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EUROPEAN STRUCTURAL FUNDS NOTES FOR APPLICANTS



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Introduction

The following guidance is designed to help you complete (a) your Application and, if successful in receiving an approval, (b) your quarterly Progress Reports and Claims (PRCs).

Since the last version of this guidance, issued in May 2008, the new IT system (called **€UROSYS**) has been fully implemented. All registered users and projects now submit applications and quarterly PRCs using **€UROSYS**.

Structure

This guidance is structured as follows:

- Section 1:** Contact information
- Section 2:** General points to consider when completing your Application
- Section 3:** Step by step guide to getting registered, completing your applications and the quarterly PRCs.
- Section 4:** Map of European Structural Funds 2007-13
- Section 5:** Project Application process

and includes:

- Annex A:** Definitions of indicators for European Structural Funds.
- Annex B:** Additional guidance on educational references.

€UROSYS Project User Guidance

A series of easy-to-follow flow charts to guide you through each stage of the system are also available on the IAB websites, here:

- <http://www.esep.co.uk/05-dl-application.html> (for LUPS)
- http://www.hipp.org.uk/downloads_appl.asp?cat=69 (for H&I)

Each section also has some commonly asked questions and answers, to help you with any initial enquiries.

Section 1: Contact information

Once you have read this guidance please feel free to contact our Intermediate Administration Bodies (IABs) who administer European Structural Funds applications and PRCs, along with the Scottish Government, in both areas of Scotland. Details for both IABs are shown below.

Highlands and Islands Structural Funds Partnership Ltd

Head Office

Jubilee Lodge, 12c Ness Walk
Inverness
IV3 5SQ
Tel: 01463 279500
Fax: 01463 279501
Email: hipp.general@hipp.org.uk
<http://www.hipp.org.uk>

Stornoway Office

23 Keith Street
Stornoway
Isle of Lewis
HS1 2JA
Tel: 01851 703581
Fax: 01851 703587

Lerwick Office

c/o Shetland Islands Council
Economic Development Unit
6 North Ness Business Park
Lerwick
Shetland
ZE1 0LZ
Tel: 01595 74492
Fax: 01595 744961

ESEP Ltd

Head Office

Suite 3, Forth House
Burnside Business Court
North Road
Inverkeithing
Fife KY11 1NZ
Tel: 01383 413141
Fax: 01383 413151
E-mail: fife@esep.co.uk
<http://www.esep.co.uk>

Glasgow Office

Suite 5.2
Centrum Building
38 Queen Street
Glasgow
G1 3DX
Tel: 0141 241 6150
Fax: 0141 241 6160
E-mail: glasgow@esep.co.uk

For issues on eligibility, please first refer to the National Rules, available from IAB websites:

- <http://www.esep.co.uk/01-esf-eligibility.html> (for LUPS)
- http://www.hipp.org.uk/downloads_appl.asp?cat=69 (for H&I)

Section 2: General points to consider when completing an application



Pay close attention to these shaded notes sections in the guidance - these will help set the context for completing your application.

This guidance is common to all projects. The text is common to all types of application including **individual projects**, Community Planning Partnerships (**CPPs**) plans in Lowlands and Uplands Scotland Programmes, bids through the South of Scotland Global Grant Body (GGB) and funding through the Strategic Delivery Bodies (**SDBs**) outcome agreements of Scottish Enterprise, Highlands & Islands Enterprise and the University of the Highlands & Islands Millennium Institute.

Where **specific reference** needs to be made in an area of the application for particular ERDF, ESF, CPP, GGB or SDB requirements, this is reflected in this guidance.

CPPs in the Lowlands and Uplands Programmes should also note that where references in the text below refer to **project** this relates directly as **CPP Plans**. CPPs Plans are being submitted in the Highlands and Islands – projects arising from the approval of these Plans should be able to apply on the same terms as individual projects, however these will be subject to the exceptional projects procedure when submitted to the IAB and Scottish Government.

SDBs should also note that where references in the text below refer to **project** this relates directly as the **SDB plans**.

All sections of your application **must** be completed and the system will help you by only provided the sections specific to your type of application.

The major text sections should be completed in no less than a **font size of 12** and in a user friendly font, such as Arial (the default text is Arial). If providing supporting diagrams these must be attached as an annex to your application, as the text editor provided does not permit pictures. All other basic functionality, as with Word documents, is available, including bold, underline, bullets, numbering, spell-check etc. Some tables pasted in from other sources may cause problems to the text editor, but basic tables are generally fine.

This application allocates space for your comments. **No more** than the space allocated for each section is admissible (see the titles of each section on the application for the limits allowed). Please note the number of characters permissible, for example 8500 characters roughly equals 2 sides of A4.

Part 5 of the application, which deals with financial information for your project, requires you to attach several supporting Annexes. **Please remember** to include these as failure to do so may prevent your application being processed.

Section 3: Step by step guide

Registration

Before you can submit an Application, your organisation has to be registered, via one of the two IABs in Scotland. Guidance on the rules around registration are contained in the document released in August 2007, *Registration of Organisations*. Copies are available on either of the IAB websites:

- http://www.esep.co.uk/assets/files/Registration_Guidance.pdf (for LUPS)
- http://www.hipp.org.uk/downloads_appl.asp?cat=69 (for H&I)

To register, you complete an on-line form on €UROSYS and send the IAB relevant supporting hard copy documentation. Once the IAB has received all the necessary information, the registration request will be assessed and a decision made on eligibility.

You will receive an e-mail from €UROSYS providing the outcome of that assessment. If successful, you will then be able to set up users in the organisation to start using €UROSYS.

Further information is available in the €UROSYS Project User Guidance Notes at the links below. See, in particular, Notes **1. Registration** and **2. Creating and Maintaining Users**.

- <http://www.esep.co.uk/05-dl-application.html> (for LUPS)
- http://www.hipp.org.uk/downloads_appl.asp?cat=69 (for H&I)

Stage 1 Application

For all 2007-13 Scottish Programmes a Stage 1 Application Form has been introduced. This is to help projects to formulate ideas earlier in the bidding process, to allow early assessment for basic eligibility and to check the application fits with the Priority and Programme, before proceeding to a Stage 2 Application. A Stage 1 Application is a mandatory part of the whole process for funding.



The Stage 1 Application is completed on **€UROSYS**, after your organisation has registered (see €UROSYS project user guidance on IAB websites for more detail).

Initial Application Information box

You will note that €UROSYS completes this for you, based on information already provided.

Application Stage 1 Information

- **Community Planning Partnership Application** – tick this box only if you are applying as Community Planning Partnership (CPP) or if your project is contained within an approved CPP Plan in the Highlands and Islands.
- **Anticipated Number of Participants** - if this is an ESF application, provide a number (€UROSYS filters this field out on ERDF applications).
- **Similar project seeking funding in another Structural Funds Programme area** – tick this box if you are a project which is/may apply for funding in both Lowlands and Uplands and Highlands and Islands areas. It helps us to manage applications more effectively.
- **Total Project Costs** – provide indicative figures in £ sterling. If in doubt refer to the National Rules, paragraph 1.6.
- **Total Eligible Costs** – provide indicative figures in £ sterling. If in doubt refer to the National Rules, at the appropriate parts from Sections 2 to 5.
- **Proposed Staff Costs** - provide indicative figures in £ sterling. If in doubt refer to the National Rules, at the appropriate parts from Sections 2 to 5.
- **Other Costs** – provide details of other costs the project might expect to have. If in doubt refer to the National Rules, at the appropriate parts from Sections 2 to 5.
- **Project Income** – provide indicative figures in £ sterling. If in doubt refer to the National Rules, paragraph 1.12. This does not relate to revenue generated by projects – e.g. investments which attract ERDF and subsequently generate charge for access/use. Guidance is in development by the European Commission on that area and should provide further information for future funding rounds.
- **In-kind contributions** (for site and premises acquisition in ERDF projects only) – provide indicative figures in £ sterling. If in doubt refer to the National Rules, paragraph 1.6.

- **Total Eligible Match Funding** – provide indicative figures in £ sterling. If in doubt refer to the National Rules, paragraph 1.5.

The system will use the figures you have provided to calculate for you the next two boxes for **Proposed Grant Rate** and **Proposed Grant Requested**. These figures must fall within Programme limits and all expenditure must be the minimum required to allow for support from European Structural Funds to be made available. The Proposed Grant Rate and Proposed Grant Requested are calculated based on the figures you have provided (e.g. it calculates Net Eligible Costs (Total Eligible Project Costs - Project Income) and subtracts the sum of Eligible Match Funding and In-kind contributions from that Net Eligible Costs figure.

- **Project Start Date** – use the drop down functions to pick a start date.
- **Anticipated Project End Date** – use the drop down functions to pick an end date.
- **Co-Finance Expected Date** – use the drop down functions to pick a date, remembering funders must be in place well before the project start date.
- **Sources of Co-Finance** - use this free text box to say who will be funding your project.
- **Project Proposal** – this is where you detail your project for Stage 1 Assessment. Note you have 6400 characters, equivalent to a 1 ½ pages of A4 paper, available (you don't need to use the full amount if you don't want or need too). The number of characters used is shown in the window at the bottom of the text box.
- **Certifying Officer (CO)** – please pick your CO from the drop-down box. All CO's must be registered with €UROSYS. Please arrange for your organisation gatekeeper to register the CO. The Certifying Officer must be a senior executive or Principal with the authority to enter your organisation into legally binding contracts. Make sure you have consulted the CO, before pressing Submit and that your own status is at least that of Application Owner, which you need to be to use Submit. For future audit reasons you will wish to keep on file evidence that the CO has provided formal approval.

Stage 2 Application

Initial Application Information box

You will note that €UROSYS completes this for you, based on information already provided on all pages, throughout your application. Click on the links, below the validation summary box, to access the different parts of the application.

Part 1 - Project Summary Statement



The Project Summary Statement allows the assessors of your application to see a helpful summary of your entire application. Please complete clearly and succinctly.

Complete the following parts of the Application Stage 2 Summary Information, as follows:

Project Contacts

- **Project Contact and Finance Contact** - using the drop down boxes select the main project and finance contacts in your organisation. All contacts must be registered with €UROSYS. If they are not they will not appear as a choice in this drop-down box. Please arrange for your organisation gatekeeper to register anyone missing (see Project User Guidance Note 2 – Creating and Maintaining Users on €UROSYS).

Project Timescale



It is very important that your project sticks closely to your stated timescale.

Programmes have an annual expenditure target which they must meet or funds will be lost to the Programme. Any delays in your project's implementation/expenditure will have a detrimental effect on a Programme's overall ability to meet its targets and may impact adversely on your ability to secure funds in the future.

You must notify the IAB of any changes to your project timescale as soon as these become known. Any major slippage in expenditure profile could result in your grant being decommitted. It is not possible to change the start date of your project once the Offer of Grant has been accepted – at that point you will start to provide quarterly progress reports (and claims where appropriate) on activity.

You should also note that the contract(s) for the project cannot be let, and (except in specifically defined exceptions) the project cannot have started, before the formal date of approval. The IAB will notify you of this date.

- **Contract Let Date** (ERDF application only), **Physical Start Date**, **Physical End Date** and **Financial End Date** - use the drop down boxes to provide information dates for each of these categories. The tables below contain definitions to assist you completing this section:

ERDF Projects

	Capital	Revenue
Contract Let Date	The estimated date on which the main works contract(s) will be signed	The estimated date on which third party contracts &/or contracts of employment are signed
Physical Start Date	The date that the physical works are scheduled to commence	The date that service delivery is due to commence.
Physical End Date	The estimated date of physical completion of the works	The date that service delivery is due to cease.
Financial End Date	The estimated date by which all eligible expenditure, including retention, will have been defrayed & the final ERDF claim submitted	The estimated date by which all eligible expenditure will have been defrayed & the final ERDF claim submitted.

ESF Projects

Physical Start Date	The date when project spend &/or training delivery is due to commence (whichever is earlier).
Physical End Date	The date when project spend &/or training delivery is due to cease (whichever is later). Please take into account any period where aftercare is being provided & supported by ESF.
Financial End Date	The estimated date by which the final ESF claim will be submitted.

Project location



With funding so limited, it is important that the Funds are targeted on areas of need where they can have the greatest impact. For that reason, geographical targeting has been introduced for some Programmes Priorities:

In **Lowlands & Uplands Scotland**, geographical targeting will apply for Priority 1 ESF and Priorities 3 and 4 ERDF. Lists of eligible Local Authorities will be published in advance of each application round. Only projects based in these Local Authority areas will be eligible for funding under that priority. Eligibility will be reviewed annually.

