**Building Better Opportunities –**

**Quarterly Update -June 2019**

**Programme update**

**Audits**

As you may be aware, a number of Article 127 audits have recently taken place, as such we thought now would be a good time to remind grant holders of the process.

Article 127 checks are carried out by the Government Internal Audit Authority (GIAA) acting on behalf of the European Commission, the results of the audit are used to provide assurance to the Commission that claims are compliant with the ESF programme regulations.

Once projects are chosen, the GIAA will arrange dates approximately three months in advance to carry out their visits. The BBO support team will contact the grant holder on behalf of the GIAA to arrange the visit dates.

The GIAA select a number of staff cost and direct cost lines which they will need to see the evidence for when they visit, this is normally 50 – 60 lines depending on the claim size.

The evidence requirements are exactly the same as the Article 125 checks, except for 1720 hourly rate costs where defrayal evidence is required for pay, NI, tax and pension for the staff member.

In addition, around 20 participant records will be selected for audit where eligibility and data accuracy will be tested. Once these samples are selected the grant holder will be informed, and the BBO support team will carry out a pre-compliance visit at least two weeks prior to the Article 127 site visit to review the audit evidence.

Grant holders will receive a report following the pre-compliance visit highlighting any missing evidence or eligibility issues, and are strongly advised where possible to resolve these prior to the actual audit visit.

Following the audit an initial findings report will be issued to the Fund and two weeks are allowed to submit any additional evidence to clear any issues, the BBO support team will liaise with the grant holder to get any additional evidence that is required.

Following this, a draft report will be issued with the actual irregularities detailed and a ‘projected irregularity’ amount based on a statistical algorithm to account for the portion of the claim that has not been tested will be issued to the Fund to comment and agree or disagree with the findings.

Subject to the any issues with the draft report being resolved, a final report from the GIAA will be issued indicating the total amount of clawback and any corrective action needed in respect of data accuracy findings.

It is important to note that unlike the A125 checks, the GIAA can extrapolate clawback based on their findings. To date, 6 Audits have been carried out and results are fairly positive with a combined error rate of around 0.3%.

**Extensions**

We recently wrote to those of you who have been offered additional funding or extensions of time for your projects.

Many of you have asked whether you can now make operational decisions and take actions such as extending staff contracts or recruiting staff. With this in mind, we would like to clarify where we are on the process of extension funding.

The Fund’s Decision-making Panel agreed further funding for projects at its meeting in February 2019.  We then contacted the relevant projects with this decision. In parallel, we have been working very closely with the Managing Authority (MA) to vary our Memoranda of Understandings (MoUs) with them and secure the additional ESF that we require.

As part of the process for varying MoUs, the MA will receive a Project Change Request (PCR) from us, setting out the detail of additional funding required and additional targets to be achieved with this funding.  As part of their process, the MA will consult the local ESIF Committees in each LEP area. ESIF Committees are asked to comment on the strategic fit and value for money of the variation requests.

We expect this approval of PCRs to be a smooth process, as we have already taken many steps to eliminate any potential issues.  For example, we have already asked all ESIF Committees whether they are happy with our proposals to extend projects in their area and we have received positive feedback. Where ESIF Committees have asked questions, we have provided answers. Some grant holders have been invited to present to their ESIF Committees and have again received positive feedback on their projects and on future funding.

We have now submitted draft PCRs for all LEP areas to the MA.  As the MA reviews each draft PCRs, they alert us to any issues and we resolve these before final PCRs are submitted.

We have now started to submit final PCRs and will continue to do so over the next month. Once we submit final PCRs, the MA will then consult the ESIF Committees on strategic fit and value for money.  This consultation may take place at an ESIF Committee meeting, if there is one scheduled in July, otherwise it will be via written correspondence.

At the recent learning events we confirmed that you could go ahead with operational actions, as we do not want the Project Change Request process to hold up project delivery and impact negatively on project performance.

**Cross Cutting Themes**

During the learning events held around England in late 2018, we reiterated the importance of Cross Cutting Themes (CCTs).

As you are aware, the two thematic areas; **Equality** and **Sustainable Development**, are subject to evaluation and audit, and while overall compliance remains paramount, we believe these areas of work have rich potential for making real and lasting differences.

We know from your feedback at those 2018 learning events, that the significance of CCTs is widely appreciated among BBO partnerships. I’m sure it will be reassuring to know that at programme level we too have policies and action plans in place for CCTs, hence the BBO team is also subject to evaluation and audit.

So far we are doing well, yet we regularly review our programme-level action and implementation plan, looking for improvements. Indeed the BBO Team now has three co-champions that work together on key work streams. We are in the process of planning some supportive resources on CCTs so watch out for more on this in the coming months.

