>Gross increases in employment should be converted to Net increase as part of the project's evaluation: Gross Jobs <b>minus</b> the effects of deadweight and displacement, <b>plus</b> multiplier effects.</p>
Exclusions	For the purpose of calculating Gross Jobs, any business <b>not</b> included in the project that delivered business support outputs.
Verification Evidence	Evidence of Gross Jobs created (as rerecorded and reported under R14) and the methodology used to convert from Gross to Net Jobs