Guideline for the ONLINE S3 toolbox Tool/application 5.3 RIS3 Budgeting

ONLINE S3 – 710659 – Guidelines for the pilot experimentation phase

Content

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HISTORY OF CHANGES

Version	Date	Contributing partner	Summary of changes
Version 0.1	2016-10-07	RIM	Structure of the document, elaboration of required information as a template for all tools
Version 1	2017-07-29	URENIO	Filling of the template with information regarding the 5.3 RIS3 Budgeting application.

DISCLAIMER

The opinion stated in this report reflects the opinion of the ONLINE S3 consortium and not the opinion of the European Commission.

ACKNOWLEDGEMENT

BACKGROUND AND RATIONAL

RIS3 Budgeting provides a framework for using and combining different budgetary sources to capture the funding dimension of the RIS3 action plan and the needs for funding during the implementation period. It will help for preparing and updating RIS3 budgets based on the sources of funding and committed versus actual expenditure. The method will support RIS3 partnerships and managers in handling the funding dimension of the RIS3 action plan and on-going financial planning during the implementation period. The sources of funding and allocation of funds by type of measure and type of financial instruments will be captured. There are a wide range of budgeting methods and procedures which very much depends on national standard and practices (see OECD, 2014). Hence, the method and related tools will provide a harmonised tool that enables comparison of RIS3 budgets and policy mixes at European level.

The quasi-absence of detailed budget plans in the initial RIS3 strategies has led to a further round of RIS3 action plans during which Member States and regions are requested to provide, amongst other information, more detailed budgeting plans. This tool will support the process of improving budgeting, planning of financial resources, identification of synergies between sources of funds, the extent to which RIS3 are leveraging private finance, etc. The tool will create a complementary and more detailed dataset to the data collected for ESI Fund purposes by managing authorities. It should also provide a means for strategic monitoring of RIS3 as they are implemented as actual versus planned funding/expenditure can be compared over time.

The tool fills a clear gap for users (RIS3 managers and stakeholders) in the current 'toolkit' available and leads to a more harmonised, and therefore, comparable approach to budgeting RIS3. This will be of strategic value at both national and EU levels for future evaluation and reporting purposes. **Figure 1** provides the rationale behind this ONLINE S3's application. There are three discrete stages in the *RIS3 Budgeting* application:

Step 1. Insert data into the RIS3 Budgeting application

- First of all, the user has to define the years for the elaboration of the RIS3 Budgeting and then the priorities of the RIS3 Strategy under which different measures are grouped. For each priority, one or more measures can be defined and a separate table is generated. Budgeting data are inserted per measure and include: (i) the operational programme under which a measure is funded, (ii) the thematic objective, (iii) the intervention field, (iv) the form of finance, (v) the funding source and the budget values (planned, committed, spent) per year.

Step 2. Get a RIS3 Budgeting overview

- Once all the necessary information is inserted, the user can get an overview of the RIS3 budgeting. A parent table summarizing the overall financial plan per priotity is generated; for each priority a more detailed table is also provided.

Step 3. Export any budgeting table and relevant charts

- Through selecting different variables and applying different filters, several tables can be generated according to the users' needs, in order to adequately reflect the budgeting dimension of the RIS3 Strategy. The user can export any of these budgeting tables as well as their relevant charts in several formats.

Figure 1 Rational behind the RIS3 Budgeting application

DESCRIPTION OF THE APPLICATION

The RIS3 budgeting tool gives the user the possibility to insert and manage budgeting data in a structured way through a web-based dashboard. Filling data into a series of standardised nested tables, the application provides users with an overview of the RIS3 financial plan as well as with customized tables and charts.

The logical steps of the application, based on its methodological description are:

- *Step 1*. Selection of the **years** for the elaboration of the RIS3 Budgeting.
- *Step 2*. Definition of the **priorities** under which specific measures are grouped.
- *Step 3*. **Insertion of data** into the standardised nested budget tables in the measure level.
- *Step 4*. Generation of the **RIS3 budgeting overview.**
- *Step 5*. Selection of **grouping variables** and application of **filters** to the data.
- *Step 6*. **Export** budgeting tables and charts in table or image format.