Meanwhile we would love to hear from you, about what you’re doing on CCTs and perhaps share them in upcoming updates. Your comments or queries can reach us via your FO, or by sending us an email marked “CCTs” to bbocommunications@tnlcommunityfund.org.uk

**Potential changes to Annex B**

As a funder, The National Lottery Community Fund is giving renewed focus to learning. As a result we are particularly keen for you to tell us what aspects of your project are working well, but similarly what aspects have been particularly challenging.

As you are aware, the “What have you learned” Section of Annex B currently gives you the opportunity to tell us of any achievements or unexpected outcomes. Moving forward we will be changing the focus of this section to reflect this. A revised version of Annex B will be shared with you in time for the Q3 claim.

In the meantime we’d like you to use the “What have you learned” section to answer a number of specific questions:

What aspect(s) of your project is working well? Why is it working well?

Please be as detailed as possible, we really want to know about this, as it will help give us a better understanding of what actually works.

Similarly don’t forget to tell us about what hasn’t worked. Why didn’t it work? What did you do to remedy things?

The changes we believe provide a great opportunity for grant holders to highlight some of their great success stories and share them with your peers in the BBO and drive improvements in the wider sector.

Given this focus on learning, don’t be surprised to find your funding officer asking more probing questions in relation to this.

**Top Tips: Innovative interventions**

As part of our drive to increase learning on the Building Better Opportunities programme, we always want to hear from grant holders that are coming up with innovative ways of how they deliver their projects.

**Are you looking for activities that contribute to sustainable development which have direct health benefits for your participants?**

**Pluss** have a number of BBO projects and each one has outcome targets relating to increasing participant involvement in their community, and increasing levels of physical activity. They have identified local opportunities for participants to achieve those outcomes whilst making a positive contribution to the local environment so that they can address specific actions in their sustainable development action plan at the same time. Activities include litter Picks/Beach cleaning days, conservation activities such as tree planting and helping older people to look after their gardens as activities which address Cross Cutting Themes, increase community involvement for participants and increase their physical activity to improve fitness and mental health as well as learning new skills.

Pluss approached and now work in partnership with various local and national organisations to deliver the activities. The partnerships and activities have had a number of other benefits including the creation of a number of volunteering opportunities for participants, reducing stress levels and improving mental health by connecting participants to new hobbies and interests to focus upon.

**Having trouble keeping participants engaged? Are participants regularly missing appointments?**

**Renaisi** from London LEP purchased software to enable them to send text reminders to participants in the run up to their appointments. This has led to a significant improvement in attendance and reduced levels of disengagement.

**Wanting to increase participant’s employment skills?**

**Humber Learning Consortium** created a participant football team who meet regularly and play against staff from the partnership. As well as having a positive impact on the health and well-being of participants, staff have also reported improved fitness and weight loss. Employability skills such as team work and communication are highlighted to the participants to make them aware of existing and developing skills.

**Looking to build the confidence of participants?**

**The Shaw Trust** from London LEP area ran a Chocolate making course for participants to aid engagement with the project as well building confidence, meeting new people and working on communication skills.

**Hertfordshire County Council** run a community café where participants can get involved as little or as much as they want – from growing fruit and vegetables in the garden to making them into food to be sold in the café. The participants gain numerous skills, including learning how to grow their own food, cookery skills and customer service. All building confidence and reducing isolation at the same time.

If you want to learn more about any of the projects above, or have any examples of innovative interventions you’d like to share? Please email details to your funding officer.

**NI numbers**

If you are working with young people who are yet to be issued with their National Insurance number, please contact your funding officer who will provide you with a substitute. Please do not create your own National Insurance Number.

**Branding Compliance**

**Websites**

We have recently completed a review of all grant holder websites to ensure compliance with the European Social Fund Branding and Publicity Requirements. The requirements state that where a website has been developed specifically for the funded project, the full colour version of the ESF logo must be placed prominently on the homepage.

Where you are placing details of the project on a website which is not exclusively for the project, the full colour version of the ESF logo must be placed on the main page for the project.

The logo must be visible when the visitor first lands on the website inside the viewing area of at least one digital device (for example, a desktop pc) without requiring the visitor to scroll down the page.

Of the 132 websites that we reviewed, 31 were found not to be compliant with the requirements. This included a number of grant holders who did not have any logo at all, or where the logo was not visible when landing on the project page.

We also found that a number of projects were still using the old Big Lottery Fund logo on their project pages. As you will be aware, the Big Lottery Fund changed its operating name to The National Lottery Community Fund on 30 January 2019 and we requested that all grant holders update the digital logo as soon as possible.