In the **Highlands & Islands**, geographical weighting will be employed for part of Priority 1 and all of Priority 3 ERDF. Projects based in peripheral, island and insular areas – as identified through the ‘fragile area’ methodology developed by Highlands & Islands Enterprise – will score more highly in appraisal.

- **Project location** - you will note that €UROSYS provides the locations specifically applicable to the type of Fund and Priority you are applying for. Please tick all the relevant boxes for your project.

Other Structural Funds Applications

- **Similar project seeking funding in another Structural Funds Programme area** – tick this box if you are a project who is/may apply for funding in both Lowlands and Uplands and Highlands and Islands areas. It helps us to manage applications more effectively.

Project flexibility and duration

- **Application to use up to 10% Geographical Flexibility** - Please tick this box if your project is eligible and intending to use. Refer to Section 1.2 of the National Rules. Strong evidence for need must be provided as part of the Justification section.
- **Application to use up to 10% Fund Flexibility** - Please tick this box if your project is eligible and intending to use. Refer to Section 1.3 of the National Rules. Strong evidence for need must be provided as part of the Justification section.
- **Application to use up to 10% Trans-national Funding Flexibility** - Please tick this box if your project is eligible and intending to use. Refer to Section 4.4 of the National Rules. Strong evidence for need must be provided as part of the Justification section.
- **Application to use Multi-annual Funding** - Please tick this box if your project is eligible and intending to use. Strong evidence for need must be provided as part of the Justification section.

Project description

- **Project Proposal** – this is a key area where you provide a summary of your project, to help assessors in Stage 2 Assessment. Note you have 4000 characters, equivalent to around a $\frac{3}{4}$ page of A4 paper, available (you don't need to use the full amount if you don't want or need too). You are expected to cover:

For both **ERDF** and **ESF** projects:

- the main objectives of the project.
- physically, what the project will actually provide.
- the reason why grant is needed.
- the project outcomes.
- briefly, how the project will be evaluated and good practice disseminated.

Additionally, for **ESF** projects only:

- whether any of the potential participants have already been assisted by your organisation.
- the immediate outcome for the participants.
- the mechanisms for their support/progression on leaving the project.

Important Note: the 'number of characters used' shows at the bottom of the box. The system lets you go over 4000 characters (for editing reasons) however, on submission **only** up to 4000 characters will be submitted. This applies to all areas in this application, using the same style of information box.

All Strategic Delivery Bodies (SDBs) across Scotland and all CPPs within the Lowlands and Uplands Programmes also have to submit a full plan to accompany the Project proposal (due to the high level of finance and detail involved in such bids). This is provided to the IAB as a separate Annex to this on-line application.

Project Sector

- **Indicate the best fit Project Sector or Economic Activity Dimension** - as part of new reporting rules for the European Commission (EC 1828/2006, Article 11, Annex II) projects across all Member States are required to be aligned to categories pre-defined in the Regulation. Please use the drop down box to make a choice based on the sector or economic activity your project supports, as a 'best fit'. If possible avoid using the choice Other Unspecified Services.
- **Indicate the best fit Project Theme Dimension** - as above, new reporting rules for the European Commission require completion of this (EC 1828/2006, Article 11, Annex II) projects across all Member States are required to be aligned to categories pre-defined in the Regulation (in this case it shows only those applicable under the Scottish programmes, not the full list of 86 choices in the Regulation – please refer to the Regulation however for the full title of each choice). Please use the drop down box to make a choice based on the theme your project supports, as a 'best fit'.

Part 2 - Participant Characteristics (ESF applications only)



This section enables the applicant to set out the main focus and the target groups who will participate in the project. It will also allow for monitoring of the effectiveness of the intervention for these individuals, the outcomes of the project, and its likely contribution to the specific aims of the Operational Programme. When considering the numbers of participants, and their characteristics, applicants should ensure that the figures are realistic when related to the intervention proposed, the cost of that support, and the length of time support will be required by these participants.

This is not an exercise in spurious accuracy, particularly when it comes to the characteristics and additional barriers clients may have, which should be indicated in the section on the secondary target groups. It is a very important way of showing whether this will be a homogenous group, or a very mixed group based on area rather than age, sex, disability or racial origin, for example. It is also important to indicate how many of the participants have multiple barriers to overcome.

The section on qualifications has been revised from September 2008, to make reporting simpler than in previous rounds. It is still aimed at providing a good picture of both the starting point for the participants that make up your project, and how well they will be equipped with new skills to continue to progress when they leave the project. For a number these will be additionally recognised full academic or vocational qualifications, for others a module towards a qualification or a vocational skill, and for some a certificate capturing a new ability will be a significant achievement. In all cases we ask that projects can show tangible evidence of participants' progress. Drilling down further into participant level achievement is likely to feature in an early evaluation of the Programmes across Scotland, so please ensure good records are kept at individual participant level, to allow for independent evaluation to be undertaken.

Application Stage 2 Participant Characteristics

- **Total number of participants** - €UROSYS will calculate this for you, on validation.
- **Age characteristics** - record the total number of male and female participants under each age category. €UROSYS will calculate the total number of participants above, based on this information.
- **Period of Registered Unemployment** - please state the number of male and female participants split into age categories under 25 and 25 and over and the period of time they have been registered unemployed.
- **Period of Registered Unemployment** - please state the number of male and female participants split into age categories under 25 and 25 and over and the period of time they have been registered unemployed.
- **Period of Worklessness** - please state the number of male and female participants split into age categories under 25 and 25 and over and the period of time they have been workless. Worklessness includes all participants not recognised as employed or unemployed.

- **Ethnic Origin** - record the total number of male and female participants split into their ethnic origin. Note these figures should add up to your Total number of participants figure above.
- **Prime Target Group** - record all your participants (split again by male and female participants) in the prime target group for your project. The prime target group is the category that your project is primarily aimed at assisting. You must choose only one prime target group.
- **Secondary Target Group** - record the number of male and female participants, who will benefit and fall within a number of other Secondary Target Groups for your project. You can choose a multiple number of relevant groups, reflecting the varied and additional nature of your project to cover a number of other targets groups that are not the project's primary purpose.
- **Number of participants with multiple deprivations** – please state the number of eligible participants, for both male and female boxes, with multiple deprivations. Participants who fall within 2 or more of the target groups should be recorded in this table.

Qualifications

Your participants may fall within a number of 'levels'. For the purpose of reporting to the European Commission (EC 1828/2006, Annex XXIII) the progression of participants at a European Level, this section aligns the 'International Standard Classification of Education (ISCED)' levels, to that of the Scottish education and further education systems.

The International Standard Classification of Education (ISCED) was designed by UNESCO in the early 1970's to serve 'as an instrument suitable for assembling, compiling and presenting statistics of education both within individual countries and internationally'.

The simplest way to match this across is in the following 'Level' definitions.

- ISCED Level 1 - Primary education or first stage of basic education (SCQF Levels 1-2)
- ISCED Level 2 - Lower secondary or second stage of basic education (SCQF Level 3-5)
- ISCED Level 3 - (Upper) secondary education (SCQF Level 6)
- ISCED Level 4 - Post-secondary non-tertiary education (SCQF Level 7)
- ISCED Level 5 - First stage of tertiary education (SCQF Level 8 - 10)
- ISCED Level 6 - Second stage of tertiary education (SCQF Level 11 - 12)

The following table on the next page provides shows the main types of activity funded under ESF under the Scottish Credit and Qualifications Framework (SCQF).

However, this is not an exact definition for all cases. For a more detailed breakdown on all qualifications, and how they apply under ISCED, please check the more detailed guidance attached at Annex B.

Scottish Qualifications relating to Commission Reporting Levels

SCQF level	SQA National Units, Courses and Group Awards	Higher Education	SVQs*	SCQF level	ISCED Levels
12		Doctorate		12	Level 6
11		Masters	SVQ 5	11	
10		Honours degree Graduate Diploma/Certificate**		10	Level 5
9		Ordinary degree Graduate Diploma/Certificate		9	
8		Higher National Diploma Diploma in Higher Education	SVQ 4	8	
7	Advanced Higher Certificate in Higher Education	Higher National Certificate		7	Level 4
6	Higher		SVQ 3	6	Level 3
5	Intermediate 2 Credit Standard Grade		SVQ 2	5	Level 2
4	Intermediate 1 General Standard Grade		SVQ 1	4	
3	Access 3 Foundation Standard Grade			3	
2	Access 2			2	Level 1
1	Access 1			1	

Participants – Entry Level Qualifications

- Each project will have an expected number of participants, who may enter the project at different 'Levels' (see page above for Levels guidance). Using the table provided indicate your expected number of participants, split by male and female, into the appropriate Levels.
- For example, you expect your project to have 50 people starting. Of those 25 will have Standard Grades; 15 will have Highers and 10 will have a degree. Your project, according to the table above, therefore has 25 at Level 2; 15 at Level 3 and 10 at Level 5.

Participants – Exit Level Qualifications

- We are interested in the expected 'highest' level for participants, when they exit a project. We recognise that an increased qualification level on departure from the project does not necessarily fit at all times with the main purpose of the project, however it is an important indicator and one required for reporting to the European Commission.
- The figures you provide at this stage will be approximate but will be monitored in the quarterly progress report and claim, if your application is successful, so please provide realistic estimations.
- Where the project is not expected or designed to provide participants with a higher qualification level on exit, use the text boxes (under Full and Partial Qualifications below), to explain in more detail the purpose of your project in relation to up-skilling the participants. This will help considerably in the assessment of your project by Advisory Groups.
- The numbers provided in this table should normally tally with the total number of participants above. If you expect drop-outs please state why in the text boxes further below.
- Using the example from above then, you complete the Levels expected, of your 50 participants, when they depart the course.

Participants – Full Qualifications Completed

- We are interested here in the total number of participants that gain a Full Qualification on the project. Please use the table provided to indicate the number of expected Full Qualifications, split by male and female, into the expected Levels.
- The number of qualifications may of course exceed the number of participants, as some might achieve more than one qualification when participating on the project. In that case, please reflect this, by reporting it in the text box below. Please also reflect the type of qualification and the accreditation body for each of the qualifications expected to be achieved by each participant. e.g. 50 participants are expected to gain 10 Full Qualifications of X type from Y accreditation body; 5 participants are expected to complete the course but will not be successful and therefore will gain no full qualifications; 2 participants are expected to drop out; etc. Please ensure information provided here tallies up to your number of expected participants.

Participants – Partial Qualifications Completed

- Please complete the table and text box following the same principles as outlined for Full Qualifications above.

Part 3 - Core Indicators and Targets



To ensure that the Funds have the maximum impact in Scotland, the indicators and targets for the programmes will be closely monitored. Consequently, it is important that you demonstrate how your project will contribute to the programme targets and meet reporting obligations for awards.

Two types of indicators are presented:

Output indicators: these measure the direct outcomes of the funded activity (e.g. the number of training places or the number of enterprises supported in a project); and

Result indicators: these measure what the funded activity has set out to achieve (e.g. the number of new jobs or the number of new business starts resulting from the project).

Indicator Tables

- €EUROSYS automates the indicators you are required to report on, based on the choices already made in the Initial Application Information box above.
- Please estimate what your activity would achieve under all the output and result indicators in the relevant table, even if the estimate is '0' for some of the indicators.
- Please be realistic: if your application is successful, we will use this information as the baseline by which the Scottish Government and IABs will measure the progress and risks associated with your project. Should project delivery vary from these projections the level of continuing support from Structural Funds to the project may be reconsidered.
- Before filling in the table, applicants should also consult **Annex A** of this guidance, which provides definitions for each of the indicators and sets out what each indicator is designed to measure.

Part 4 – Justification

Please refer to the Operational Programmes for each Programme, which provide the detail, scope and vision for the Priority under which you are applying. This should form the policy context under which you will justify your project below. The Operational Programmes are available at:

- Lowlands and Uplands ESF - <https://www.scotland.gov.uk/Publications/2008/07/29142711/0>
- Lowlands and Uplands ERDF - <https://www.scotland.gov.uk/Publications/2008/07/29142630/0>
- Highlands and Islands ESF – <https://www.scotland.gov.uk/Publications/2008/07/29142530/0>
- Highlands and Islands ERDF - <https://www.scotland.gov.uk/Publications/2008/07/29142448/0>

A high quality and large volume of applications are expected across all Programmes. The amount of funding available has significantly dropped across Scotland. As such, it is crucial to **fully** justify each aspect of your application in the following 9 key justification sections.

This will allow the assessors of your application to judge the technical eligibility, quality and merit of your application, against a number of required standards. The guidance notes below indicate what is expected under each section.

The 9 key justification sections each have rating of high, medium or low. All sections must be completed, regardless of the ratings applied for scoring purposes. Failure to do so could invalidate your application, so please ensure that you complete in full.