Following the application architecture described in previous steps, the information flows within the application are given in **Figure 2**, below. As the figure illustrates, the initial input comes from the user, who has to define the time period to which the financial plan refers to, as well as the priorities of the RIS3 strategy. Once this information is inserted, the budgeting tables are generated and the user can start inserting more detailed data regarding budget values and other characteristics per measure. For each priority defined before, a separate table is provided and for each measure users have to provide information regarding (i) the operational programme under which this measure is funded, (ii) the thematic objective, (iii) the intervention field, (iv) the form of finance and (v) the funding source.

As far as the budget values are concerned, users are asked to define the amount of money that has been planned to be spent, the committed and the spent one per year. When all the necessary data is uploaded, users can save their progress and proceed to the analysis of these data. Variables can be grouped in several ways and different filters can be adapted so that the users can obtain the form of data they desire. All tables and graphics can be individually extracted through the application in Table and Picture format.
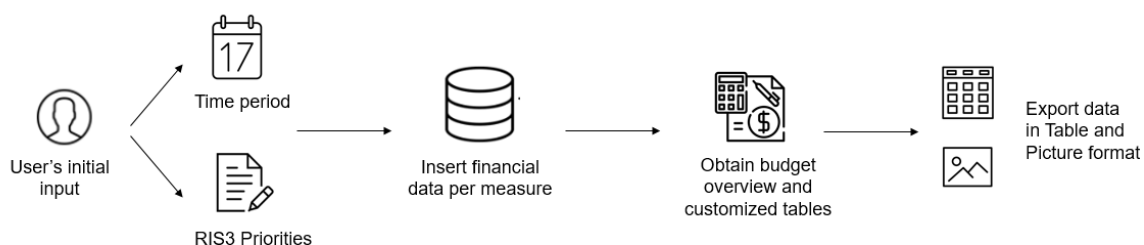

Figure 2 Overview of the RIS3 Budgeting application

BENEFITS TO KEY ACTORS AND STAKEHOLDERS

The quasi-absence of detailed budget plans in the initial RIS3 strategies has led to a further round of RIS3 action plans during which Member States and regions are requested to provide, amongst other information, more detailed budgeting plans. This application supports the process of improving budgeting, planning of financial resources, identification of synergies between sources of funds, the extent to which RIS3 are leveraging private finance, etc. Through an easy-to-use framework of standardised nested tables, users can collect all the information related to RIS3 budgeting in a single web-based dashboard. In this way, this tool creates a complementary and more detailed dataset to the data collected for ESI Fund purposes by managing authorities.

The RIS3 Budgeting application also provides a means for strategic monitoring of RIS3 as they are implemented as planned versus committed and spent funding/expenditure can be compared over time. Through a user-friendly interface, users can easily handle their data in order to generate customised tables using the grouping and filtering features.

Overall, this application fills a clear gap for users (RIS3 managers and stakeholders) in the current 'toolkit' available and attempts to lead to a more harmonised, and therefore, comparable approach to budgeting RIS3. This will be of strategic value at both national and EU levels for future evaluation and reporting purposes. The benefits to stakeholders when using the RIS3 Budgeting application are illustrated schematically in Figure 3.
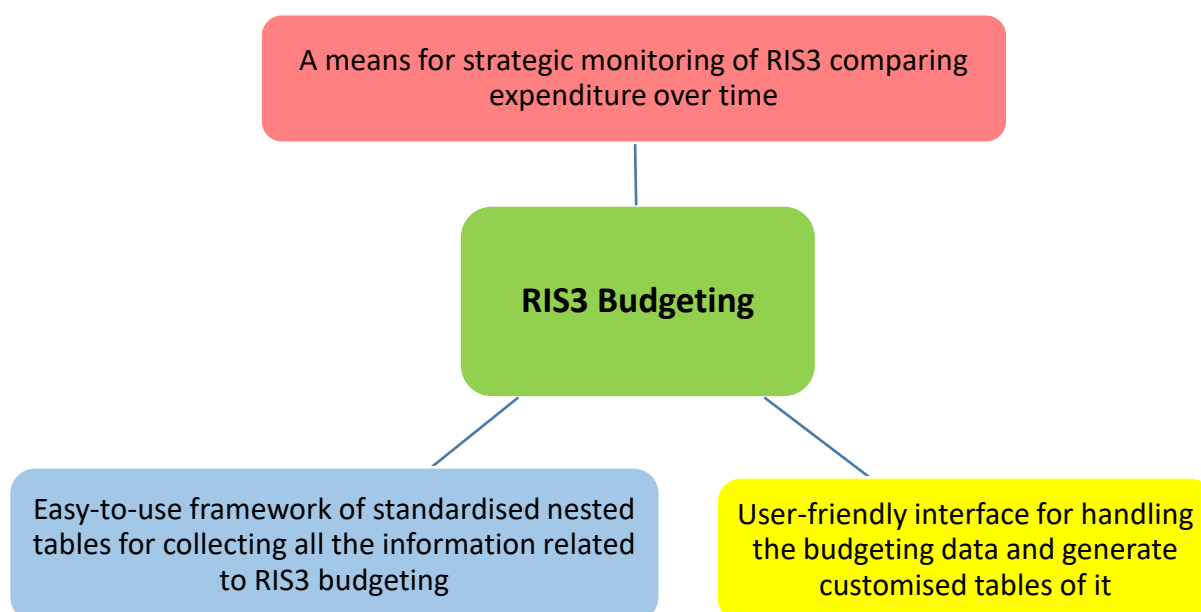
Figure 3 Benefits to stakeholders when using the RIS3 Budgeting application

