

ANNEX 4

Guidance agreed between Department for Work and Pensions European Social Fund Division and the Government Office for xxxxxx

Purpose

1. The purpose of this agreed guidance is to:-
 - clarify the role, responsibilities and accountabilities of staff in the Government Office (GO) carrying out work on behalf of the European Social Fund (ESF) Division of the Department for Work and Pensions (DWP) in respect of the effective operation and management of the England and Gibraltar 2007-2013 ESF Operational Programme.
 - set out what support GO staff can expect to receive from ESF Division.

Terminology

2. The “central managing authority” (MA) is located in ESF Division and has overall responsibility for managing the Operational Programme and specifically for the items set out in Article 60 of Council Regulation 1083/2006.¹
3. The “regional managing authority” is located in Government Offices (except for London) and carries out the managing authority tasks set out in this document, and where indicated jointly with the central managing authority.

Resources

4. ESFD has negotiated a level of staffing resource with the Regional Co-ordination Unit commensurate with the tasks set out; this resource, including on-costs, is funded by DWP.
5. As a region in the xxxxxx objective [Convergence; Competitiveness and Employment; Phasing in as appropriate], the level of resource has been agreed as x (number) full time equivalent staff, led by a Grade 7; grading of other staff is for the region to determine in the light of the tasks set out.

Central managing authority responsibilities

6. The central MA will
 - produce comprehensive guidance for all managing authority staff in the form of the ESF manuals, in particular Manual 4 – Managing authority and intermediate body guidance and requirements. These will be reviewed and revised as necessary, and revisions will be brought to the attention of all MA staff. Wherever possible the central MA will endeavour to produce draft guidance for comment by the regional MAs prior to producing finalised versions. Between quarterly revisions, guidance will be issued in the form of Action Notes. Procedures that might have an impact on staff resources will first be issued in draft to gain the opinion of regional MA staff.
 - provide regional MA staff with access to ESF IT applications and training in how to use them.

¹ There is one Managing Authority for the England and Gibraltar programme with teams in ESFD (the “central managing authority”) and Government Offices (the “regional managing authority”).

- provide training on new procedures and induction training for newly recruited staff.
- convene quarterly face to face network meetings to bring regional MA staff up to date with new issues and to generally exchange views on programme delivery and performance.
- convene an annual meeting of all regional and national managing authority staff.
- arrange teleconferences to convey urgent messages or to seek opinion on issues or proposed procedures.
- convene ad hoc meetings to discuss specific issues such as publicity and the cross cutting themes.
- give as much notice as possible for all face to face meetings so that each regional MA can be represented, though it is recognised that some teleconferences will have to be called at short notice.
- hold an annual review separately with each Government Office, either face to face or via teleconference.
- answer queries on issues that are not covered in guidance or where an interpretation of the guidance is sought. A response to queries will normally be given within 10 working days unless the issue has to be referred to the European Commission or other body.
- keep the regional MA up to date with national policy developments relating to employment and skills.
- encourage GOs to act as a network, sharing good practice and lessons learnt.
- encourage GOs to understand the policy context in which ESF operates, so that ESF management and delivery takes account of links to related policy priorities and has a strong focus on understanding its impact.

The service

7. The tasks set out below are carried out by the regional managing authority.

Regional strategy

- working with the Regional Skills Partnership (or equivalent body with a different title) and other regional and sub-regional strategic bodies and partners to update the regional ESF framework for 2011-13, to help ensure that it conforms with the Operational Programme, EU regulations and that there is synergy with other regional strategies and funding streams, including ERDF.
- working with regional partners, including Local Employment and Skills Boards, to be aware of initiatives and strategies relating to employment and skills to help ensure effective alignment, co-ordination and complementarity with ESF.
- keeping regional partners aware of regional and national developments relating to ESF.

- keeping ESF Division informed about developments in the region that might impact on regional and/or national strategy and feeding in good practice and lessons learnt.
- supporting ESF Division in enabling the impact of ESF programmes, their lessons and good practice, to be disseminated through DWP, DIUS and other Central Departments.
- while recognising that ESF management is a discrete activity, GOs are encouraged to build strong links to relevant aspects of their wider role for DWP on issues such as worklessness.

Representation

8. All regions should be represented at meetings convened by the central MA referred to above.
9. In addition, regions are encouraged to put forward representatives for the sub committees of the Programme Monitoring Committee and working groups that may be established by the central MA from time to time.