With the above in mind, could all grant holders please review their websites and ensure that the joint BBO logo incorporates The National Lottery Community Fund logo, and is also complaint with the European Social Fund requirements. Should you have queries about this issue, please email: bbocommunications@tnlcommunityfund.org.uk

**Social Media**

As part of The National Lottery Community Fund rebranding, a new hashtag (#TNLComFundESF) was created for BBO related tweets. Can all grant holders use this hashtag when tweeting about their project, and also copy in The National Lottery Community Fund twitter feed [@TNLComFund](https://twitter.com/TNLComFund)

**Learning and Evaluation**

**Shared learning**

Thank you to all who attended the second round of **learning and networking events** organised by Ecorys. The presentations and discussions provided some great insights on participant transition, achievements and the BBO Programme’s unique selling points. We really hope they were useful for you, to meet and share experiences with other BBO projects. A complete roundup of the learning from the events will shortly be available on the [evaluation website.](https://buildingbetteropportunities.org.uk/) We plan to run a final round of events later this year - if you have ideas of themes you would like us to cover or activities, please get in touch at: BBO@ecorys.com

After discussing the different ways that you’ve all been getting your participants engaged and involved with BBO work, Ecorys have published a **learning paper focussed around Participant Involvement**, published [here](https://buildingbetteropportunities.org.uk/sites/default/files/2019-06/BBO%20Learning%20Report_Participant%20Involvement_0.pdf). Thanks to everyone who contributed ideas and suggestions. Hopefully the paper will give a bit more insight into how other projects are approaching participant involvement. It would be great to hear how the paper has helped you, so give it a read and why not let Ecorys know by sharing your favourite tip from the guide, or if you’re feeling creative, a photograph of any participant involvement in action (please ensure you participant consent). You can share your tips and photographs on the Slack group, or send them over by email to BBO@ecorys.com

**Evaluation**

As you may be aware, Ecorys have started another wave of their participant telephone survey this month. It doesn’t require any action from projects, as contacts for a random selection of participants have already been provided. Ecorys did want to flag to you, however, that fieldwork will be taking place over June and July so you can in turn let your staff and partners know that their participants may be contacted for the purposes of the evaluation. Hopefully they are then able to provide reassurance that this is a genuine contact if any queries arise.

The researchers will be calling from Ecorys and take participants through a consent process before the interview begins. Their participation is entirely voluntary and they can withdraw their consent at any time.

**Essential Updates**

* [**Essential update June 2019**](https://www.tnlcommunityfund.org.uk/media/documents/building-better-opportunities/guidance/Essential%20updates/Essential-update-June-2019.docx?mtime=20190625091402) - Learning from Article 127 checks: Procurement Compliance and Hourly rate guidance
* [**Essential update May number 2 2019**](https://www.tnlcommunityfund.org.uk/media/documents/building-better-opportunities/guidance/Essential%20updates/Essential-update-May2-2019.docx?mtime=20190625090632) - changes to Annex L and Annex O, the roll out of the disengaged participant policy, and grant holder access to BBOX
* [**Essential update May 2019**](https://www.tnlcommunityfund.org.uk/media/documents/building-better-opportunities/guidance/Essential%20updates/Essential-update-May-2019.docx?mtime=20190625090639) – Purdah and European elections
* [**Essential update April 2019**](https://www.tnlcommunityfund.org.uk/media/documents/building-better-opportunities/guidance/Essential%20updates/Essential-update-April-2019.docx?mtime=20190412094653)- Reporting potential fraud and data breaches, Feedback from Article 127 checks, Extensions, and Annex updates
* [**Essential update March 2019**](https://www.tnlcommunityfund.org.uk/media/documents/building-better-opportunities/guidance/Essential%20updates/Essential-update-March-2019.docx?mtime=20190401141256) - Annex Updates
* [**Essential update February 2019**](https://www.tnlcommunityfund.org.uk/media/documents/building-better-opportunities/guidance/Essential%20updates/Essential-update-February-2019.docx?mtime=20190308095745) - Updated Guide to Delivering European Funding
* [**Essential update January 2019**](https://bigmail.org.uk/t/3V8D-IEHA-EA15KZF03F/cr.aspx) - Update on pay rises for part time staff
* [**Essential update January 2019**](https://bigmail.org.uk/t/3V8D-IMFT-2156DBN9BC/cr.aspx)- Rebrand

**GDPR**

There have been a number of data breaches reported on the BBO programme.  These mainly relate to unauthorised access to paper versions of participant records, several involving theft of records from vehicles.   There has also been some confusion around how these data breaches are reported. We advise all grant holders to review the ESF Action Note 020/18 for additional advice relating to the General Data Protection Regulation that is available [here](https://www.gov.uk/government/publications/esf-action-notes-2014-to-2020-programme).

We also advise all lead and partner organisations to review storage arrangements for both paper and electronic records and carefully consider this in relation to mobile workers, and to ensure staff understand the organisational requirements.

Data breaches must be reported to ESFDATA.BREACH@DWP.GOV.UK

**Reporting Fraud**

To be consistent with organisational policy, we request that grant holders should in the first instance report all potential fraud concerns to The National Lottery

Community Fund’s central fraud inbox: fraud@tnlcommunityfund.org.uk

Fraud concerns can also be reported through the fraud hotline number which is: 0800 496 9991.