KEY ISSUES AND REQUIREMENTS

Please discuss the requirements, process and timeframe with respect to prior information from WP1-WP4. Please use **approximately two pages**. List the requirements in bullet points. Please keep in mind that this document should not only support our pilots but should also act as a reference point for future users of this tool not familiar with ONLINE S3.

When using this application, attention should be paid to following requirements necessary to achieve high quality outcomes:

- Technical issues and requirements (insert links when applicable)
- Important for involved stakeholders: e.g. expected time frame/ outcome when using this tool
- Relevant information when interpreting the outcome
- Other issues

The tool will not provide a financial or budgetary planning tool adapted to specific national budgeting rules or accounting procedures.
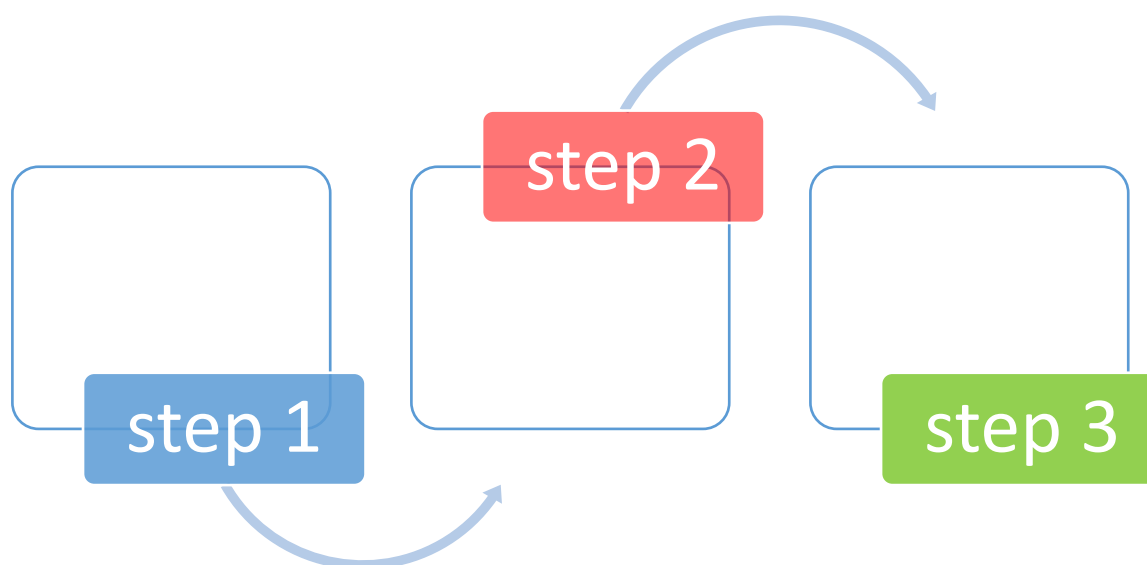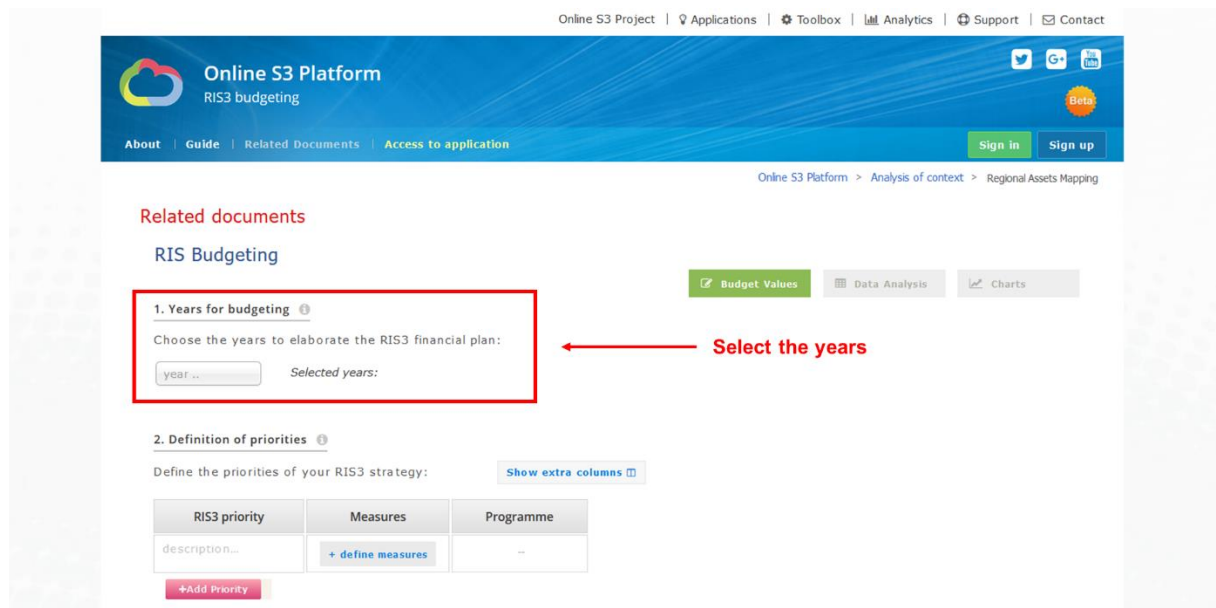
Figure 4 Key issues when using the RIS3 Budgeting application

A STEP-BY-STEP GUIDE

How to use this application step-by-step?

Step 1. Selection of the years for the elaboration of the RIS3 Budgeting

First, you have to choose the years for which you want to elaborate the RIS3 financial plan. Bear in mind that you should select the years in chronological order, so that the budgeting tables are properly presented.

Figure 5 Step 1 - Selection of years

All the selected years will appear on the right, as well as in the budgeting tables, adding extra columns.

