Building Better Opportunities

COMMUNITY FUND

European Union
European Social Fund

Guide to delivering European funding

Section five: Targets and project outcomes

About this guide

This is just one section in a series of guidance documents that make up the Guide to Delivering European Funding (the '**Guide**'). These documents are designed to support you to manage your Building Better Opportunities grant and should be used in conjunction with guidance produced by the Managing Authority and European Commission and does not replace it. This is guidance only and cannot cover all scenarios that grant holders will encounter.

This version of section five replaces all those we have previously published. **For the full contents of the Guide visit our website**.

The Guide remains under review and is subject to change. It should be read alongside the **Essential Updates** published on our website and emailed to the lead partner. Essential Updates contain details of any guidance changes, updates, clarifications and reminders. Information will often appear within Essential Updates some time before being incorporated into the Guide.

Summary of changes

June 2021 for version 7.0 the following updates have been made:

- ✓ Branding has been updated to reflect our name change from the Big Lottery Fund to The National Lottery Community Fund.
- ✓ **About this Guide** has been updated to align with recent changes elsewhere in the Guide and an additional paragraph has been added to remind readers to use it alongside our Essential Updates. Reference to Annex F has been removed as this has now been incorporated into Annex E.
- ✓ **5.1 What are targets** updated to reference the extension of the programme.
- ✓ **5.3 Types of targets** the output target 'over 50' has been corrected. Previous versions had this as '50 and over'. Reference to

extensions added along with a link to the Managing Authority's Output and Results definitions added.

- ✓ **5.4 Section Scheduling targets** screenshots of an old version of Annex E have been removed along with some of the detail as to how to complete it. Reference to extensions and updated versions of Annex E have been added and it is noted that a separate Annex F is no longer in use for Cor/2/1.
- ✓ **5.5 Managing performance** has been updated to reflect current practice and update benchmarks. Subsections on feedback and recovery plans have been added along with a link to the Managing Authority's Performance Policy.

May 2017 – Lottery logo updated.

March 2017 – Delayed quarterly update, including updated logo, clarification of result targets linking them to actual result references in 5.3, with emphasis to track and report on additional target for London IP4.

September 2016 – Quarterly update, with use of National Insurance number for participant ID, updated Annex K, new Annex Q and revised annexes in Oct/Nov.

June 2016 - This version of the Guide incorporates appropriate comments gained from the consultation review in April 2016.

Any changes to the Guide will be:

- ✓ communicated on our website and on the inside page of each section
- ✓ emailed to current grant holders and highlighted in our programme e-bulletin.

Contents

Annex E – Your target and project outcome schedule (spreadsheet)

5.1 What are targets?

'Targets' describe what must be achieved by the project during its lifetime and play an important part in monitoring its performance.

Your project is expected to deliver the **minimum** targets set out in the project outline. Targets are made up of **outputs** or **results** and are collected as part of your participant monitoring (see **Section six: Participants**). For those grants that have received extension funding, you will have received further outputs and results targets.

➤ **Where do the targets come from?**

The targets come from the Operational Programme for ESF in England, as agreed by the Managing Authority and the European Commission. Within this, the exact targets for each project outline have been devised by us, usually with input from the local LEP area ESIF sub-committee.

➤ **What do we mean by outputs?**

Outputs relate to the personal situation of a participant on the date that they join the project. They include things such as employment status, age, ethnicity and household situation.

➤ **What do we mean by results?**

Results relate to what the participant achieved because of their engagement with the project. They include things such as moving into work or starting to job-search and, gaining basic skills (Cor/2/1 only).

➤ **Extension targets**

As part of the process of agreeing the extension of Building Better Opportunities with the Managing Authority we had to review all targets. The Managing Authority has introduced a "value for money" criteria which was not in place when the grants were originally awarded. This was considered when setting targets for the extension periods. Your Funding Officer will have provided you with the new project targets as part of your extension offer.