Appraisal and selection of operations²

11. The nature of the work depends on the type of operation, as follows:-

a. Co-financing organisation (CFO) status

- appraising applications for CFO status jointly with the central MA and designating successful applicants as CFOs. The central MA is responsible for informing CFOs about the result of the application.
- working with CFOs to establish CFO indicative allocations that reflect their respective contributions to the delivery of priorities in the regional ESF framework.
- working with the central managing authority to confirm that CFO plans address regional ESF frameworks, regional ESF allocations, output and results targets and the cross-cutting themes of gender equality, equality of opportunity and sustainable development. The regional MA is responsible for agreeing final allocations and targets prior to these being included in funding agreements.
- recommending CFO plans to the regional ESF committee for endorsement.
- concluding and signing formal funding agreements with CFOs, and ensuring that any subsequent variations to funding agreements are made accurately and timeously.

b. Technical assistance projects

- preparing a regional technical assistance strategy for agreement by the regional ESF committee. The strategy will be appraised before presentation to the regional ESF committee by the central MA to make sure it does not duplicate activities funded from the central TA allocation.

² An "operation" is defined in Regulations as "a project or group of projects selected by the managing authority of the operational programme concerned or under its responsibility according to criteria laid down by the monitoring committee and implemented by one or more beneficiaries allowing achievement of the goals of the priority axis to which it relates."

- issuing a call for proposals for technical assistance projects in line with the agreed regional strategy.
- appraising applications for TA against the regional TA strategy and national appraisal criteria set out in the ESF manual after first confirming with the central MA eligibility and non duplication with national TA projects.
- recommending selected projects to the regional ESF committee or appropriate sub-group.
- concluding and signing funding agreements with projects that are selected for funding and ensuring that any subsequent variations to funding agreements are made accurately and timeously. Funding agreements should set out the services that will be provided and how these will be measured.

c. Non CFO projects – Convergence and phasing in areas only

- identifying aspects of the regional ESF framework that cannot be covered by CFOs.
- issuing a limited call for proposal for the specific activities that have been identified along with indicative project allocations.
- appraising applications jointly with the central MA and reaching a joint conclusion about which projects should be funded.
- recommending selected projects to the regional ESF committee or appropriate sub-group.
- concluding and signing formal funding agreements with project providers, and ensuring that any subsequent variations to funding agreements are made accurately and timeously.

d. Innovative, transnational and mainstreaming projects

- working with regional partners to identify the regional themes for such projects from the list of themes set out by the national innovation, transnationality and mainstreaming sub committee. Regional themes have to be agreed by the regional ESF committee. The central MA is responsible for a national call for proposals.
- appraising applications using the criteria set out in the call for proposals. The central MA will provide training that covers the specific innovation, transnationality and mainstreaming aspects of appraisal.
- recommending selected projects to the regional ESF committee or appropriate sub-group.
- concluding and signing formal funding agreements with project providers, and ensuring that any subsequent variations to funding agreements are made accurately and timeously.

Allocations and targets

12. Each region has been given a funding allocation and associated output and results targets. The total of all regional allocations and targets is equal to the national allocations and targets set out in the Operational Programme. In the

Operational Programme, annual funding allocations are denominated in euro, which have to be converted into sterling. As the exchange rate is subject to fluctuation, revised allocations may be issued from time to time by the central managing authority along with any guidance about the action that the regional managing authority is required to take.

13. The allocation for each calendar year has to be spent and claimed from the European Commission by the end of the following second year (the so-called “N+2” rule, eg 2007 allocation has to be spend and claimed by 31 December 2009)
14. The regional MA is responsible for
 - ensuring that regional allocations are fully committed through funding agreements with CFOs, and in Convergence and phasing in areas, non CFO projects. The central MA will advise if a margin of over commitment is required.
 - ensuring that output and results targets set out in funding agreements add up at least to the regional targets set out by the central MA.
 - working with CFOs to make sure that their allocations are fully committed through contracts with providers.
 - advising the central MA if there are any indications that the regional N+2 target will not be achieved.