Figure 6 Step 1 - Selected years

Step 2. Definition of the priorities under which specific measures are grouped
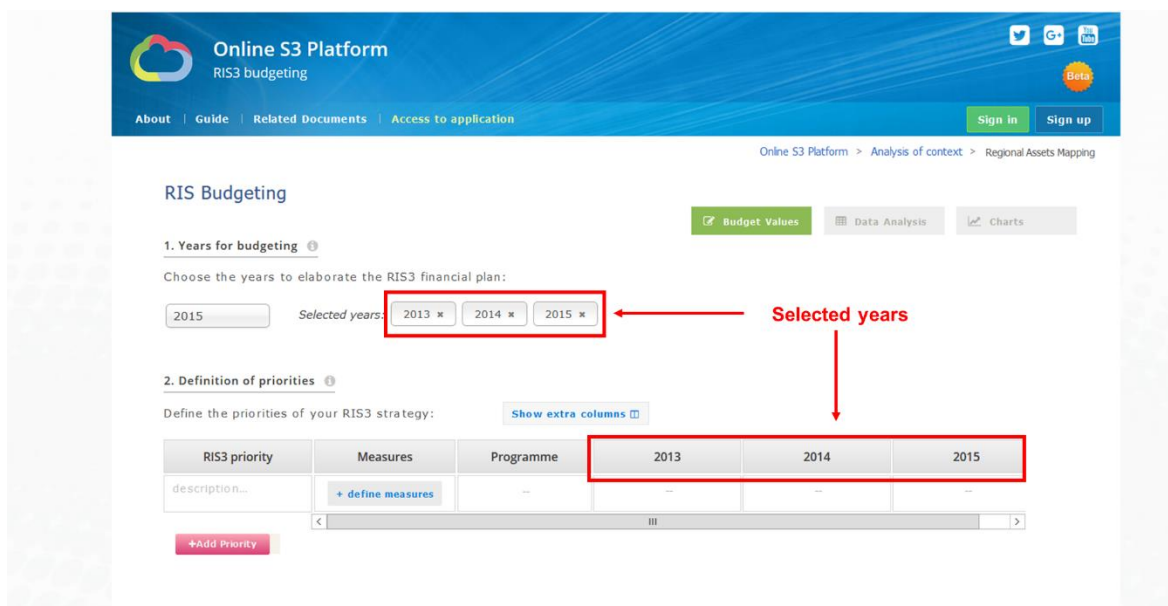
In this step, you should define the priorities of your RIS3 strategy. For each priority you define, a new table will be generated below. Bear in mind that this table is not editable; you have to insert more detailed data in the next step so that this table is informed.
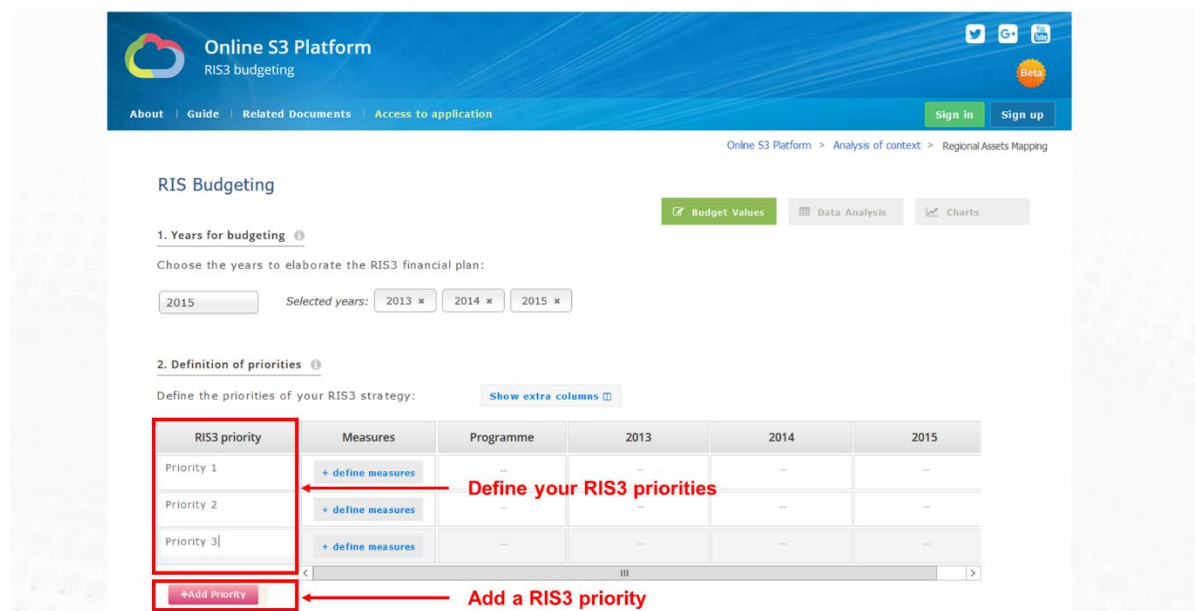
Figure 7 Step 2- Definition of RIS3 priorities

