



Building Better Opportunities Essential Update October 2021 - Mobile phone contract procurement, Procurement registers, and Update to the Guide to Delivering European Funding Section eight

Mobile phone contract procurement - Action required

Compliance checks and audit activity on mobile phone costs being claimed for BBO staff have revealed procurement issues where organisations provide mobile phones for BBO staff through larger contracts held by the lead and partner organisations. Although the value of the BBO costs is a relatively small amount of the itemised invoice, to claim these costs the overall contract which is in place must have been procured in compliance with ESF regulations.

Recently, compliance issues with the procurement of mobile phone contracts have been identified that will result in all associated BBO expenditure for those contracts being ineligible. All of which need to be removed from previous claims through the SDA process. Additionally, the lead and partner organisations need to consider how they provide mobile phones for BBO staff going forward which may involve a compliant procurement exercise.

The mobile phone is an essential tool and there are concerns this may be a widespread compliance issue. As a risk management strategy, the BBO programme team have decided to temporarily suspend the submission of these costs for all projects to the Managing Authority starting with the Q3 2021 claims due on 14 October. This will create some time to review what is being submitted by projects in detail. Please do not submit these costs to the Fund in your quarterly claims until a review has taken place for your project.

If we are satisfied there are unlikely to be any procurement issues you will be able to submit these costs going forward and any costs that have been backlogged. You must ensure compliance with procurement regulations is maintained.

Please complete and return the phone contracts log spreadsheet for all mobile phone contracts both lead and partner organisations hold where costs are being claimed for BBO to your Funding Officer by Friday 29 October 2021. This includes contracts specifically for the BBO project and contracts where the BBO project is using phones that are part of an



organisational level contract. We'll then review the information provided and will ask for evidence of procurement where we think it is required.

Procurement registers - Reminder

We would like to remind grant holders of the requirement to keep a detailed register of all procurement activity. This is noted in section [7.5 of the Guide to Delivering European Funding on our website](#). An example of a basic procurement activity log is attached for information.

Please note, that procurement errors are one of the main reasons for audit errors and clawback on BBO. Also note that we cannot give advice on procurement but strongly recommend that you take your own Legal advice if you have any questions about your procurement activities.

Update to the Guide to Delivering European Funding Section eight

Costs and expenditure version 10 is now available on the [Guide to Delivering European Funding pages of our website](#). Key changes are specified within the document and include the addition of information on the fixed percentage simplified cost methodology, an increased emphasis on procurement, a new section on employees working on more than one BBO project, and an updated list of ineligible costs.