Use the 9 text boxes provided to input your information, taking care to note the number of characters permitted. The text boxes sections should be completed in no less than a **font size of 12** and in a user friendly font, such as Arial (the default text is Arial). If providing supporting diagrams these must be attached as an annex to your application, as the text editor provided does not permit pictures. All other basic functionality, as with Word documents, is available, including bold, underline, bullets, numbering, spell-check etc. Some tables pasted in from other sources may cause problems to the text editor, but basic tables are generally fine.

Strategic Fit (weighting High)



Successful European Structural Funds projects for 2007-13 are required to demonstrate direct links with existing strategies. In this section you have to provide information on how your project will manage that. Again, the policy sections of the Operational Programmes can assist (see link above)

Key areas to cover are:

- how your project fits with the objectives of the relevant Programme and Priority level.
- details on how your project will contribute to relevant Scottish Government strategies.
- a description of how does the project links to other existing linked, local, regional and national strategies.
- how your project will support the aims of the Lisbon agenda to promote economic growth and sustainable employment and within an urban or rural context. See here for further information: http://ec.europa.eu/growthandjobs/index_en.htm.
- please make direct references to relevant strategies.

Evidence of Demand (weighting High)



Your application is required to demonstrate the need for the project, providing relevant and firm evidence. All statistics you provide must be as up-to-date and relevant as possible, with source detail for any information provided. The application should provide evidence that your project activity does not duplicate other provision.

Future Skills Scotland (part of the Scottish Government) has established links for providing information relevant for EU Structural Funds to applicants www.futureskillscotland.org.uk

Key areas to cover include:

- include specific evidence of demand for your project and explain the market failure which the project is designed to overcome. Indicators of demand may come from an existing track record of sales, throughput or successful delivery, whether in the same enterprise, or related activity elsewhere.
- refer to any government or independent research which may indicate the need for service/infrastructure provision or provide market research and/or other independent research to support your evidence.
- if your project is for a new product or service, or extension of a product or service into new markets, give an explanation of the techniques that have been used to justify the need for demand.

- provide evidence of the relevance of project activities in terms of job opportunities, skills or training requirements or development work being offered by the project and, where applicable, demonstrate that it meets the needs of employers and the long term future of participants.
- evidence that wider strategic plans for the area support your case for the projected demand.

Need for Grant (weighting High)



European Structural Funds are awarded to eligible projects that cannot be undertaken without our additional support. Your application should demonstrate why grant assistance is necessary to enable your project to proceed. The principle of “gap funding” should be applied in all cases i.e. the minimum grant necessary to enable the project to proceed once all other sources of funding have been taken into account.

In providing justification, areas for consideration include:

- allowing a project to progress more quickly;
- increasing the scale and/quality or outcomes of a project
- a description of the operation and scale of other key funding sources for addressing the issues.
- a clear rationale for the amount of grant being requested and the proposed length the project is to run for.
- specific justification of multi-annual funding is required to show the development of the project, or the progression of participants.

Important Note: the 2007-13 Programmes only support ‘truly’ additional funding.

For example if you have £1m of Total Eligible Costs and you apply successfully for a 50% grant, you will have a funding commitment of £500,000 from Structural Funds, plus eligible match funding of your own of £500,000.

As your project progresses however you must use the match funding as your first priority funding. The grant offered by Structural Funds only applies to spend above the rate of overall match funding figure. So, if your project finally costs £750,000 then the match funders are still responsible for £500,000 of the total. Your grant rate from Structural Funds is reduced to £250,000 to pay the remaining balance (e.g. a reduction to 33% rate).

Your grant offered by Structural Funds only applies to expenditure above the overall match funding figure (or the value based on any “3rd party” match funding contribution confirmed from the outset in % terms). The expenditure rate will be closely monitored closely through your quarterly progress reports and claims, to ensure grant costs paid out are kept to the minimum and in line with the principles set out above.

Structure and Management (weighting High)



Your application should provide a clear description of the structure of project delivery.

Key areas to cover include:

- details of each stage of delivery and what is being delivered/produced.
- timescales for each of the stages of the project.
- the capacity of the lead partner to run the project, who is involved in each stage and how will each stage of the process will be managed. Include details of qualifications, experience and expertise of staff required to deliver the project.
- a description of the financial management and control systems, including actions in place to ensure risk identification and mitigation in implementing the project.
- outline the role of the match funder and their involvement in the preparation of the application.
- the mechanisms for monitoring and evaluating, the systems for recording outcomes, and how the impacts of the project will be reported and evaluated.
- give details where match funding for the project is dependent on targets or outputs.
- where appropriate, include diagrams/charts (as an annex to your application) that clearly illustrate the systems and stages clearly. Stages should include relevant aftercare and support if providing a service and, in the case of facilities/infrastructure, how these will be maintained and managed after completion.

Specifically on **ERDF** projects:

- Any planning permission details.

Specifically on **ESF** projects:

- Number of hours per week of activity for each participant and the method of delivery.
- Details of any work experience involved in the project.
- Details and justification and any participants' allowances, wage subsidies, child or dependent care costs or other incentives.

Partnership (weighting Medium)



Your application should demonstrate any links or consultation you have had with key local and national partners when developing this project.

You should explain how the project shows partnership between agencies in relation to their contribution of funds, expertise and other resources.

You should also demonstrate that there is a clear complementarity of roles and working arrangements in place to support all stages of the project.

Key areas to cover include:

- details of the partners involved in your project. Describe their role and relevance within the project from development through delivery and on to aftercare and evaluation. Include details of any trans-national partnerships.
- links to relevant existing partnerships, initiatives, sectors and organisations and show how these improve the quality of the project.
- clarity that relevant organisations have been consulted in advance of project submission and are supportive of the project. Where relevant, details of private sector input and/or consultation should be given.
- evidence that an appropriate partnership has been established and those arrangements are in place to effectively manage this partnership.
- where there is a subcontract arrangement anticipated, provide details on the arrangements for this e.g. tendering, preferred provider, etc.
- where appropriate, identify who will be responsible for the continuation of this activity after the project comes to an end.
- give the extent to how the project brings together partner agencies, and other projects and activities, in order to bring about significant change and a move towards improving the area or region.
- If there is any transnational or national co-operation activity, describe how it is an integral part of the project and how it contributes to your project's outcomes.
- If there is any community partnership or involvement and how it contributes to your project's outcomes.

Specifically on **CPP** Lowlands and Uplands plans:

- evidence of engagement within the CPP and key target groups and communities in designing the plan, particularly with the voluntary sector and key delivery agents.

Horizontal Themes (weighting Medium)



The essential interplay of economic development and social inclusion, equal opportunities and environmental sustainability continue to be at the centre of European Union, United Kingdom and Scottish Government policy priorities. In the 2007-13 programmes, all applications will be expected to demonstrate that they have taken these issues fully into account in designing and delivering their projects. Projects will be scored for each of the horizontal themes in terms of how far these issues have been considered and acted upon. A zero score for any two of the horizontal themes will result in the project not receiving an award.

Your application should go beyond simply how your organisation fulfils statutory requirements in these areas.

The thought given to the horizontal themes will be expected to be evident across all of the other Justification sections. However, this section draws attention to the difference this has made to the project. In particular key areas to cover include the following.

Equal Opportunities:

This horizontal theme is defined as follows: “to increase the opportunities within the Programme for all groups and to prioritise and adapt support for groups facing particular disadvantages to participation”. Projects should:

- describe how you have taken account of, and reflected, the diverse needs of the target group(s) in the development and delivery of your project.
- describe any particular focus given to one or more of the six key equality strands: (i) gender (ii) ethnic origin (iii) religion or belief (iv) disability (v) age or (vi) sexual orientation.
- describe any potential barriers to access or participation and state how you intend to overcome these barriers.

You should not only consider what Equal Opportunities policies, procedures and resources will be in place, but also explain how these will make a positive difference to the project.

Environmental Sustainability:

The programmes’ aim for this horizontal theme is: “to ensure that Structural Funds programmes promote the sustainable use and conservation of Scottish environmental assets by enhancing the role of environmental sustainability in economic and social development policy-making.” Projects should explain how environmental sustainability has been taken into account in the design and delivery of the project. This should cover the following:

- Resource efficiency – particularly improving the efficient procurement and use of energy, water and raw materials and increasing application and use of renewable energy.

- Environmental impact – particularly the ways in which the project contributes to the enhancement or protection of the environment and seeks to minimise negative impacts (such as pollution).
- Local sourcing – particularly support for local sourcing initiatives and activities aimed at diversification within the local economy as well as the efficient use of local public transport and local community transport services.

You should not only consider what Environmental Sustainability policies, procedures and resources will be in place, but also explain how these will make a positive difference to the project.

Social Inclusion:

The third horizontal theme aims “to ensure that economic growth and tackling exclusion go hand in hand to help people overcome multiple barriers to employment and realise their full potential.” Projects should, where appropriate:

- demonstrate the social inclusion aspects of your project.
- describe how your project will reconcile a commitment to social inclusion with a focus on improving the competitiveness and economic performance of the programme area.
- describe how the project will aim to reduce inequalities between the least advantaged communities and the rest of society.

You should not only consider what Social Inclusion policies, procedures and resources will be in place, but also explain how these will make a positive difference to the project.

Please check IAB websites for existing, and historical, information in relation to the Horizontal Themes.

- www.esep.co.uk/05-dl-horizontal.html
- <http://www.hipp.org.uk/horizthemes.asp>

Outputs, Results, Impacts and Evaluation (weighting High)



You should describe how the project will be evaluated to assess its performance against the specific European Structural Funds indicators set out in the application form.

You should also include the procedures you have in place to measure these indicators as well as other mechanisms you have assess your project's overall progress towards meeting its objectives and targets.

Key areas to cover include:

- describe the anticipated outcomes of the project ensuring you have addressed the programme targets relevant to the particular Priority.
- explain why the outputs and results are relevant and appropriate for the nature of activity of the project and explain the rationale behind the setting of your targets.
- provide a clear indication showing the additional outputs which will be achieved with the grant, and the project outputs without the grant.
- provide information and/or evidence that the outputs and impacts produced are realistic, credible and achievable.
- if the outputs are dependent on others, partners or match funders describe the relationship and how this will be managed.
- indicate how the timescales are appropriate and will enable the results to be achieved.
- describe the mechanisms that will be in place to monitor the delivery of outcomes, including their quality and effectiveness. Refer to the resources and support structures that are in place which will enable you to deliver the outputs.
- describe the monitoring and evaluation processes for the project in addition to reporting against the proposed targets for the project.
- outline any long-term outcomes and benefits the project is likely to produce. Highlight any results anticipated or other measures of success which have not already been covered (e.g. soft outcomes).
- explain how the project will impact positively on the development and/or sustainability of the area and how the project will produce benefits beyond its lifetime.
- where relevant, an explanation of how many jobs will be created/safeguarded and how the project builds capacity of the community, organisation etc.
- where appropriate, provide baseline information to support this section.

Particularly for **ESF** projects:

- how will you evaluate and follow-up on participants?
- how will you assess the wider impact of the resource/tools employed for post-support?

Past Performance (weighting Low)



You should explain your organisation's previous experience of operating projects of this type or working with a particular target group of participants. You should detail your organisation's track record of delivering this or similar activity and provide evidence which demonstrates your ability to achieve the targets set in this application.

Key areas to cover include:

- evidence that you have met targets set in previous projects or activity. Explain how previous performance has informed the targets for this project.
- evidence that you have been able to meet financial targets set and have run similar projects or activities within agreed budget. Explain how lessons learned from previous delivery of this activity have informed the costing of this project activity.
- evidence that you (and partner organisations) have previous experience of operating publicly funded projects and can demonstrate successful partnership working, with positive outcomes.
- detail of any previous involvement in specific activity relating to previous European Structural Funded projects.
- demonstrating success at achieving hard and soft outcomes.
- detailed information of any evaluations (formal or informal) of previous projects and activity undertaken.

Innovation and Value Added (weighting Medium)



You should demonstrate how your project provides added value in terms of new or additional activity.

If the service you plan differs from, and is an improvement upon, current practice you should also describe the innovations proposed, the benefits they bring and how they will be achieved.

Key areas to cover include:

- give details of the differences between the baseline/core activity/figures and what would be additional with European Structural Funds support.
- provide clear, tangible evidence of the added value brought by your project by European Structural Funds. This may be in areas such as additional outputs, increased number of trainees, increased duration of training and through an overall improvement of the quality of activity.
- say how your project adds value to linked, local, regional and national strategies, and to the Structural Funds Programme as a whole.
- describe how the quality of activity provided by your project will be enhanced by European Structural Funds.
- outline what the additional value is to the match funders
- where appropriate, say how your project improve the locality, such as services currently available to disadvantaged individuals to overcome their barriers to employment, education or training
- mention any innovative activity or approaches.
- explain how your project will develop new initiatives where a lack of provision exists, and show how it can contribute to the development and/or sustainability of the local community.