5.2 What are project outcomes?

We're also interested in the other kinds of changes you're trying to bring about. We call these your 'project outcomes'.

Project outcomes are the result of what you do, rather than the activities or services you provide. You described up to four outcomes in your application. Depending on the project, outcomes can occur at different levels, including:

✓ individual and family level. For example: fathers have improved health, confidence and family relationships.

✓ community level. For example: fewer young people are involved in criminal or anti-social behaviour as a result of participating in a range of positive activities.

✓ organisation level. For example: charities have greater skills and capacity to meet local needs.

✓ the environment. For example: improving the local environment for future generations to enjoy.

✓ systems and structures. For example: new learning networks that make sharing information more effective.

Where possible, project outcomes should be measurable and time-based whilst clearly articulating the change that is actually occurring for the people who are benefiting.

The project targets are the top priority, as these are fundamental to European funding, but not every participant will achieve a result. This is why project outcomes are important. A participant can still benefit

from other types of progress like increased self-confidence, volunteering or communication skills, all of which could be classed as project outcomes.

5.3 Types of targets

There are two types of target:

- ✓ **those relating to outputs** – which identify the status of the participant on the date they joined the project.

- ✓ **those relating to results** – which identify the status of the participant on the day they leave the project.

Targets relating to outputs

Almost all the projects we fund will share the same type of targets:

- ✓ the total number of people engaged in activities to improve their work readiness

and the number of those people:

- ✓ who are men
- ✓ who are women
- ✓ who are unemployed, including long-term unemployed
- ✓ who are economically inactive, including not in education or training
- ✓ who are aged over 50
- ✓ with disabilities
- ✓ who are from ethnic minorities.

Each project outline states the minimum numbers you're expected to deliver against each of these targets. If your project has received additional funds you will have been informed of the additional targets. It's important to note that an individual can be counted against more

than one of these categories, for example a participant may be male, unemployed and aged over 50.

Targets relating to results

The majority of projects funded through the BBO programme are investment priority 1.4 (IP1.4), 'Active inclusion, including with a view to promoting equal opportunities and active participation'. The results targets related to these projects are:

(R1) Unemployed participants into employment, including self-employment on leaving

(R2) Inactive participants into employment, **or** job search on leaving (please note a result is only counted once for either moving into employment or moving into job search, whichever is the status on leaving the project)

(CR02) Participants into education or training on leaving (participants can previously have been unemployed or inactive, but will not count if they are recorded as being in education on entry)

For IP1.4 projects in London there's an additional sustained employment indicator target that projects must ensure they have mechanisms in place to track and report on:

- ✓ the number of participants who move into employment, including self-employment, on leaving the project who sustain work for 26 out of 32 weeks after entering employment or self-employment.

(R4) Participants with childcare needs receiving childcare support

The Managing Authority will check this through a survey with a sample of participants around six months after they leave the project. You must therefore ensure that anyone who needs access to childcare to enable them to participate in the project receives childcare support and that you keep a record of this. However, we will not set a specific target relating to this.

One exception – COR/2/1 targeting IP1.2

This Cornwall project has different targets relating to outputs and results:

✓ the total number of **young people** engaged in activities to improve their work readiness

and the number of these young people:

✓ who are men

✓ who are women

✓ who are unemployed, including long-term unemployed

✓ who are economically inactive, including not in education or training

✓ **who live in a single adult household with dependent children**

✓ **with no basic skills**

✓ with disabilities

✓ who are from ethnic minorities.

This project also has different result targets:

✓ **(R3)** the number of participants (under 25) **who have gained basic skills** at the time of leaving the project

✓ **(R5)** the number of participants (under 25) who move into employment, including self-employment, **or** education or training upon leaving the project.

For full definitions of **outputs** and **results**, please see Output and Result Indicator Definitions Guidance for the European Social Fund.