Programme delivery

15. The regional MA is responsible for:-
 - acting as the MA first line of contact for CFOs and other regional partners.
 - identifying regional and local publicity opportunities and case studies, and ensuring that CFOs meet publicity requirements; co-ordinating activities with CFOs, arranging regional events, Ministerial visits and press notices as required; placing articles about ESF in GO and other regional publications, and contributing to Adult Learners’ Week, Europe Day and other campaigns.
 - ensuring that CFOs meet publicity requirements, including producing and implementing CFO communication plans in line with guidance issued by the central managing authority and working with the other partners to identify the annual winner of the ESF Adult Learner award.
 - disseminating good practice on the cross cutting themes to help CFOs fulfil their responsibilities, reporting to the national cross cutting themes sub-committees on progress, identifying good practice projects, and contributing to national initiatives as requested.
 - reporting to the central MA quarterly on regional issues, regional performance and providing early warnings of emerging issues. A standard pro forma will be used for this.
 - providing regional contributions to the annual implementation reports, which should be approved by the regional ESF committee.
 - providing briefing on regional ESF issues and contributions to replies to

Ministerial correspondence and PQs.

- working with the central MA to ensure that any changes arising from CFO reorganisations have a minimal impact on ESF delivery.

Regional ESF committee

16. Regional ESF committees are sub committees of the Programme Monitoring Committee. The role and composition of the regional ESF committee is set out in Annex 1. A representative of the central MA will attend each meeting.

17. The regional MA is responsible for:-

- convening a regional ESF committee in line with guidance in the ESF manual.
- acting as the secretariat for the regional ESF committee and any sub-committees, producing regular and timely information on regional performance.
- ensuring that over the course of the year the agendas of meetings cover:-
 - ◇ regional programme performance (standing item)
 - ◇ gender equality and equal opportunities
 - ◇ sustainable development
 - ◇ health (in regions where health is a cross cutting theme)
 - ◇ publicity
 - ◇ evaluation – national or regional reports
 - ◇ innovative, transnational and mainstreaming projects
 - ◇ technical assistance projects
- representing the region at meeting of the Programme Monitoring Committee and reporting back; if the regional representative on the PMC is not from the regional MA, it is the responsibility of the regional MA to brief the regional representative.
- raising with the PMC any issues that the regional ESF committee wishes to be raised.
- If the RDA or other organisation provides the secretariat for joint ESF/ERDF Regional committees, the regional MA should ensure that ESF business conducted by the Regional Committee meets requirements, including preparation of agendas, committee papers and information about regional performance.

Monitoring of beneficiaries³

18. The central MA is responsible for carrying out all finance related monitoring, specifically the Article 13 “on the spot” checks. The role of the regional MA is a more strategic one, primarily to ensure that CFO plans and non CFO projects

³ According to regulations, a beneficiary is “an operator, body or firm, whether public or private, responsible for initiating or initiating and implementing operations. This means CFOs and non CFO projects in Convergence and phasing in areas. People on ESF funded provision are “participants”.

are on track to deliver the financial and participant targets, and to agree a course of action if there are problems. The central MA will carry out baseline reviews of each CFO and non CFO project early in the life of the CFO/project; regional MA staff will be invited to do the review jointly. Specific responsibilities are:-

- undertaking quarterly strategic monitoring of CFOs to confirm delivery in accordance with the CFO plan and reporting emerging issues to the centre (NOTE: two monitoring visits a year will be carried out jointly by central and regional MA staff – at one of these visits central MA staff will carry out the required financial checks). For each joint visit, the regional and central MA will agree who is responsible for completing the respective aspects of the report pro forma, placing the pro forma on the ESF IT system and taking any follow up action.
- maintaining a strategic relationship with organisations other than CFOs that manage ESFD funded operations (Innovative, transnational and mainstreaming projects and other non CFO projects in Convergence and phasing in areas). There should be at least an annual face to face monitoring meeting to cover performance against financial and participant targets. The central MA will carry out an annual Article 13 check on each non CFO project, which ideally will be timed to coincide with performance monitoring.
- ensuring that the aims and objectives agreed for TA projects are being fulfilled, again with at least one annual face to face meeting.

Claims for payment

19. The regional MA has a limited, but important role in the payment claims process:-
- certifying the reasonableness of payment claims through desk checks set out in the ESF manual (NOTE: Separation of the certifying and authorising functions for payments is a requirement of UK government accounting rules, so that regional staff will certify, and central staff authorise payments).
 - resolving any queries and issues with the beneficiary and central MA.