At any time, you can show or hide extra columns regarding (i) the thematic objective, (ii) the intervention field, (iii) the form of finance and (iv) the funding source, or even add a comment for each priority.
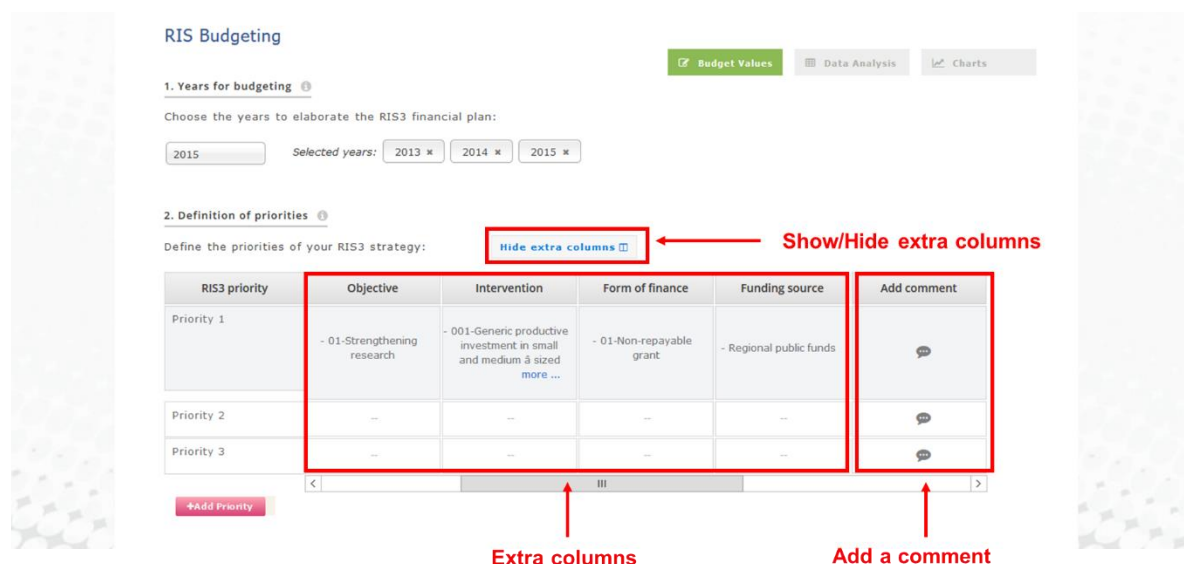
Figure 8 Step 2 - Add extra columns and comment

Step 3. Insertion of data into the standardised nested budget tables in the measure level

i. **Definition of measures:** In order to add more information regarding the measures per priority, click on the "define measures" option and the corresponding table will appear in the bottom part of your screen. A different table of measures corresponds to each priority. Each line of the table corresponds to a different measure and you can add a measure clicking on the "add measure" tab.

Figure 9 Step 3i - Definition of measures

All the measures you enter directly inform the overall table (in the section 2), but no modifications can be made in this table. To ensure you edit the right priority table, you can check the priority you have selected as shown in the following figure.

Figure 10 Step 3i - Table of measures per priority

ii. **Add budget:** To add further details regarding each measure, you have to click on the "add budget" option and fill in the required form.

Figure 11 Step 3ii - Add budget values

You have to provide information regarding (i) the operational programme under which each measure is funded, (ii) the thematic objective, (iii) the intervention field, (iv) the form of finance and (v) the funding source. The budget values should be provided in terms of the planned, committed and spent amount of money. Once you enter all the required information, click the ok button.

Figure 12 Step 3ii - Budget form

Whenever it is necessary, you can modify the budget values by selecting the edit icon in the right side of the table, as you can see in the following table. Additionally, you can also download your data or save it and continue to the analysis section at any time. Data is downloaded in an excel file that includes the main table of the overall budgeting and as many additional sheets as the priorities you have defined.

Figure 13 Step 3ii - Edit, download and save your data

Step 4. Generation of the RIS3 budgeting overview

When all the necessary data is uploaded, an overview of your budgeting plan can be found in section 2. This table summarizes all the information you have provided in the priority tables for the selected years. Further Don't forget that at any time, you can show or hide extra columns regarding (i) the thematic objective, (ii) the intervention field, (iii) the form of finance and (iv) the funding source.