5.4 Scheduling targets and project outcomes

During the set-up of the project, you completed a **target and project outcome schedule (Annex E)**.

(Previously Annex F for Cor/2/1.)

This schedule profiles and checks the status of the project for the targets and outcomes. Delays or under-performance, whether you have direct control over this or not, will also affect the extent to which you can deliver your targets and project outcomes. The schedule will help you to manage this.

At the end of each quarter, we review your progress against your forecasts. This plays an important part in our monitoring of project performance. Failure to meet your targets will require a submission of an explanation and may impact funding.

For those grants that have been extended, we have issued updated Annex E's containing the new targets for you to schedule. We will continue to monitor performance against the updated targets.

5.5 Managing performance

During the course of our monitoring, we will review your progress towards achieving the targets and project outcomes.

When we compare your forecast and actual figures, we will make a judgement on how well your project is performing. For any given target (or group of targets), we will broadly apply the following benchmarks:

✓ **Above 120%:** Over performing

✓ **100% to 120%:** Performing

✓ **85% to 100%:** Satisfactory performance

✓ **70% to 85%:** Under performing

✓ **Below 70%:** Unsatisfactory performance

It's quite possible you will over perform on some targets but under-perform on others.

Measuring performance

Performance can be divided into three types:

1. **Temporary** – This is where a target or group of targets is above or below forecast for a short period, or the extent of any under-performance is relatively minor.

2. **Consistent** – This is where a target or group of targets is above or below forecast for at least two or three consecutive quarters.

3. **Prevalent** – This is where a target or group of targets is above or below forecast over a long period, or the extent of any under-performance is significant.

The actions required to resolve any issues will depend on the circumstances. For example, a minor under-performance may occur over more than one quarter, but 80 per cent delivery against one target over several months could be considered to be a consistent issue. We will discuss any under-performance with you and will expect you to take corrective action to bring the project back on track.

Feedback

Following the completion of our quarterly review you will receive a Performance and Compliance Testing Report. From Q2 2019 onwards this has contained a section on **Project Performance**. Using the benchmarks and performance types above, feedback will be recorded on four areas: finance, outputs, results and compliance. This should reflect the ongoing conversations that you have with your Funding Officer.

Dealing with under-performance

As well as updating your target and project outcome schedule, we will need you to take steps to correct any underperformance.

The aim of managing under-performance is to:

✓ make sure staff and partners are clear about the performance issue. For example, identifying whether it relates to one part of the project or to everyone as a whole.

✓ identify causes of the under-performance and what you can control. For example, how the people who work for the project are trained and how you are publicising the project to those it seeks to benefit.

✓ put in place a recovery plan that provides sufficient time and resources to allow for an improvement. For example, ensuring that any support has been acknowledged, arranged and communicated.

✓ create a clear audit trail of the actions taken. For example, the staff resources being supplemented. We expect confirmation in writing that progress and corrective action is being taken.

Recovery Plans

Recovery Plans should be agreed with your Funding Officer and should be used to manage underperformance in any area including targets. They are expected to be time bound and concisely summarise the position, the required actions and the expected results. The recovery plan will clearly set out, in numbers, percentage and pounds where appropriate:

✓ Current performance levels against agreed targets;
✓ Target performance improvement by each target;
✓ Specific agreed actions to recover underperformance with proposed timescales and milestones;

- ✓ A timescale and process for review of the Recovery Plan and its results;
- ✓ Implications if the plan fails.

There may be occasions where the interventions above will not have the desired effect, or the extent of the under-performance is such that the ability of the project to meet the targets or project outcomes is compromised. Your Funding Officer will do all they can to provide support, including sharing learning from other projects as it emerges. If under-performance is consistent or prevalent, and several periods of corrective action do not remedy this, or there is insufficient justification or rationale for the under-performance; we may withhold or reduce payments or, in exceptional circumstances, withdraw the grant.

You should ensure that you make yourself familiar with the ESF Underperformance Policy.