Performance measures

20. The central managing authority is required by regulations to ensure that bodies acting under its delegated authority are discharging their tasks effectively. As noted above, there will be an annual review of the regional MA in each GO. Performance of each GO in carrying out this role will be considered using the following questions:-
- is the programme delivering the planned impact in each region ?
 - are staff numbers at the agreed level ?
 - did staff attend all meetings they have been invited to ?
 - were central MA requests for information been acted upon by the due date ?
 - were quarterly reports received on time covering all the items on the report pro-forma ?

- were contributions to the Annual Implementation Report submitted on time and met the requirements of the commissioning note ?
- did regional ESF committee meetings cover the range of agenda items required during the course of the year ?
- were monitoring visits to CFOs and non CFOs carried out with the frequency noted above and the appropriate non financial elements of the report produced within four weeks of each visits ?
- has the regional ESF committee discharged its responsibilities effectively ?
- does regional ESF membership reflect the regional interests set out in the ESF manual ?
- has everything been done to help ensure that CFOs and other project providers meet their expenditure and participant targets ?
- was early warning given to the central MA about potential failure to meet targets ?
- has the regional TA allocation been delivered in line with the regional TA strategy and national guidance ?
- has the regional ESF framework been reviewed and, if necessary, updated ?
- do the GO staff working on ESF have good links to GO staff working on the wider DWP agenda, particularly on relevant issues such as worklessness, child poverty and later life.

Role of regional committees

1. The aim of the regional ESF committees is to maximise the benefits of ESF at regional level. They are responsible for monitoring the effectiveness of regional ESF provision and how this contributes to the implementation of the Operational Programme and regional ESF frameworks. Specific tasks include:

- Endorsing CFO plans, including ESF allocations to ensure they contribute to the priorities in the ESF frameworks. All CFO plans have now been endorsed by the relevant regional ESF committee;
- Considering regional ESF performance including progress against regional financial, output and results indicators;
- Reporting on performance to the England ESF PMC and making regional contributions to the Annual Implementation report;
- Providing feedback to Regional Skills Partnership (the Mayor in London) on how ESF is contributing to the regional ESF framework;
- Considering CFO performance and agreeing remedial action proposed by the managing authority in the case of under-performance;
- Reviewing the implementation of the cross-cutting themes (gender equality and equal opportunities, and sustainable development), innovation and publicity;
- Monitoring the effectiveness of implementation of the current (2000-2006) ESF Objective 3 programme in the region where appropriate;

2. ESF Division will provide guidance to regional ESF committee secretariats on how the above functions might best be discharged. It is intended that the new management information system, which is based on individual participant data, will provide a series of reports at regional, CFO and sub-regional levels that will help regional ESF committees to discharge the performance monitoring function. Regions will also be expected to consider and help to develop regional strategies relating to equal opportunities, sustainable development, and innovation and transnationality. The respective sub-committees are developing guidance on these areas. CFOs will need to develop communications plans, and regional ESF committees will have a role in considering these plans and indeed help to publicise the achievements of ESF through the wider regional partnership.

Committee membership

3. Regional ESF committees reflect the core membership of the Regional Skills Partnership and the wider ESF regional partnership. In the North West and Yorkshire and the Humber, membership takes account of ESF phasing-in activities. Where there are joint ESF/ERDF committees, membership takes account of a range of regional issues but for ESF purposes committees includes representation from:

- ESFD as the managing authority
- Regional Skills Partnership
- Social partners (employer and employee representatives)

- Co-financing organisations
- Local Authorities
- Third sector
- Regional Development Agencies

3. Regional partners can also decide to include other representation on the committees including, for example, further education, higher education and organisations with expertise on the cross-cutting themes.

4. There is no set quorum as the size of regional committees vary; it is up to the discretion of the committee chair to decide, seeking advice from the central MA representative, if there are enough members present to reach a decision.

4. When establishing the committees, Government Offices should approach appropriate regional representative organisations when seeking nominations for membership with the aim of securing gender balance in representation.

5. Regional partners will keep under review the most appropriate representation for the region on the England ESF PMC, as this might need to change as the programme develops over time.

6. Joint ESF/ERDF committees are chaired by the Government Office Regional Director. Single regional ESF committees are chaired by the Government Office. The European Commission (DG Employment) attends regional committee meetings in an advisory capacity.

7. Due to different institutional arrangements, the London ESF Committee is chaired by the Mayor or his representative.