Part 5 - Project costs



To complete this Part of the application form you are advised to refer to the National Rules, which set out in detail the eligibility rules for the Programmes. This document can be downloaded – see the contact information section at the start of these guidance notes.

- In order to be considered eligible, your project's expenditure will have to be incurred and fully defrayed within the Programme period which runs from 1 January 2007 until 31 July 2015.
- Beyond those dates any expenditure is not eligible for ERDF/ESF support.
- With the exception of site acquisition, site investigation and pre-contract professional fees, project expenditure incurred before the formal date of approval is not eligible for support.

Financial Summary



The figures produced here will be used to monitor the spending profile performance of your project under quarterly Progress Reports and Claims. Each project will be monitored on a red/amber/green status, throughout its lifetime. Consequently, it is important that you provide a realistic spend profile. Failure to meet your spend profile may result in your project being de-committed.

- **Total Project Costs** - €UROSYS will calculate this figure for you automatically, on validation. It calculates this by adding the Total Eligible Project Costs and Total Non-Eligible Project Costs.
- **Total Eligible Project Costs** - €UROSYS will calculate this figure for you automatically, on validation. It calculates this by adding together the figures you supply under the Project Costs section, further down the page.
- **Total Non-Eligible Project Costs** - enter the total for costs which your project will incur, but that are not eligible for ERDF/ESF grant (please refer to the National Rules on Eligibility for information on non-eligible costs).
- **Project Income** - if any please add an appropriate figure. Refer to the National Rules Section 1.12, if unclear. This does not relate to revenue generated by projects – e.g. investments which attract ERDF and subsequently generate charge for access/use. Guidance is in development by the European Commission on that area and should provide further information for future funding rounds.
- **Net Eligible Project Costs** - €UROSYS will calculate this figure for you automatically, on validation. It calculates this by subtracting the Project income figure from the Total Eligible Project Costs figure.

- **Eligible Match Funding** - €UROSYS will calculate this figure for you automatically, on validation. It calculates this by adding together the figures you have provided for the Funders table, further down the page.
- **Structural Funds Grant Required** - €UROSYS will calculate this figure for you automatically, on validation. It calculates this by subtracting from the Net Eligible Costs the Match Funding and In-kind contributions (where applicable) figures provided. This should always be the minimum level of support required.
- **Intervention Rate Required** - €UROSYS will calculate this % figure for you automatically, on validation.

Important note: You are also required to provide an Annex to your application, providing a further breakdown of the Non-Eligible Costs. Additionally, and almost exclusively for ERDF capital projects, an Annex estimating potential revenue generation should be provided. Definitive guidance on this issue is awaited from the European Commission.

Tick the box at the foot of this box to confirm you have supplied an Annex for either.

Private Sector Participation

- **Private Sector Participation** - please indicate the amount of Private Sector Participation in your project. These costs are not eligible for Structural Funds support, however, please refer to Section 1.5 of the National Rules for further information.

Expenditure Profile

- **Expenditure Total** – this box will calculate automatically on validation, based on the figure you should provide in the table, for each year of funding. Please note that for this section to validate, every year should contain a figure, even if it is a zero.

Project funding

- **Funders** - please complete the table, using the Add function to add a row for each different funder. For more information please refer to Section 1.5 of the National Rules.

Project costs



You will find it helpful to refer to the relevant sections of the National Rules before completing this section. An **Annex is also required** and indicated below.

- **Costs** - €UROSYS automates the Project Costs Headings you are required to report on, based on the choices already made in the Initial Application Information box above.

Important note: You are also required to provide an Annex to your application, providing a further breakdown of the Project Costs, under the specified Cost Headings. Tick the box at the foot of this box to confirm you have supplied an Annex. Please ensure the

figures in this Annex match **both** the expenditure profile and the cost heading breakdown contained in this section.

You may find the following references helpful when assessing costs headings

ESF Projects

- Staff Costs - see Section 3.1.2 of National Rules.
- Participant Eligible Costs - see Section 4.1 of National Rules.
- Participant Travel Expenses - see Section 4.2 of National Rules.
- Participant Subsistence - see Section 4.3 of National Rules.
- Consultancy Fees - see Section 3.2 of National Rules.
- Project Evaluation Fees - see Section 3.3 of National Rules.
- Staff travel - see Section 3.4 of National Rules.
- Premises costs - see Section 3.5 of National Rules.
- Insurance - see Section 3.6 of National Rules.
- Marketing - see Section 3.7 of National Rules.
- Dependant Care - see Section 3.9 of National Rules.
- Repairs and maintenance - see Section 3.11 of National Rules.
- Depreciation - see Section 3.12 of National Rules.
- Leasing - see Section 4.2 of National Rules.
- Other Eligible costs (ESF) - see Section 3.8 of National Rules.

ERDF Capital Projects

- Purchase of land - see Section 2.1 of National Rules.
- Purchase of real estate - see Section 2.2 of National Rules.
- Purchase of equipment - see Section 2.3 of National Rules.
- Pre-contract costs - see Section 2.4 of National Rules and note below.
- Capitalised revenue - see Section 2.8 of National Rules.
- Main contract works – see Annex 1 of National Rules.
- Other eligible costs (ERDF Capital) - see Section 2.5 of National Rules.
- Contingencies - see Section 2.6 of National Rules.

Important note: Pre-contract costs feature in the drop-down list for capital projects and should be entered accordingly. Contract implementation fees do not: these should be included under Other Eligible Costs.

ERDF Revenue Projects

- Consultancy Fees - see Section 3.2 of National Rules.
- Project Evaluation Fees - see Section 3.3 of National Rules.
- Staff travel - see Section 3.4 of National Rules.
- Premises costs - see Section 3.5 of National Rules.
- Insurance - see Section 3.6 of National Rules.
- Marketing - see Section 3.7 of National Rules.
- Dependant Care - see Section 3.9 of National Rules.
- Repairs and maintenance - see Section 3.11 of National Rules.
- Depreciation - see Section 3.12 of National Rules.
- Leasing - see Section 4.2 of National Rules.
- Grant schemes – see Annex 3 of National Rules.
- Other Eligible costs (ERDF Revenue) – see Section 3.8 of National Rules.

Part 6 - Compliance and Declaration



It is **vitaly** important you read very carefully all the points under Part 6. Failure to comply under all the terms and conditions set out could result in immediate withdrawal of any grant subsequently paid by the Scottish Government. Further action may also be taken. Please tick the box shown to confirm that your project is compliant.

Click the link in the yellow box to view full terms and conditions. You might find the following points useful to consider when agreeing to the terms and conditions.

Compliance with State Aids (www.stateaidscotland.gov.uk)

The link above and included in the terms and conditions takes you to the website pages for the State Aid Unit in the Scottish Government. The site provides you with latest news and a key section outlining the Scottish Government's **5 criteria** or **questions** which need to be considered in order to establish whether a measure constitutes State aid. The site also contains many other helpful elements.

Where all 5 criteria are met, State aid **is** involved and the State aid rules apply. Where 1 or more of the criteria appears not to be met, then funding is unlikely to constitute State Aid. Please check the site thoroughly before approaching the State Aid Unit on any doubts.

- **Is the measure granted by the state or through state resources?** As well as central government departments, this includes regional or local authorities and other public, or private sector, bodies designated or controlled by the state. State resources include tax exemptions and also funds not permanently belonging to the state but under state control, e.g. lottery funding.
- **Does it confer an advantage to an undertaking?** A benefit to an undertaking, granted for free or on favourable (non-commercial) terms, could be State aid. This includes the direct transfer of resources, such as grants and soft loans, and also indirect assistance - for example, relief from charges that an undertaking normally has to bear, such as a tax exemption or the provision of services, loans, at a favourable rate.
- **Is it selective, favouring certain undertakings?** Aid that targets particular businesses, locations, types of firm e.g. SMEs or sectors is considered selective. A *general* measure affecting the whole of the state's economy e.g. nation-wide fiscal measures is not considered a State aid.
- **Does the measure distort or have the potential to distort competition?** If it strengthens the position of the beneficiary relative to other competitors then this criteria is likely to be met. The potential to distort competition does not have to be substantial or significant, and this criterion may apply to small amounts of aid and firms with little market share. *Most interventions have the potential to distort competition.*
- **Is the activity tradable between member states?** The Commission's interpretation of this is broad - it is sufficient that a product or service is subject to trade between member states, even if the aid beneficiary itself does not export to the EU. *Consequently most activities are viewed as tradable.*

Compliance with EC Directives and UK Environmental legislation

- Please ensure you have checked your project is complaint with all necessary legislation. The link in the terms and conditions points to a helpful resource on the European Union's Europa website.

Compliance on Procurement

- Please ensure you have checked your project is compliant with all necessary legislation. The link in the terms and conditions points to a helpful resource on the Scottish Procurement Directorate's website - <http://www.scotland.gov.uk/Topics/Government/Procurement/policy/Legislation>

Compliance with Equal Opportunities

- Please ensure you have checked your project is compliant with all necessary legislation.

Publicity requirements of funding

- Please ensure your project is, and will be, compliant with the points mentioned.

Compliance with Programme requirements

- Please ensure your project is, and will be, compliant with the points mentioned.

Compliance with information requirements

- Please ensure your project is, and will be, compliant with the points mentioned.

Record keeping

- Please ensure your project is, and will be, compliant with the points mentioned.

Compliance with legal responsibilities

- Please ensure your project is, and will be, compliant with the points mentioned.

Compliance with planning rules

- Please ensure you have checked your project is, and will be, compliant with the points mentioned. Mention of these points should also be covered in the Structure and Management section of the Justification part of the application.

Special Conditions of Grant

- Please note that special conditions may be attached to your on-line Offer of Grant, and these must be adhered to.

Declaration

- Please read very carefully and ensure you have checked all elements of your project conform to the terms and conditions set out in Part 6: Compliance and Declaration. Close the terms and conditions and tick the box indicating **Terms and Conditions Acknowledged and Agreed**.
- Complete your declaration by adding the name of the **Applicant, Name of Certifying Officer** and this officer's **Position in Organisation**.
- On validate, the **Total Funding (£)** figure will be automated.

The Application should now be ready to Submit. Please remember to check all work before hitting the **Submit** button (bottom left of the screen if you have successfully validated all parts of your Application). Think of the Submit button as posting a letter into a post box – once it has been submitted it is not easy to retrieve information back! The Application is then printed off, signed as a hard copy and must be forwarded to the respective IAB, **along with all appropriate Annexes**.

Progress Reports and Claims (PRCs)



Your Offer of Grant sets out clearly the dates required for submission of your quarterly progress reports and claims. If you are unsure of the dates either consult your Offer of Grant or click on the link on the front page of your Stage 2 Application called Part 8: Claims Schedule details – this also sets out clearly the schedule for submission..

In addition, €UROSYS will send the application owner an e-mail one week in advance of the date for submission, as a reminder.

To ensure timely submission of quarterly progress reports and claims the system also creates a project risk status. All projects start with a status of **Green**. If your progress report and claim is late by more than one week, you will receive another e-mail reminder. After 2 weeks, and still no action, your project will change to **Amber** in status, indicating concern and you will receive an e-mail notifying you of this. This applies when submitting your progress report and claim both on-line and in hard copy.

Finally if you are late with your on-line submission, or hard copies, by a further week, you will get another e-mail from the system. Your status will move to **Red**. Those projects with a Red status will be subject to much greater scrutiny by the IAB and the Scottish Government and may well receive an automatic monitoring visit, or find any planned monitoring visit date is escalated.

Once your project application has been moved to 'Grant Accepted' status by your IAB, you will be able to automatically start on your first Progress Report and Claim (PRC).

The PRC is an important part of the new dialogue we want to create between projects, IABs and the Scottish Government. It is essential in the 2007-13 Programmes that applicants provide as much information as they can, on a quarterly basis, to keep the IABs and Scottish Government in an up-to-date fashion. The IABs and Scottish Government are required to assess each quarterly PRC and assign a Red/Amber/Green status to the project. Providing a full and honest appraisal of the progress or status of your project will prevent further monitoring from both the IABs and Scottish Government.

The Claim Summary (Part 3), Match Funding (Part 4) and Financial Declaration (Part 5) sections are incorporated as part of the PRC and payment will only be processed upon the submission of satisfactory progress details. Regardless of whether you have a financial claim to process, it is essential that the progress parts of the PRC (Parts 1 and 2) are always completed quarterly (and submitted on time with a nil financial claim in the other Parts, if necessary).

See the Project User Guidance for more information on using PRCs.

