



Glossary of Terms

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| Accountable Body | <p>The Accountable Body is responsible for ensuring the effective operation of the Local Action Group and investing European Regional Development Fund and or European Social Fund monies in a programme of activity to deliver the Local Development Strategy. The Accountable Body must ensure that ESIF monies are spent in accordance with the relevant funding agreement and national eligibility rules. The Accountable Body is responsible for ensuring that the ESIF outputs and results agreed in the funding agreement are achieved. The Accountable Body's primary responsibilities are in the following areas:</p> <ul style="list-style-type: none"> • supporting the Local Action Group • facilitating project applications • project assessment, appraisal and approval • dispersal of grant funding • monitoring and verification |
| Additionality | <p>Additionality is a core principle of European funding which seeks to ensure that funding from the European Union does not replace or displace funding that would have been spent by agencies and authorities in the UK, but brings added value over domestic funding. The basic criterion for additionality is that projects should only receive ESIF funding if they would otherwise not proceed or if the ESIF support allows the project to proceed within a shorter timescale or achieve a higher quality and impact than would otherwise have been the case. Applicants should seek to demonstrate additionality in their application.</p> |
| Applicant | <p>The organisation that proposes a project that brings together match funding and European Funding.</p> |
| Application | <p>The submission of a formal proposal by an individual or organisation seeking CLLD funding for a project. CLLD operates a two stage application process: Outline and Full</p> |
| Appraisal | <p>The process whereby full project applications are assessed against selection criteria such as eligibility, fit, value for money and quality.</p> |
| Audit | <p>Projects can be subject to audit from the Audit Authority. Grant recipients are expected to cooperate with these audits and provide all the information requested. Audits can occur long after the project has ended.</p> |
| Basic skills | <p>Literacy, numeracy and English for speakers of other languages.</p> |
| Call for proposals | <p>An invitation for organisations to submit initial applications for CLLD grant. Inviting applications via calls ensures that the process for selecting which operations are supported is open, transparent and consistent. All calls are published at: www.sunderlandclld.org.uk</p> |



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| Claims | A request for payment submitted by an approved project providing details of eligible defrayed expenditure against which ESIF reimbursement is sought at the agreed contribution rate. The claim is submitted with a progress report and details of deliverables achieved in the period covered by the claim. |
| Clawback | Where some or all of a ESIF grant award is required to be repaid because grant terms and conditions have been breached and are unable to be remedied, or irregularities have been identified. |
| Closure | Once the project is completed, the project has to be formally closed with final verification of outputs and expenditure. |
| Committed | Money committed by the Accountable Body to a fully approved project. |
| Community Led Local Development (CLLD) | Funding methodology that allows for connected and integrated use of ESIF resources. It represents a specific tool targeted upon the most deprived areas and communities, that involves local communities and organisations coming together to develop their capacity, identify their development needs, and then plan how they will be addressed and how local assets can best contribute. The Local Action Group (LAG) defines a local development strategy (LDS) at a level which meets local needs and potential while also contributing to the broader Europe 2020 strategy. |
| Cross-cutting themes | A shorthand term for the horizontal themes of equal opportunities and gender equality, and sustainable development as required by EU regulations. Sunderland's CLLD Equal Opportunities Policy can be found at: https://www.sunderland.gov.uk/media/19703/Sun-CLLD-Equal-Opportunities-Policy-FINAL/pdf/Sun_CLLD_Equal_Opportunities_Policy.pdf Sunderland's CLLD Sustainable Development policy can be found at: https://www.sunderland.gov.uk/media/19705/Sun-CLLD-Sustainable-Development-Policy-FINAL/pdf/Sun_CLLD_Sustainable_Development_Policy.pdf |
| Defrayed Expenditure | Expenditure actually incurred and fully paid (i.e. all money leaves the bank account or immediate control of the body which incurred the expenditure), and defrayal must be by the Grant Recipient and/or a named Delivery Partner only. |
| Deliverables | Outputs/results/impacts (to be) achieved as a direct result of CLLD support. |
| Delivery Partner | A delivery partner is responsible for delivering elements of the project's activity and a share of the project's outputs and results. Delivery Partners receive ESIF funding via the lead partner (i.e. the applicant). A legally-binding agreement, such as a Service-Level Agreement (SLA), is required between the lead partner and delivery partner. For example, the SLA details the requirements and liabilities of the delivery partner, and should reflect the terms of the lead applicant's Funding Agreement. |
| Desk-based checks | Check on expenditure completed by the Accountable Body as part of the ESIF claims process - including some checks to confirm defrayal. Also called Administrative Checks |
| Eligibility | The rules and conditions governing the use of the ESIF are laid down partly in EU |