Figure 14 Step 4 - Budgeting overview

Step 5. Selection of grouping variables and application of filters to the data

When all the necessary data is uploaded, you can proceed to the analysis section. Data can be grouped according to any variable and different filters can be adapted so that you can obtain any analysis of your data.
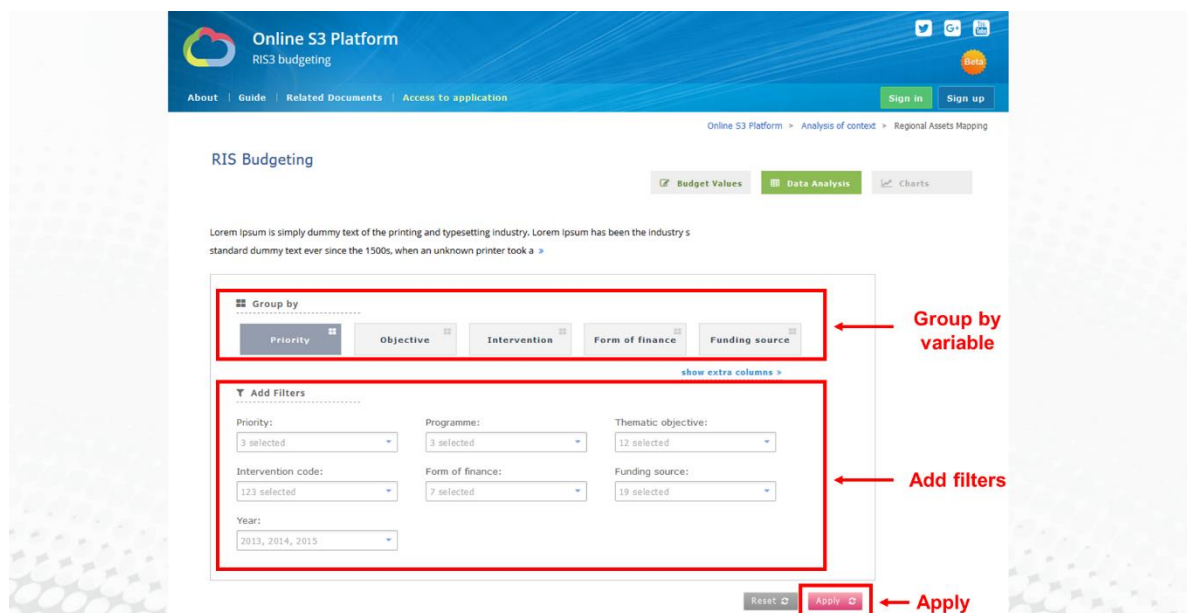