Important Notes:

(i) as in your Stage 2 application form the 'number of characters used' shows at the bottom of the text submission box. Most boxes in the PRC are for 2000 characters (about ½ page of A4). The system lets you go over 2000 characters (for editing reasons) however, on submission **only** up to 2000 characters will be submitted. This applies to all areas in this progress report using the text submission boxes.

(ii) please remember to use the blue buttons at the bottom of each screen for all navigation. Using other buttons on screen (such as your organisation's own home browsers) may take you out of the system altogether and you will lose information you have been working on.

Part 1(a) Project Summary Statement and overall submission

- In the box provided please provide a full, honest, accurate and up-to-date assessment of the progress of your project.
- Please note that this needs to be completed in a way that the IAB and Scottish Government can assess properly. Failure to provide full details will result in the rejection of your PRC. If rejected, the PRC will be returned on-line to the applicant, resulting in a delay to your project of payment of any grant.

Part 1(b) Participation Characteristics (European Social Fund only)

- **Age characteristics** - please use the box provided to indicate the current break-down (i.e. the running total) of age characteristics of all your participants. Use the Applicant Comments box (at foot of page) to explain any slow progress to achieving (or exceeding) the number of participants in your approved application and the reasons why.
- **Period of registered unemployment** – as above, use the box to provide the current break-down. Use the Applicant Comments box (at foot of page) to explain any issues or anomalies from your approved application and the reasons why.
- **Period of worklessness** – as above, use the box to provide the current break-down. Use the Applicant Comments box (at foot of page) to explain any issues or anomalies from your approved application and the reasons why.
- **Ethnic Origin** – as above, use the box to provide the current break-down. Use the Applicant Comments box (at foot of page) to explain any issues or anomalies from your approved application and the reasons why.
- **Secondary Target Group** – use the box to provide the current break-down. Use the Applicant Comments box (at foot of page) to explain any issues or anomalies from your approved application and the reasons why.
- **Participants – Entry Level Qualifications** - use the box to provide the current break-down. Use the Applicant Comments box (at foot of page) to explain any issues or anomalies from your approved application and the reasons why.
- **Participants – Exit Level Qualifications** - use the box to provide the current break-down. Use the Applicant Comments box (at foot of page) to explain any issues or anomalies from your approved application and the reasons why.
- **Participants – Full Qualifications Completed** - use the box to provide the current break-down. Use the Applicant Comments box (at foot of page) to explain any issues or anomalies from your approved application and the reasons why.

- **Participants – Partial Qualifications Completed** - use the box to provide the current break-down. Use the Applicant Comments box (at foot of page) to explain any issues or anomalies from your approved application and the reasons why.
- **Total number of participants who have dropped out** - please use the box provided to indicate the current break-down (i.e. the running total) of the number of participants who have dropped out of the project. Use the Applicant Comments box (at foot of page) to explain any issues or anomalies from your approved application and the reasons why.

Part 2 Outputs, Results and Impacts

- **Indicators and Targets** - in the table provided please add any new figures achieved towards the target you set in the approved application. The overall progress towards this target is indicated in the automated '%Completed' column, so only add any new activity for each quarterly period.
- **Applicant Comments** - where targets can't be completed until later in the lifetime of the project, please set out fully the reasons why in the Applicants Comments text box provided. The Applicants Comments box should also provide a full, honest, accurate and up-to-date assessment of the progress of the project towards reaching your targets.

Part 3 Claims Summary

- **Costs** - the tables provided show the approved costs headings you are able to claim for, based on your approved application. Please add figures under the separate boxes provided, for each appropriate heading of expenditure claimed for this quarterly period.
- **Total Eligible Costs** - you do not need to complete the Total Eligible Costs box. This provides you with a running expenditure total, automated by the figures you provide within the other boxes on this page.
- **Applicant Comments** - please provide a full, honest, accurate and up-to-date assessment of any issues and progress on the overall costs associated with your project.

Important Note: The IAB and Scottish Government will assess these costs when you send a hard copy of the certified PRC, along with supporting documentation to back up the costs being claimed. Please ensure you post the signed copy and supporting documentation as soon as you have submitted the PRC on-line. Failure to do so within one week will change the risk status of your project and slow the overall process for payment on the claim.

The IAB will also undertake a further, more detailed, check on expenditure after the PRC has been processed – each IAB will be in contact direct to discuss what further documentation needs to be provided to undertake the more detailed check.

Part 4 Match Funding

- **Public Match Funding** – please add up-to-date figures for any match funding received in the last claim period quarter, for each funder approved in your application. Your overall total will then appear in the final column.

- **Project Income (£)** – add up-to-date figures for any project income generated in the last claim period quarter. Again, your overall total will then appear in the final column.
- **Private Sector Participation (£)** – add up-to-date figures for any private sector participation project income generated in the last quarter. Your overall total will also then appear in the final column.

Important Note: Refer to text under page 19, Need for Grant, in relation to the financial obligation role of match funders.

- **Applicant Comments** - provide a full, honest, accurate and up-to-date assessment of the funding progress of your project.

Part 5 Financial Declaration

- **Progress Report Financial Declaration Information** – this section is automated, based on the figures provided by you in the other parts of the PRC.

Important Note: A tick is required under Appropriate Annex attached to remind you to post immediately, after the on-line submission, your certified copy of the PRC and supporting claims documentation. Failure to provide appropriate supporting information will delay the process of your PRC and subsequent payment.

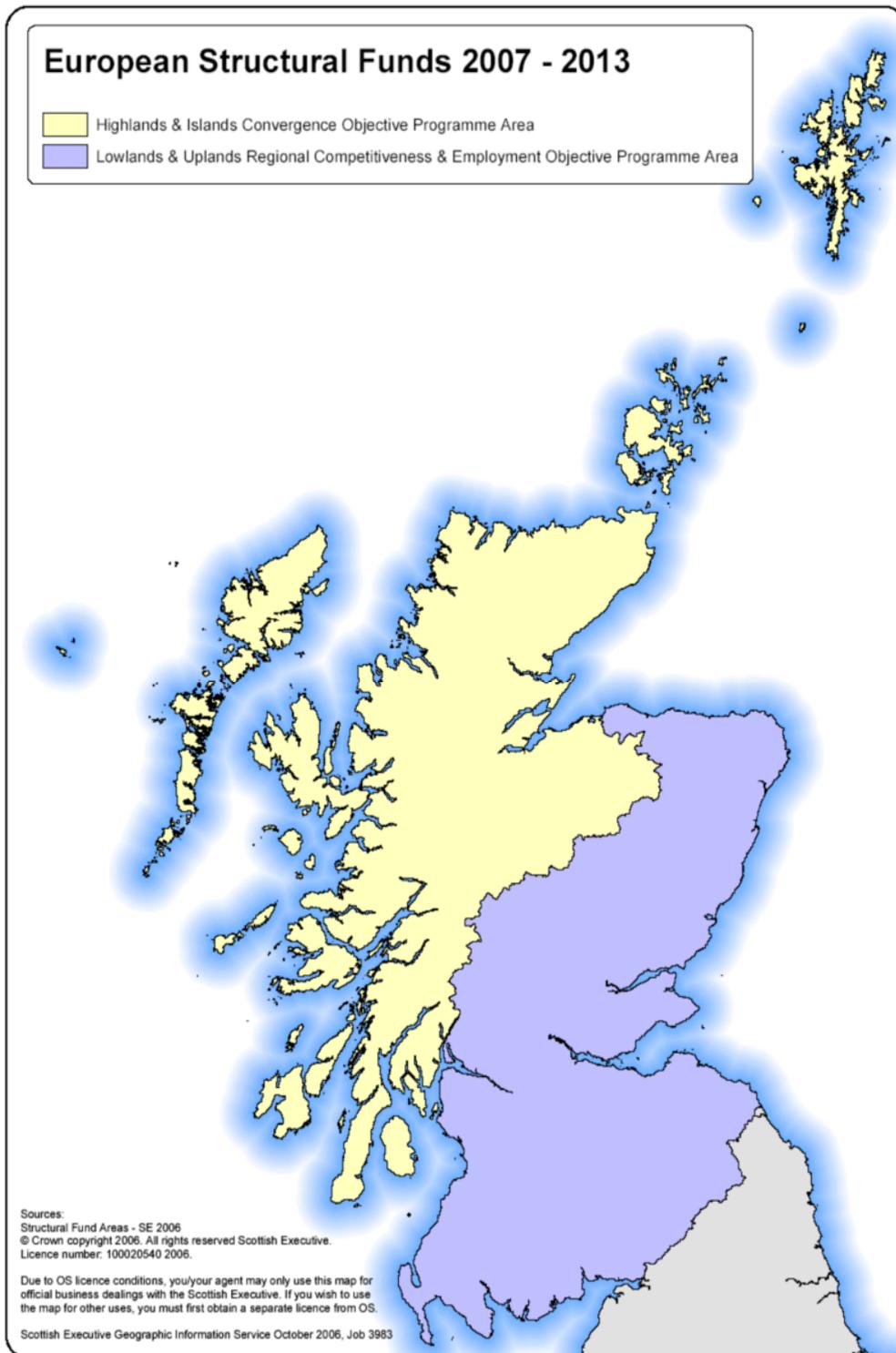
- **Applicant Comments** - please provide any other details under this section that would be useful for the IAB and Scottish Government to know.

Part 6 Declarations

- **Progress Reports Declarations** – click on the link to review the terms and conditions for your PRC. If you agree please click the 'Terms and Conditions Acknowledged and Received' box.
- **Applicant Comments** - please provide any other details under this section that would be useful for the IAB and Scottish Government to know.

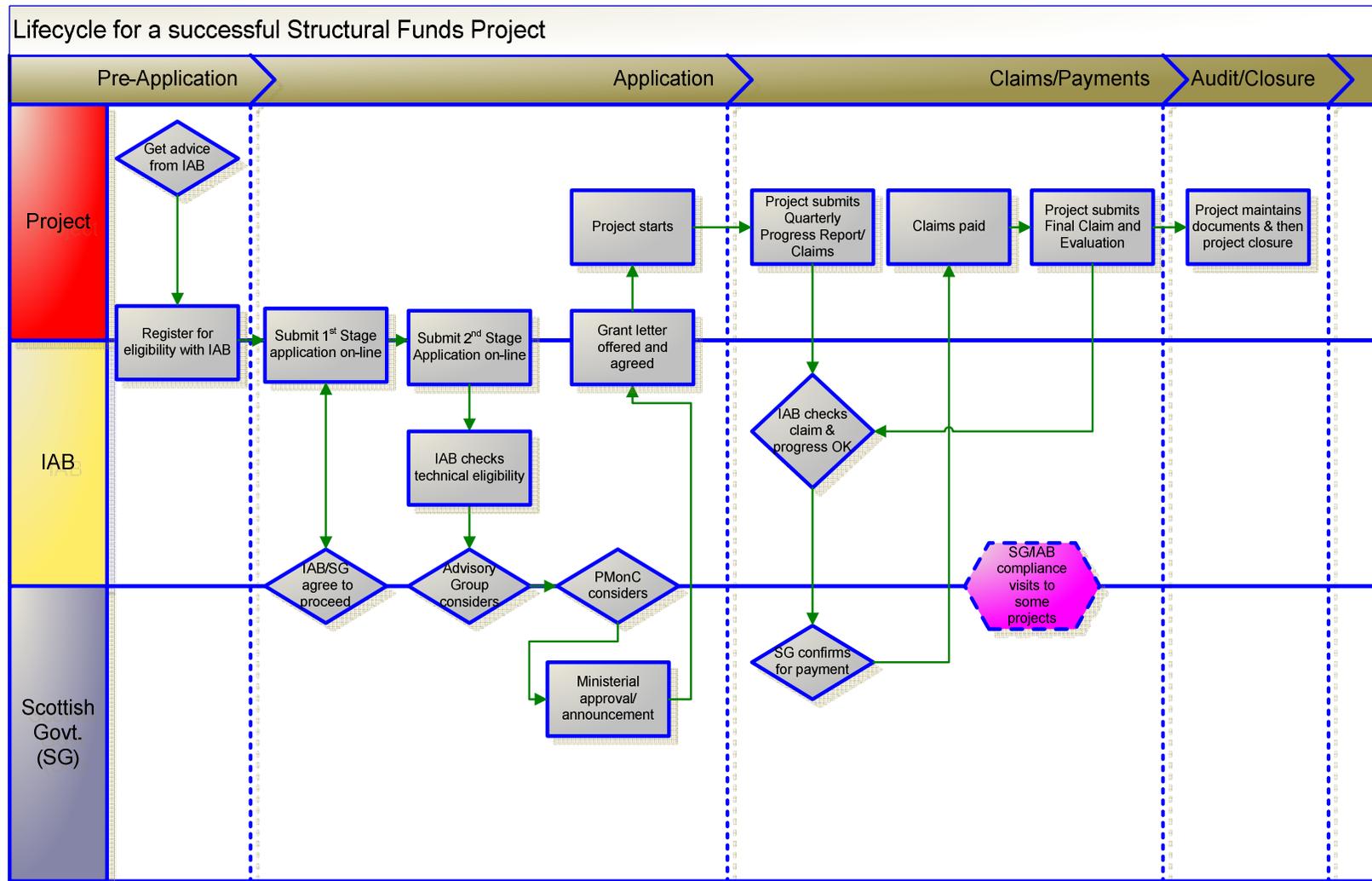
The PRC should now be ready to Submit. Please remember to check all work before hitting the **Submit** button (bottom left of the screen if you have successfully validated all parts of your PRC). Think of the Submit button as posting a letter into a post box – once it has been submitted it is not easy to retrieve information back! The PRC is then printed off, signed as a hard copy and must be forwarded to the respective IAB, **along with all appropriate Annexes.**

Section 4 - Map of European Structural Funds 2007-13



Section 5: Project Application Process

The following diagram outlines the process for successful 2007-13 European Structural Funds projects.