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| | regulations and partly in National rules. All operations, costs and activities supported by the ESIF funds must comply with European and National Eligibility rules. |
| Eligible Expenditure | Expenditure that is to be taken as allowable charges for a CLLD (European Regional Development Fund (ERDF)/ European Social Fund (ESF))- funded project. |
| End beneficiary | The people or businesses which benefit directly from the project activity. For example, this could be small and medium enterprises which receive support from an ERDF-funded business support provider, or the individuals who benefit from ESF-funded skills provision. |
| Entry Level Qualification | Qualification level giving basic knowledge and skills that can be applied in everyday situations – but not related to any specific occupations – for example, ‘Skills for Life’. |
| ERDF - European Regional Development Fund | The aim of ERDF is to deliver economic growth. It does so by identifying the largest gaps in and barriers to economic growth, and supporting actions which fill those gaps. |
| ESF - European Social Fund | ESF supports the EU’s goal of increasing employment by giving unemployed and disadvantaged people the training and support they need to enter jobs. It also equips the workforce with the skills needed by business in a competitive global economy. |
| ESIF – European Structural Investment Funds | <p>ESIF is an umbrella name for ERDF and ESF funds.</p> <p>European Structural and Investment Funds are provided for investment by member states of the European Union to reduce differences in economic performance within and between the member states. The European Structural and Investment Funds available to the Sunderland CLLD programme comprise the:</p> <ul style="list-style-type: none"> • European Regional Development Fund (ERDF) – supports businesses to grow and to create new businesses. • European Social Fund (ESF) - supports people to gain skills and qualifications to gain employment and progress in work. <p>The shared objective of investments under the ESIF is to provide support for delivery of the EU’s Europe 2020 strategy for smart, sustainable and inclusive growth.</p> |
| Europe 2020 | <p>Europe 2020 is the European Union’s ten-year growth and jobs strategy that was launched in 2010. Five headline targets have been set for the EU. These cover employment; research and development; climate/energy; education; social inclusion and poverty reduction. Download Europe 2020 at:</p> <p>http://ec.europa.eu/eu2020/pdf/COMPLET%20EN%20BARROSO%20%20%20007%20-%20Europe%202020%20-%20EN%20version.pdf</p> |
| European Commission | Manage ESIF funds across Europe, ensuring correct implementation and appropriate allocation of funds through various measures. These include setting the parameters around what the funds can be spent on, the issuing of detailed regulations, and regular auditing / monitoring requirements. |
| Evaluation | There is a legal requirement to comprehensively evaluate ESIF programmes and activities. These evaluations will always be undertaken by an independent, external |



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| | evaluator and assess the performance and delivery of all aspects of the programme. |
| Expenditure Profile | The agreed quarterly profile of how eligible expenditure will be defrayed and claimed. Any slippage from this profile could require a Change Request. |
| Final Claim | The final return completed by an organisation to show financial and non-financial information on completion of a specific project. |
| Financial Appraisal | An assessment of the financial capability of a private sector or voluntary or community organisation applicant to ensure it has the financial capacity to cash flow the project, and cover the level of grant requested in the event of clawback. This involves a check of the last three years of accounts and the latest set of management accounts. |
| Funding Agreement | The grant/funding agreement or contract is a document that formalises the relationship and roles and responsibilities between the grant provider and the grant recipient/grantee. The grant agreement can be called many things and may take many forms – a simple exchange of letters, funding agreements, Memorandum of Understanding (MOU), Record of Understanding (ROU), short or long form contracts, etc. Whatever form it takes or is called, the document details: what will be done; how; when; and by whom. It is usually agreed to by the grant recipient in exchange for the grant/funding from the grant provider. An example funding agreement can be found at: https://www.sunderland.gov.uk/media/19718/Sun-CLLD-ESIF-Funding-Agreement-v1/pdf/Sun CLLD-ESIF Funding Agreement v1.pdf |
| Funding Gap | A deficit between the financial resources needed to deliver the project and the available funds. |
| Full Application Form | A document used by the grant applicant that sets out the activity for which they are seeking CLLD grant in sufficient detail to answer the tests set out in the appraisal and complete enough to make an investment decision. |
| Gateway Assessment | An initial check that an applicant’s proposal meets essential eligibility - “gateway” - criteria. Once these are satisfied, the remaining criteria are applied. <ul style="list-style-type: none"> • The applicant must be eligible to apply for CLLD grant. • The proposed activity and associated expenditure must be eligible for support. • The applicant must present evidence that the proposal meets the objectives in the LDS |
| Indicators | A means of measuring from the management information the success or otherwise in delivering the CLLD programme. Indicators are not quantified, and should not be confused with targets, which are quantified. |
| Key Skills | Transferable skills that are needed for most jobs. The main key skills are communication, application of numbers and ICT. Wider key skills are: working with others; improving own learning and performance; problem solving. |