Figure 15 Step 5 - Group and filter your data

You can select whether you want to show or not extra columns in the generated tables and, at any time, you can reset your query through the reset button in the bottom of this page.
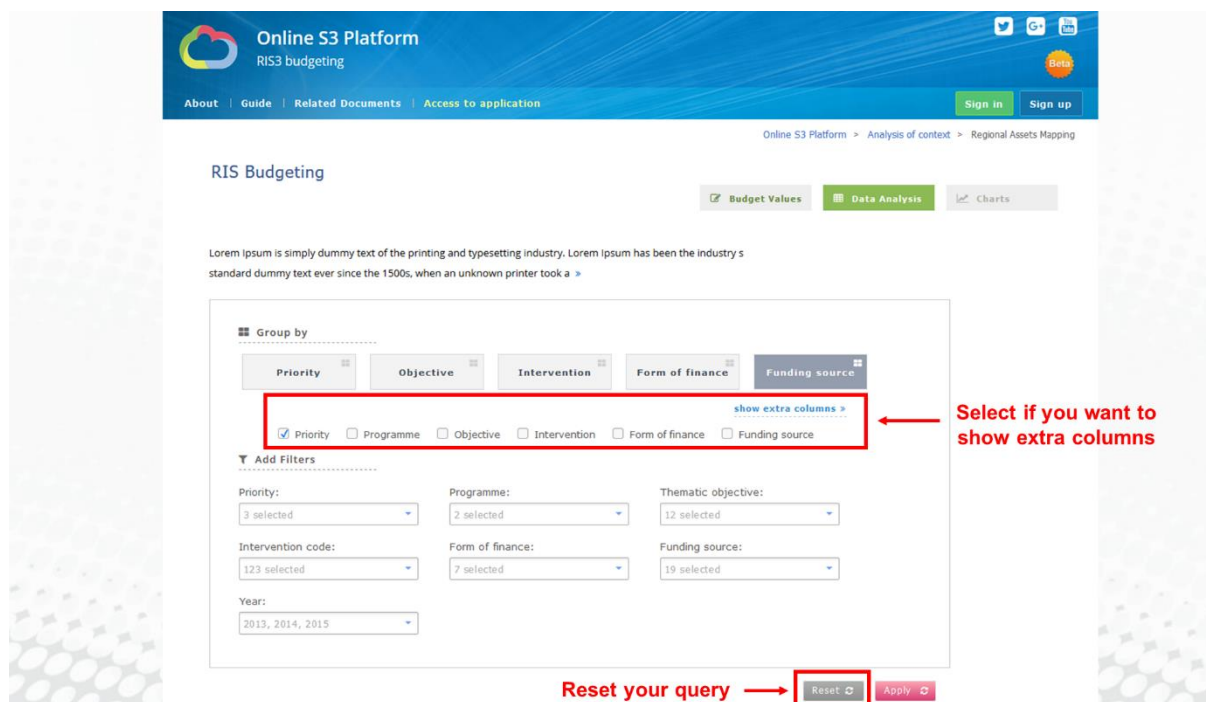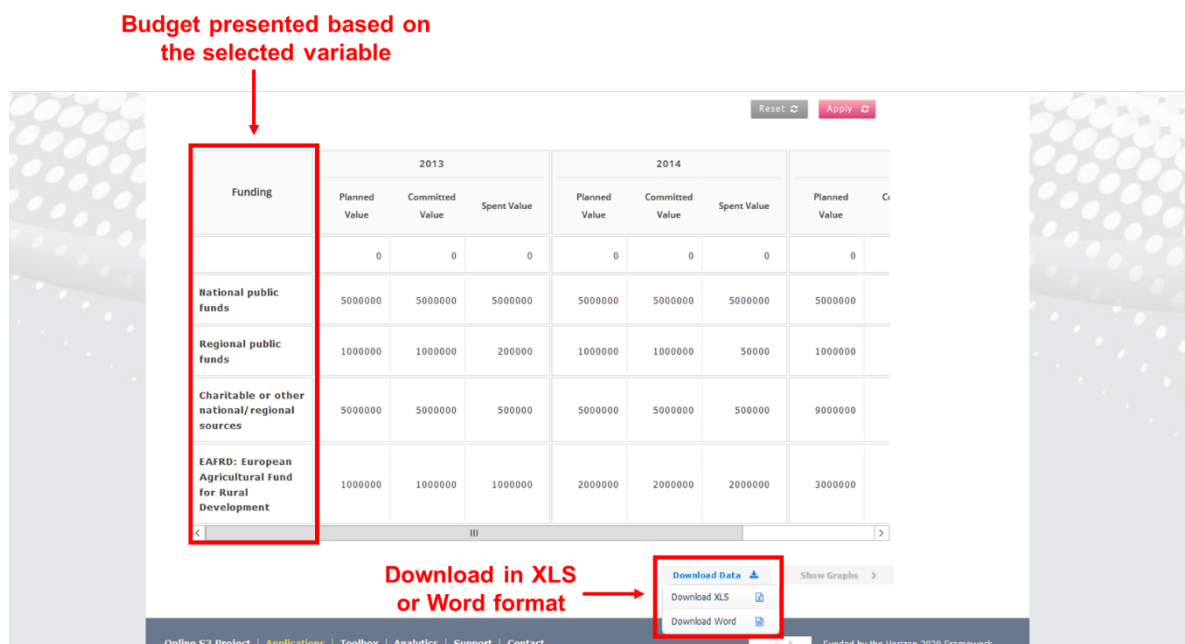

Figure 16 Step 5 - Show/Hide extra columns and reset your query

Step 6. Export budgeting tables and charts in table or image format

Clicking the apply button, the table you have selected is generated and your budget is presented based on the selected variable and the filters you have applied. This table can be exported both in xls and word format.

Figure 17 Step 6 - Export budgeting tables

FURTHER INFORMATION

Further information regarding the description of the method can be found on the site of the Online-S3 project (www.onlines3.eu).

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