Annex A: Definition of indicators

The tables below set out the definitions for each of the indicators under the different Priorities in the Programmes. Applicants under each Priority must respond to each of the indicators set out.

European Regional Development Fund – Lowlands and Uplands Scotland

Priority 1: Research and Innovation

Indicator	Definition guidance
a) Output – Number of enterprises supported.	The number of enterprises directly supported. Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.
b) Output – Number of research networks and collaborations supported.	The number of research networks, collaborative projects and partnerships between enterprises, universities and other research bodies directly supported which have the aim of developing new technologies, products, services and business processes. These should be considered a separate discrete set of activities which have as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects/networks/collaborations.
c) Output – Number of renewable energy research projects supported.	The number of research projects directly supported which have the aim of developing new technologies, products, services and business processes in renewable energy, including: <ul style="list-style-type: none"> – different forms of renewable energy (such as wave, tidal, solar, wind, bio-mass and bio-fuel) – recycling and other areas of resource efficiency, and – energy use reduction and conservation Projects should be considered a separate discrete set of activities which have

	as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects.
d) Result – Number of new products and services developed by supported enterprises and research centres.	The number of new products and services developed by enterprises and research bodies as a direct result of the EU funding by the end of the second year after the project's completion. Different versions/stages of a new product or service should not be counted separately.
e) Result – Increase in turnover by supported enterprises (£mn).	The increase, in monetary terms, in turnover by enterprises as a direct result of the EU funding by the end of the first year after the project's completion.
f) Result – Number of new products and services developed by supported research networks.	The number of new products and services developed by research networks – as defined above – as a direct result of the EU funding by the end of the second year after the project's completion. Different versions/stages of a new product or service should not be counted separately.
g) Result – Number of gross jobs created.	The number of gross jobs that have been created as a direct result of the EU funding by the end of the first year after the project's completion. This should be expressed as full-time equivalents (FTEs).

European Regional Development Fund – Lowlands and Uplands Scotland

Priority 2: Enterprise Growth

Indicator	Definition guidance
a) Output – Number of enterprises receiving financial support.	The number of enterprises directly supported (grant/loan/equity). Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance.
b) Output – Number of individuals/enterprises receiving advice/consultancy.	The number of individuals (eg. those wishing to set up their own business) or enterprises (e.g. new start-ups requiring assistance) given direct business advice and consultancy support. Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.
c) Output – Number of enterprises receiving support for e-commerce.	The number of enterprises receiving support to develop their ability to undertake e-commerce. This can include support for scoping or introducing e-commerce strategies, procedures and technologies as well as further developing existing e-commerce capabilities within enterprises. Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.
d) Output – Number of enterprises receiving support for energy-saving and resource-efficiency.	The number of enterprises receiving support for activities which directly improve energy-saving and resource efficiency within their businesses. This can include support for projects scoping, introducing or further developing business processes and technologies for increasing savings in energy, water and material inputs as well as reducing/recycling waste. Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.
e) Result – Increase in turnover in supported enterprises (£mn).	The increase, in monetary terms, in turnover by enterprises that are directly supported by the EU funding by the end of the first year after the project's completion.

f) Result – Number of new business starts.	The number of new business starts that have been directly supported by the project, as defined as enterprises trading for less than six months.
g) Result – Number of e-commerce strategies developed.	The number of strategies developed by enterprises committing themselves to, and setting out how, they will take advantage of and take forward e-commerce technologies and services within their businesses as a direct result of the project by the end of the first year after the project's completion.
h) Result – Number of enterprises implementing environmental audits and energy-saving/resource-efficiency systems.	The number of enterprises putting in place new environmental audits and energy-saving and resource-efficiency initiatives that introduce or improve business products, services or processes undertaken by organisations as a direct result of the project by the end of the first year after the project's completion.
i) Result – Number of gross jobs created.	The number of gross jobs that have been created as a direct result of the EU funding by the end of the first year after the project's completion. This should be expressed as full-time equivalents (FTEs).

European Regional Development Fund – Lowlands and Uplands Scotland

Priority 3: Urban Regeneration

Indicator	Definition guidance
a) Output – Number of job brokerage initiatives supported.	The number of projects which provide job brokerage and match-making services for workless and part-time individuals in the targeted areas.
b) Output – Number of ICT and e-learning facilities supported.	The number of separate facilities directly supported by the project which provide ICT training, internet access and e-learning services to workless and part-time individuals in the targeted areas. A simple count of facilities is required.
c) Output – Number of childcare and other community facilities supported.	The number of separate facilities directly supported by the project which provide childcare services or other community-based services in support of workless and part-time individuals aiming to get into employment in the targeted areas. A simple count of facilities is required.
d) Output – Number of transport hub projects supported.	Number of initiatives which enhance the availability/accessibility of transport within local communities and bring together different modes of transport for the benefit of workless and part-time individuals (e.g. bus/rail links). Moveable and large-scale infrastructure cannot be supported.
e) Output – Area of business space created or modified (m ²).	The amount of business space that has been refurbished/modified as a direct result of the project.
f) Output – Number of renewable energy and resource/energy-efficiency projects supported.	The number of projects which directly improve energy-saving and resource efficiency within organisations and/or facilities or which aim to develop and make better use of renewable energy resources. This can include support for projects scoping, introducing or further developing business processes and technologies for increasing savings in energy, water and material inputs as well as reducing/recycling waste. Projects should be considered a separate discrete set of activities which have as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning

	– should not be considered as separate projects.
g) Result – Increase in the number of individuals gaining employment through supported job brokerage schemes.	The increase in the number of individuals gaining employment through projects which provide job brokerage and match-making services for workless and part-time individuals in the targeted areas by the end of the first year after the project's completion.
h) Result – Increase in the number of individuals gaining employment through supported ICT/e-learning facilities.	The increase in the number of individuals gaining employment through projects encouraging ICT/e-learning facilities by the end of the first year after the project's completion, whether part- or full-time employment.
i) Result – Increase in the number of individuals gaining employment through supported childcare/community facilities.	The increase in the number of individuals who enter into employment through projects supporting childcare/community facilities by the end of the first year after the project's completion, whether part- or full-time employment.
j) Result – Number of enterprises supported.	The number of enterprises directly supported. Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.
k) Result – Number of social enterprises supported.	The number of social enterprises directly supported, as defined as businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or the community, rather than being driven by the need to maximise profit for shareholders or owners. Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.
l) Result – Number of gross jobs created.	The number of gross jobs that have been created as a direct result of the EU funding by the end of the first year after the project's completion. This should be expressed as full-time equivalents (FTEs).

European Regional Development Fund – Lowlands and Uplands Scotland

Priority 4: Rural Development

Indicator	Definition guidance
a) Output – Number of enterprises supported.	The number of enterprises direct supported. Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.
b) Output – Number of e-learning/childcare and other community facilities supported.	The number of separate facilities directly supported by the project which provide ICT training, internet access, e-learning, childcare and other community-based services to workless and part-time individuals in the targeted areas. A simple count of facilities is required.
c) Output – Area of business space created or modified (m ²).	The amount of business space that has been created or modified as a direct result of the project, in square metres.
d) Output – Number of educational access projects supported.	The number of projects aiming to increase access of individuals and enterprises in the targeted areas to higher and further education resources and institutions. Projects should be considered a separate discrete set of activities which have as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects.
e) Output – Number of local transport projects supported.	The number of projects directly supporting improved transport accessibility for local communities, particularly 'green' transport initiatives and the development of sustainable community-based transport. Projects should be considered a separate discrete set of activities which have as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects. Moveable infrastructure cannot be supported.

<p>f) Result – Number of new marketing initiatives.</p>	<p>The number of new separate initiatives introduced by enterprises to improve market and export development as a direct result of the project by the end of the first year after the project's completion. Within individual projects, each initiative should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.</p>
<p>g) Result – Number of enterprises introducing new supply and production processes.</p>	<p>The number of enterprises introducing new supplying arrangements and internal production processes within their businesses as a direct result of the project by the end of the first year after the project's completion. Within individual projects, each initiative should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.</p>
<p>h) Result – Number of enterprises benefiting from supported facilities.</p>	<p>The number of enterprises benefiting from facilities that have been supported by the project by the end of the first year after the project's completion, as defined by additional gains in the employment, turnover, product/service range, exporting capability, R&D/innovation capacity and productivity of their businesses.</p>
<p>i) Result – Occupancy rates of business space by the end of the Programme.</p>	<p>The occupancy rates of business space directly supported by the project by the end of 2013.</p>
<p>j) Result – Number of gross jobs created.</p>	<p>The number of gross jobs that have been created as a direct result of the EU funding by the end of the first year after the project's completion. This should be expressed as full-time equivalents (FTEs).</p>

European Social Fund – Lowlands and Uplands Scotland

Priority 1: Progressing into Employment

Indicator	Definition guidance
a) Output – Number of participants receiving support.	The number of individuals receiving any form of support in the project.
b) Output – Number of participants with multiple deprivations.	<p>The number of participants that can be classified as belonging to more than one of the following target groups:</p> <ul style="list-style-type: none"> - Long-term unemployed/inactive people (i.e. for over two years) - 16-19 year olds not in education, employment or training - Young people (i.e. under 20) identified as being at risk of not entering education, employment or training on leaving school - Unemployed/inactive lone parents and other carers - Unemployed/inactive people with mental health problems, long-term illness, disabilities or learning difficulties - Older people (i.e. 50 and over) seeking to re-enter the labour force or requiring re-skilling - Other disadvantaged unemployed/inactive groups such as prisoners prior to release, ex-offenders, people with drug or alcohol problems, homeless people and refugees - Unemployed/inactive people from ethnic minority groups - Individuals experiencing part-time and seasonal (or limited to certain times of the year) employment <p>Note that 'inactivity' is defined as those of working age not otherwise categorised as 'employed' or 'unemployed'.</p>
c) Output – Number of participants in the NEET group.	The number of participants who are aged 16-19 and not in education, employment or training.
d) Output – Number of participants with disabilities or health difficulties.	As defined by the indicator.

e) Result – Number of participants entering employment.	The number of participants who subsequently go into employment (whether full-time, part-time or self-employed, voluntary work) upon leaving as a direct result of the project.
f) Result – Number of participants entering education or training.	The number of participants entering education or training upon leaving as a direct result of the project.
g) Result – Number of participants gaining a partial or full qualification.	The number of participants gaining a full qualification or a completed unit towards a full qualification as a direct result of the project.
h) Result – Number of participants in employment six months after leaving.	The number of participants who entered employment – as defined above – upon leaving as a direct result of the project and who have remained in employment for six months or more.