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| LAG | Local Action Groups design and implement the community-led local development Strategy (LDS). Details of the role and remit of the Sunderland LAG can be found at: https://www.sunderland.gov.uk/media/20033/LAG-member-guidance-note/pdf/LAG_Member_Guidance_Note.pdf |
| LDS | <p>The minimum requirements for a Local Development Strategy are:</p> <ul style="list-style-type: none"> • the definition of the area and population covered by the strategy; • an analysis of the development needs and potential of the area, including an analysis of strengths, weaknesses, opportunities and threats; • a description of the strategy and its objectives, a description of the integrated and innovative features of the strategy and a hierarchy of objectives, including measurable targets for outputs or results; • a description of the community involvement process in the development of the strategy; • an action plan demonstrating how objectives are translated into actions; • a description of the management and monitoring arrangements of the strategy, demonstrating the capacity of the local action group to implement the strategy and a description of specific arrangements for evaluation; • the financial plan for the strategy, including the planned allocation from each of the ESI Funds concerned. <p>Sunderland's CLLD Local Development strategy can be found at: https://www.sunderland.gov.uk/media/19870/Sun-CLLD-LDS-Updated-1-Nov-2017/pdf/Sun_CLLD_LDS_Updated_1_Nov_2017.pdf</p> |
| Managing Authority | <p>The Managing Authority is the government department that is responsible for implementation of the Operational Programme in accordance with the ESIF regulations. There are currently four Managing Authorities in England:</p> <ul style="list-style-type: none"> • The Department for Communities and Local Government: European Regional Development Fund; • The Department for Work and Pensions: European Social Fund • The Department for Environment Food and Rural Affairs: European Agricultural Fund for Rural Development • The Marine Management Organisation: European Maritime and Fisheries Fund |
| Match Funding | ESIF investment contributes to the costs of delivering activity at set percentage rates, the balance of the costs must be met by the organisation receiving the funds, this balance of funding is known as match funding. |
| NEET | Young person aged 14-19 not in employment, education or training |
| Operational Programme (OP) | The document setting out the priorities for how ESIF funds will be used and how they will be administered. These documents are prepared by government and agreed with the European Commission. The Operational Programmes include financial targets and |



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| | targets for what needs to be achieved. There is an England Operational Programme for both the ERDF and ESF. |
| Outputs | The effectiveness of a programme can be measured in terms of the outputs which are the immediate consequences of a project activity e.g. people trained or square feet of workspace created. Guidance on the Sunderland CLLD output requirements can be found at: https://www.sunderland.gov.uk/article/14313/Resources-and-downloads- |
| Participant | An individual person who takes part on an ESF funded activity |
| Priority Axis | The Operational Programmes are made up of Priority Axes. These set out the detail of the priorities for ERDF and ESF investment, the types of activities that will be supported, the resources available, and the specific objectives, results and outputs to be achieved. Priority Axes bring together one or more investment priorities set out in European Union regulations that govern ERDF and ESF. All activity funded by ESIF must contribute to delivering a priority axis. |
| Public Expenditure | Any public contribution to the financing of operations the source of which is the budget of national, regional or local public authorities, the budget of the Union related to the ESIF, the budget of public law bodies or the budget of associations of public authorities or of public law bodies. |
| Qualification Levels | The level of qualification in the National Qualifications Framework. Qualification levels relate to both academic and vocational qualifications and should not be confused with NVQs. There is an entry level, then 8 further levels. |
| Selection Criteria | All operations seeking support from ESIF will be tested against standard criteria before a formal decision to offer support is made. These are known as the selection criteria. The criteria are agreed by the LAG at the start of the CLLD programme. The selection criteria for the CLLD programme are listed below: <ul style="list-style-type: none"> • Strategic fit • Value for money • Management and control • Deliverability • Compliance - Procurement / State Aid / Publicity • Contribution to cross-cutting themes |
| Small and Medium Sized Enterprises (SME) | Small and medium-sized enterprises (SMEs) are non-subsidiary, independent firms which employ fewer than 250 employees, and have a turnover of less than €50m (or balance sheet not exceeding €43m) |
| Start Date | The date specified as being the earliest date that the expenditure incurred by the Grant Recipient in relation to the CLLD Project can be eligible expenditure. |
| Targets | Targets are normally quantified with numerical values, although there is scope to express them in qualitative terms for result indicators for ERDF. |



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