European Social Fund – Lowlands and Uplands Scotland

Priority 2: Progressing through Employment

Indicator	Definition
a) Output – Number of participants receiving support.	The number of individuals receiving any form of support in the project.
b) Result – Number of participants gaining partial or full qualification.	The number of participants gaining a full qualification or a completed unit towards a full qualification as a direct result of the project.
c) Output – Number of male participants without basic skills.	The number of male participants who do not have basic (or SCQF level 1 or 2) skills when joining the project.
d) Output – Number of female participants without basic skills.	The number of female participants who do not have basic (or SCQF level 1 or 2) skills when joining the project.
e) Output – Number of male participants without level 2 skills.	The number of male participants who only have SCQF level 1 and 2 skills when joining the project.
f) Output – Number of female participants without level 2 skills.	The number of female participants who only have SCQF level 1 and 2 skills when joining the project.
g) Output – Number of male participants without level 3 skills.	The number of male participants who have SCQF level 3 to 5 skills when joining the project.
h) Output – Number of female participants without level 3 skills.	The number of female participants who have SCQF level 3 to 5 skills when joining the project.
i) Output – Number of male participants without level 4 skills.	The number of male participants who have SCQF level 6 skills when joining the project.
j) Output – Number of female participants without level 4 skills.	The number of female participants who have SCQF level 6 skills when joining the project.
k) Output – Number of male participants without level 5 skills	The number of male participants who have SCQF level 7 skills when joining the project.
l) Output – Number of female participants without level 5 skills	The number of female participants who have SCQF level 7 skills when joining the project.
m) Output – Number of women in projects addressing better gender	The number of female participants in projects aiming to increase their ability

imbalance.	to gain employment in sectors and professions where the ratio of women to men in employment is 1:2 (as measured at Scotland or programme level).
n) Output – Number of men in projects addressing better gender imbalance.	The number of male participants in projects aiming to increase their ability to gain employment in sectors and professions where the ratio of men to women in employment is 1:2 (as measured at Scotland or programme level).
o) Output – Number of participants in projects addressing entrepreneurial managerial skills.	The number of participants in projects aiming to help individuals set up a business or improve the managerial skills of individuals recently becoming a manager of an enterprise (i.e. they have become a manager within six months of their joining the project).
p) Output – Number of participants from social enterprises.	The number of participants employed in a social enterprise, as defined as businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or the community, rather than being driven by the need to maximise profit for shareholders or owners.
q) Result – Number of male participants gaining basic skills.	The number of male participants who gain a basic (or SCQF level 1 and 2) skill as a direct result of the project.
r) Result – Number of female participants gaining basic skills.	The number of female participants who gain a basic (or SCQF level 1 and 2) skill as a direct result of the project.
s) Result – Number of male participants gaining level 2 skills.	The number of male participants who gain a SCQF level 3, 4 or 5 skill as a direct result of the project.
t) Result – Number of female participants gaining level 2 skills.	The number of female participants who gain a SCQF level 3, 4 or 5 skill as a direct result of the project.
u) Result – Number of male participants gaining level 3 or above skills.	The number of male participants who gain a SCQF level 6 or above skill as a direct result of the project.
v) Result – Number of female participants gaining level 3 or above skills.	The number of female participants who gain a SCQF level 6 or above skill as a direct result of the project.
w) Result – Number of male participants gaining level 4 or above skills	The number of male participants who gain a SCQF level 7 or above skill as a direct result of the project.
x) Result – Number of female participants gaining level 4 or above skills	The number of female participants who gain a SCQF level 7 or above skill as a direct result of the project.
y) Result – Number of women going into gender-imbalanced sectors.	The number of female participants entering employment in sectors and professions where the ratio of women to men is 1:2, as a direct result of the project (as measured at Scotland or programme level) by the end of the first year after the project's completion.

<p>z) Result – Number of men going into gender-imbalanced sectors.</p>	<p>The number of male participants entering employment in sectors and professions where the ratio of men to women is 1:2, as a direct result of the project (as measured at Scotland or programme level) by the end of the first year after the project's completion.</p>
<p>aa) Result – Number of entrepreneurs and new managers gaining a partial or full qualification.</p>	<p>The number of participants aiming to set up a business or recently becoming a manager of an enterprise gaining a full qualification or a completed unit towards a full qualification as a direct result of the project.</p>
<p>bb) Result – Number of participants from social enterprises gaining a partial or full qualification.</p>	<p>The number of participants employed in a social enterprise gaining a full qualification or a completed unit towards a full qualification as a direct result of the project. 'Social enterprises' are defined as businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or the community, rather than being driven by the need to maximise profit for shareholders or owners.</p>

European Social Fund – Lowlands and Uplands Scotland

Priority 3: Improving Access to Lifelong Learning

Indicator	Definition
a) Output – Number of participants who are trainers.	The number of participants receiving any form of support who are employed to train and raise the skills levels of the target groups listed under ESF Priority 1.
b) Output – Number of projects supporting the development of new courses/materials or innovative approaches to learning.	The number of projects which aim to: <ul style="list-style-type: none"> - develop new learning courses - develop new materials for use in courses - adapt existing materials/courses for use for new target groups or new geographical areas - test new approaches for training and learning for the target groups listed under ESF Priority 1
c) Output – Number of local learning centres/access points/workplace initiatives supported.	The number of separate local learning centres, local access points used for general learning/training and initiatives designed for specific enterprises (or groups of enterprises) directly supported through the project.
d) Result – Number of trainers gaining a partial or full qualification.	The number of participants who are trainers gaining a full qualification or a completed unit towards a full qualification as a direct result of the project.
e) Result – Number of new courses/materials developed.	The number of new courses and course materials developed as a direct result of the project by the end of the first year after the project's completion. 'Course materials' will be counted in terms of a single package of materials associated with an individual course.

<p>f) Result – Number of participants benefiting from local learning centre/access point/workplace initiative support.</p>	<p>The number of participants directly benefiting from the local learning centres, local access points used for general learning/training and initiatives designed for specific enterprises (or groups of enterprises) directly supported by the project by the end of the first year after the project's completion. 'Benefiting' is defined as directly resulting in the participant entering employment (whether full/part-time or self-employed/voluntary work) or entering a course with a view to gaining a partial or full qualification.</p>
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European Regional Development Fund – Highlands & Islands

Priority 1: Enhancing Business Competitiveness, Commercialisation and Innovation

Indicator	Definition
a) Output – Number of individuals and new enterprises receiving advice/consultancy.	The number of separate individuals or enterprises given direct business advice and consultancy support. Individuals and enterprises should not be double-counted (e.g. in the case of one-person businesses). Within individual projects, individuals and enterprises should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.
b) Output – Number of enterprises receiving financial support.	The number of enterprises directly supported (grant/loan/equity). Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance.
c) Output – Number of enterprises receiving support for e-commerce.	The number of enterprises receiving support to develop their ability to undertake e-commerce. This can include support for scoping or introducing e-commerce strategies, procedures and technologies as well as further developing existing e-commerce capabilities within enterprises. Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.
d) Output – Number of enterprises receiving support for energy-saving and resource-efficiency.	The number of enterprises receiving support for activities which directly improve energy-saving and resource efficiency within their businesses. This can include support for projects scoping, introducing or further developing business processes and technologies for increasing savings in energy, water and material inputs as well as reducing/recycling waste. Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.

e) Output – Number of social enterprises receiving support.	The number of social enterprises directly supported by the project, as defined as businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or the community, rather than being driven by the need to maximise profit for shareholders or owners.
f) Output – Number of enterprises receiving support through the Strategic Delivery Body.	The number of enterprises directly support by the Strategic Delivery Body projects carried out by Highlands & Islands Enterprise. Within individual projects, enterprises should only be counted once, regardless of the number of instances of assistance, and have to receive a minimum of half a day's support or the financial equivalent.
g) Output – Area of business space created or modified (m ²).	The amount of business space that has been created or modified as a direct result of the project, in square metres.
h) Output – Number of commercialisation activities.	The number of projects directly supporting the development of new products and services for market development by enterprises, including activities in support of prototypes, introducing/adapting production techniques and, scoping and development of markets. These should be considered a separate discrete set of activities. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects.
i) Result – Number of new business starts resulting from support.	The number of new business starts that have been directly supported by the project by the end of the first year after the project's completion, as defined as enterprises trading for less than six months.

<p>j) Result – Number of e-commerce strategies developed.</p>	<p>The number of strategies developed by enterprises committing themselves to, and setting out how, they will take advantage of and take forward e-commerce technologies and services within their businesses as a direct result of the project by the end of the first year after the project's completion.</p>
<p>k) Result – Number of enterprises implementing environmental audits and energy-saving/resource-efficiency systems.</p>	<p>The number of enterprises putting in place new environmental audits and energy-saving and resource-efficiency initiatives that introduce or improve business products, services or processes undertaken by organisations as a direct result of the project by the end of the first year after the project's completion.</p>
<p>l) Result – Increase in turnover in enterprises supported by Strategic Delivery Body (£mn).</p>	<p>The increase, in monetary terms, in turnover by enterprises as a direct result of the Strategic Delivery Body projects carried out by Highlands & Islands Enterprise by the end of the first year after the project's completion.</p>
<p>m) Result – Number of new products and services developed.</p>	<p>The number of new products and services that have been developed as a direct result of the project by the end of the first year after the project's completion. This should be defined as the number of new products and services launched on the market by assisted enterprises as a result of the project (including incremental improvements, such as a significant change to an existing product).</p>
<p>n) Result – Number of gross jobs created.</p>	<p>The number of gross jobs that have been created as a direct result of the EU funding by the end of the first year after the project's completion. This should be expressed as full-time equivalents (FTEs).</p>

European Regional Development Fund – Highlands & Islands

Priority 2: Enhancing Key Drivers for Sustainable Growth

Indicator	Definition
a) Output – Number of research facilities supported.	The number of separate research facilities – such as laboratories, testing facilities and research centres – directly supported by the project. A simple count is required.
b) Output – Number of e-learning/training facilities supported.	The number of separate facilities directly supported by the project which provide ICT training, internet access and e-learning services. A simple count is required.
c) Output – Number of RTD projects supported.	The number of research projects which have the aim of developing new technologies, products, services and business processes. These should be considered a separate discrete set of activities which have as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects.
d) Output – Number of renewable energy research projects.	<p>The number of research projects directly supported which have the aim of developing new technologies, products, services and business processes in renewable energy, including:</p> <ul style="list-style-type: none"> – different forms of renewable energy (such as wave, tidal, solar, wind, bio-mass and bio-fuel) – recycling and other areas of resource efficiency, and – energy use reduction and conservation <p>Projects should be considered a separate discrete set of activities which have as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects.</p>

<p>e) Output – Number of projects on the sustainable use of natural and cultural assets to develop new products and services.</p>	<p>The number of separate projects which have as their primary aim the introduction or development of new products and services directly relating to more sustainable use of the natural, historical and cultural assets of the region. Projects should be considered a separate discrete set of activities which have as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects.</p>
<p>f) Result – Number of patents filed.</p>	<p>The number of patents or intellectual property rights registrations filed as a direct result of the project by the end of the second year after the project's completion.</p>
<p>g) Result – Number of vocational training infrastructure projects supported.</p>	<p>The number of projects directly supporting building and other infrastructure primarily aimed at vocational training, teaching and learning. Projects should be considered a separate discrete set of activities which have as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects.</p>
<p>h) Result – Number of new products and services based on natural and cultural assets developed.</p>	<p>The number of new products and services developed as a direct result of the project which are directly based on sustainable commercial use of the natural, historical and cultural assets of the region. This should be defined as the number of new products and services launched on the market as a result of the project (including incremental improvements, such as a significant change to an existing product).</p>
<p>i) Result – Number of gross jobs created.</p>	<p>The number of gross jobs that have been created as a direct result of the EU funding by the end of the first year after the project's completion. This should be expressed as full-time equivalents (FTEs).</p>

European Regional Development Fund – Highlands & Islands

Priority 3: Enhancing Peripheral and Fragile Communities

Indicator	Definition
a) Output – Number of e-learning/childcare and other community facilities supported.	The number of separate facilities directly supported by the project which provide ICT training, internet access, e-learning, childcare and other community-based services to workless and part-time individuals in the targeted areas. A simple count is required.
b) Output – Area of business space created or modified (m ²).	The amount of business space that has been created or modified as a direct result of the project, in square metres.
c) Output – Number of transport projects supported.	The number of projects directly supporting improvements in transport, particularly road, rail, port and air, in the targeted areas with a view to improving local accessibility. Projects should be considered a separate discrete set of activities which have as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects.
d) Output – Number of ICT infrastructure projects supported.	The number of projects directly supporting improvements in ICT infrastructure, particularly broadband, in the targeted areas with a view to improving local connectivity. Projects should be considered a separate discrete set of activities which have as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects.

<p>e) Output – Number of renewable energy projects supported.</p>	<p>The number of projects directly supported which have the aim of developing or utilising new technologies, products, services and business processes in renewable energy, including:</p> <ul style="list-style-type: none"> – different forms of renewable energy (such as wave, tidal, solar, wind, bio-mass and bio-fuel) – recycling and other areas of resource efficiency, and – energy use reduction and conservation <p>Projects should be considered a separate discrete set of activities which have as their purpose the development of one of the outputs listed above. Different stages of what is the same project – as defined by an overarching set of objectives, participants and project planning – should not be considered as separate projects.</p>
<p>f) Result – Number of gross jobs created.</p>	<p>The number of gross jobs that have been created as a direct result of the EU funding by the end of the first year after the project's completion. This should be expressed as full-time equivalents (FTEs).</p>

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Priority 1: Increasing the Workforce

Indicator	Definition
a) Output – Number of participants receiving support.	The number of individuals receiving any form of support in the project.
b) Output – Number of participants with multiple deprivations	<p>The number of participants that can be classified as belonging to more than one of the following target groups:</p> <ul style="list-style-type: none"> - Long-term unemployed/inactive people (i.e. for over two years) - 16-19 year olds not in education, employment or training - Young people (i.e. under 20) identified as being at risk of not entering education, employment or training on leaving school - Unemployed/inactive lone parents and other carers - Unemployed/inactive people with mental health problems, long-term illness, disabilities or learning difficulties - Older people (i.e. 50 and over) seeking to re-enter the labour force or requiring re-skilling - Other disadvantaged unemployed/inactive groups such as prisoners prior to release, ex-offenders, people with drug or alcohol problems, homeless people and refugees - Unemployed/inactive people from ethnic minority groups - Individuals experiencing part-time and seasonal (or limited to certain times of the year) employment <p>Note that 'inactivity' is defined as those of working age not otherwise categorised as 'employed' or 'unemployed'.</p>
c) Result – Number of participants entering employment.	The number of participants who subsequently go into employment (whether full-time, part-time or self-employed, voluntary work) upon leaving as a direct result of the project.

d) Result – Number of participants entering education or training.	The number of participants entering education or training upon leaving as a direct result of the project.
e) Result – Number of participants gaining a partial or full qualification.	The number of participants gaining a full qualification or a completed unit towards a full qualification as a direct result of the project.
f) Result – Number of participants in employment six months after leaving.	The number of participants who entered employment – as defined above – upon leaving as a direct result of the project and who have remained in employment for six months or more.

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Priority 2: Investing in the Workforce

Indicator	Definition
a) Output – Number of participants receiving support.	The number of individuals receiving any form of support in the project.
b) Result – Number of participants gaining partial or full qualification.	The number of participants gaining a full qualification or a completed unit towards a full qualification as a direct result of the project.
c) Output – Number of male participants without basic skills.	The number of male participants who do not have basic (or SCQF level 1 or 2) skills when joining the project.
d) Output – Number of female participants without basic skills.	The number of female participants who do not have basic (or SCQF level 1 or 2) skills when joining the project.
e) Output – Number of male participants without level 2 skills.	The number of male participants who only have SCQF level 1 or 2 skills when joining the project.
f) Output – Number of female participants without level 2 skills.	The number of female participants who only have SCQF level 1 or 2 skills when joining the project.
g) Output – Number of male participants without level 3 skills.	The number of male participants who have SCQF level 3 to 5 skills when joining the project.
h) Output – Number of female participants without level 3 skills.	The number of female participants who have SCQF level 3 to 5 skills when joining the project.
i) Output – Number of women in projects addressing better gender balance.	The number of female participants in projects aiming to increase their ability to gain employment in sectors and professions where the ratio of women to men in employment is 1:2 (as measured at Scotland or programme level).
j) Output – Number of participants in projects addressing managerial skills.	The number of participants in projects aiming to help individuals set up a business or improve the skills of managers of enterprises.

k) Output – Number of participants in projects addressing continuing professional development.	The number of individuals who are participating in projects which are encouraging improvement in management skills or continuing professional development.
l) Output – Number of participants from social enterprises.	The number of participants employed in a social enterprise, as defined as businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or the community, rather than being driven by the need to maximise profit for shareholders or owners.
m) Result – Number of participants gaining partial or full qualification.	The number of participants gaining a full qualification or a completed unit towards a full qualification as a direct result of the project.
n) Result – Number of male participants gaining basic skills.	The number of male participants who gain a basic (or SCQF level 1 or 2) skill as a direct result of the project.
o) Result – Number of female participants gaining basic skills.	The number of female participants who gain a basic (or SCQF level 1 or 2) skill as a direct result of the project.
p) Result – Number of male participants gaining level 2 skills.	The number of male participants who gain a SCQF level 3, 4 or 5 skill as a direct result of the project.
q) Result – Number of female participants gaining level 2 skills.	The number of female participants who gain a SCQF level 3, 4 or 5 skill as a direct result of the project.
r) Result – Number of male participants gaining level 3-5 skills.	The number of male participants who gain a SCQF level 6 to 10 skill as a direct result of the project.
s) Result – Number of female participants gaining level 3-5 skills.	The number of female participants who gain a SCQF level 6 to 10 skill as a direct result of the project.
t) Result – Number of women going into gender-imbalanced sectors after six months.	The number of female participants entering employment in sectors and professions where the ratio of women to men is 1:2, as a direct result of the project (as measured at Scotland or programme level) upon leaving.
u) Result – Number of participants gaining a partial or full qualification.	The number of participants gaining a full qualification or a completed unit towards a full qualification as a direct result of the project.
v) Result – Number of participants gaining levels 6-10 skills.	Please apply a zero to this indicator for now. It is erroneous and we will be asking permission from the European Commission to remove this indicator.

<p>w) Result – Number of participants from social enterprises gaining a partial or full qualification.</p>	<p>The number of participants employed in a social enterprise gaining a full qualification or a completed unit towards a full qualification as a direct result of the project. 'Social enterprises' are defined as businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or the community, rather than being driven by the need to maximise profit for shareholders or owners.</p>
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Priority 3: Improving Access to Lifelong Learning

Indicator	Definition
a) Output – Number of participants who are trainers.	The number of participants receiving any form of support who are employed to train and raise the skills levels of the target groups listed under ESF Priority 1.
b) Output – Number of projects supporting the development of new courses/materials or innovative approaches to learning.	The number of projects which aim to: <ul style="list-style-type: none"> - develop new learning courses - develop new materials for use in courses - adapt existing materials/courses for use for new target groups or new geographical areas - test new approaches for training and learning for the target groups listed under ESF Priority 1
c) Output – Number of local learning centres/access points/ workplace initiatives supported.	The number of separate local learning centres, local access points used for general learning/training and initiatives designed for specific enterprises (or groups of enterprises) directly supported through the project.
d) Result – Number of trainers gaining a partial or full qualification.	The number of participants who are trainers gaining a full qualification or a completed unit towards a full qualification as a direct result of the project.
e) Result – Number of new courses/materials developed.	The number of new courses and course materials developed as a direct result of the project. 'Course materials' will be counted in terms of a single package of materials associated with an individual course.
f) Result – Number of participants benefiting from local learning centre/access point/workplace initiative support.	The number of participants directly benefiting from the local learning centres, local access points used for general learning/training and initiatives designed for specific enterprises (or groups of enterprises) directly supported by the project by the end of the first year after the project's completion.

Annex B: Additional guidance on educational references

Updated programme (yes / no)	ISCED-97 Level and programme destination	Programme orientation	Theoretical cumulative duration at ISCED 5	Position in the national degree / qualification structure (intermediate, first, second, etc...)	Notes on programmes that span across ISCED levels or sub-categories	National name of the programme	Minimum entrance requirement	Main diplomas, credentials and certifications awarded	Typical starting age	Theoretical duration of the programme	Typical duration of the programme	Theoretical cumulative years of education at the end of the programme	Programme specifically designed for continuing education (yes / no)	Programme specifically designed for part-time attendance (yes / no)	Reported in the UOE data collection (yes / no)	Notes
UK	0					Nursery schools and classes			2-3	2	1-2					Non-compulsory, not specifically designed for part time attendance but 95% of pupils attend part time.
	0					Playgroups and day nurseries			2-4	1-3	1-3				No	Non-compulsory, contains educational content (inspection system), data currently coming on stream.
	0					Reception classes			4	1	1					Includes first year of primary in Northern Ireland.
	1 2C, 3C, 5B	V				Primary school Employer supported off-the-job	Varies but often no certification		5 16+	6 Varies	6 Varies	6 11+		Yes	No	

	2C, 3C	V		Employer supported on-the-job training		completion Varies but often no certification on completion	16+	Varies	Varies	11+		Yes	No	
	2B	G		Adult literacy and numeracy		Varies but often no certification on completion	16+	Varies	Varies	11+	yes	Yes	No	Delivered in a wide range of settings including Further Education Colleges, workplaces, prisons, Adult & Community Learning (see line 20)
	2B	P		Skillstart (Scotland only)		National Certificate Skillstart 1 and 2	16+	1	1	11+				Designed as the basic point of re-entry to education for those with special needs or no qualifications.
	2A	G		Secondary school (age <14)	1		11	3	3	9				
	3C	P		GNVQ [GSVQ] Foundation Level		General National Vocational Qualification Foundation Level	14+	1	1	10+				
	3C long	G		GCSE 5+ A*-C passes	2A	General Certificate of Secondary Education	14	2	2	11				Equivalents include SCE 5+ A*-C passes (Scotland); 5+ Ordinary-level GCE passes (old qualification)
	3C short	G		GCSE < 5+ A*-C passes	2A	General Certificate of	14	2	2	11				Equivalents include SCE < 5 A*-C passes (Scotland) / < 5+ O-level GCE passes (old

	3C	V		Activities leading to NVQ Level 1 and equivalent		Various qualifications equivalent to National Vocational Qualification Level 1	16	Varies	Varies	11+				
	3C	V		Traditional apprenticeships	3C	Varies but often no certification on completion	16-18	0.5-4	0.5-4	12+			No	
	3C	G		Adult and Community Learning		Varies: certificate awarded for one-third of completions	16+	Varies	Varies	11+	yes	Yes	No	Delivered by Local Education Authorities or voluntary organisations. Many courses constitute learning for leisure. May be a first step in bringing adults back into learning.
	3C	V		Work-based training for young people (including national traineeships)	3C	All participants must work towards a vocational qualification	16-17		2	13			No	

3A	V		Activities leading to NVQ Level 3 and equivalent	3C	Various qualifications equivalent to National Vocational Qualification Level 3	16+	Varies	Varies	11+		No	
3A	G		SCE Higher Grade	3C	GCE A/AS equivalence	16	1	1	12			Mostly in school but some in FE.
3A	G		Scottish Certificate of Sixth Year Studies	3C	Certificate of 6YS	17	1	1	13			Taken in comb with A/AS or NVQ3.
3A	V		GNVQ [GSVQ] Advanced Level	3C	General National Vocational Qualification Advanced Level	16+	2	2	13			
3A	G		GCE Advanced Level	3C	GCE A/AS	16	2	2	13			
3A	V		Modern Apprenticeships (MAs)	3C	All participants must work towards a vocational qualification – NVQ	16-19+	3-4	3-4	14		No	Government supported training so must involve vocational qualification.

						Level 3												
4A	G			HE Access Courses			18+											
5B				Activities leading to NVQ Level 5 and equivalent	5B	Various qualifications equivalent to National Vocational Qualification Level 5	21+	Varies	Varies		11+							No
5B				Activities leading to NVQ Level 4 and equivalent	3A	Various qualifications equivalent to National Vocational Qualification Level 4	18+	Varies	Varies		11+							No
5B		Short		Higher National Certificate (HNC)	3A	HNC	18+	1	1+		14							
5B		Short		Higher National Diploma (HND)	3A	HND	18+	2	2+		15							
5B		Medium		Diploma in HE (including nurses training)	3A		18+	2-3	2-3		15-16							

5A	Medium	1st	Bachelor's degree, 2 years (Foundation i.e. accelerated)	3A	Bachelor's degree (BA, BSc, etc.)	18	3	3	15		
5A	Medium	1st	Bachelor's degree, 3 years	3A	Bachelor's degree (BA, BSc, etc.)	18	3	3	16		
5A	Medium	1st	Open University (Bachelor's degree)	3A	Bachelor's degree (BSc, BA, etc.)	18+	3		16	Yes	
5A	Medium	1st	Bachelor's degree, 4 years	3A	Bachelor's degree (BA, BSc, BEd, Beng, etc.)	18	4	4	17		
5A	Long	2nd	Master's degree (taught)	5A (1st, M)	Master's degree (MSc, MA, MBA, etc.)	21	1	1	17		
5A	Long	2nd	Professional post-graduate on-the-job training	5A (1st, M)	Many professional qualifications in various fields (accountancy, law, audit, etc.) e.g. CIMA, Articles	21	1-3	1	17	Yes	No

5A	Long	2nd	Post-graduate diplomas and certificates	5A (1st, M)	Post-graduate diplomas and certificates (post-graduate certificate of education, etc.)	21	1	1	17				
5A	Long	1st	Bachelor's degree, 5+ years	3A	Bachelor's degree (MB, BDS, BV, etc.)	18	5	5	18				
5A	Long	2nd	Master's degree (by research)	5A (1st, M)		21	1-2	1-2	17-18				
6			Doctorate	5A (1st, M)	Ph.D.	21	3	3	19				