



ARTICLE 13 PROJECT PROGRESS AND VERIFICATION VISIT (PAV) MONITORING TEMPLATE

Project Overview

Project Title	The Export Escalator
Reference Number	ERDF 09/225
Sub-Region	London
Programme	London ERDF Programme 2007-2013
Priority & Measure	2.2
Intervention Rate	50%
Applicant Organisation	North London Business
Project Risk Category	Low
Project Description	The project aims to deliver a high quality exporting programme which will assist local SMEs in developing globalisation plans and identifying the potential for exporting to Europe and emerging markets.

Project Timeline

Start Date (offer letter)	01/06/2009
Actual Start Date	01/06/2009
Completion Date (offer letter)	01/06/2012
Anticipated Completion Date	31/08/2012

Project Funding

	Offer Letter Details		Progress to date*	
	Eligible Expenditure	ERDF Approved	Declared Expenditure	ERDF Payments
Capital	0	0	0	0
Revenue	£1,680,000	£840,000	£875,065.15	£363,341.76
Total	£1,680,000	£840,000	£875,065.15	£363,341.76

* use information from the latest claim / progress report

Section II: Visit Record

Reference Data

Date of Visit	11 th & 12 th August 2011
Address of Premises Visited	North London Business 1 st Floor Heron House Ferry Lane London N17 9NF
Duration of Visit	2 days

Names of Personnel present during visit

Name	Job Title
Anne Watson	EPMU Article 13 Manager

John Joyce	EPMU Compliance & Irregularities Manager
John Kester	Project Manager - Consultant
Gary Ince	Chief Executive
Jennifer Pooran	Administrator

Details of any previous visit

Date of Pre Engagement Visit	04/11/09
Date of last monitoring visit	16/05/11 – Claim Check
Pending Actions from previous visits	None

Section III: Article 13 Checks

- Remember that it is an EU requirement that all applications and payment claims must be supported by source documentation and working papers. Additionally, all financial transactions must be clearly traceable through the project's financial accounting system
- Use the following prompt questions to carry out the checks. The answers to these questions will help you to verify the reality of expenditure claimed ; to the verify the delivery of products and services co-financed and also to determine whether offer letter conditions are being met;
- The tables also list some examples of typical documentary evidence that you might look for in order to verify a particular aspect of the project activity. You need not check all types of evidence in each case. The availability or relevance of certain types of evidence will also depend upon the nature of the project & its operating context. A

degree of value judgement is required as regards the depth and breadth of checks. Tick the evidence that you do check in the column titled **Item Tested**.

- This list of questions & evidence is only indicative; not exhaustive. Depending upon the context, you may ask further questions and/ or check additional evidence. If you do so, make notes in the comments box at the end. Use supplementary sheets, if required.
- Where relevant, list the items checked; under financial checks (verification of expenditure and income), also list the value of expenditure checked and basis for selecting a particular sample of invoices/ documents.

Project Management and Administration

	Question	Yes/No/N/A	Type of Evidence checked/tested	Findings / Comments
1	Project Activity - Is this the project we contracted with? Any pre-conditions complied with?	Y N	Project Business Plan - tested Activity / Progress Reports - tested	Comprehensive progress reports, application form and offer letter on file. No evidence tested of pre-condition on Enfield Council match funding letter. Other grant conditions met.
2	Management Structure - Are key management and delivery personnel/ structures in place?	Y	Organisation Chart - tested Job descriptions - tested HR Records - Tested Minutes of meetings - Tested	Job descriptions for 100% staff, [REDACTED] also contract and interview notes. Project details provided: -Organisation structure -List of partners' roles

	Question	Yes/No/N/A	Type of Evidence checked/tested	Findings / Comments
	Contingency arrangements should key personnel leave?	N		-Aims and objectives of the project -Organisation charts for all partners No contingency plan.
3	Are procedures in place to ensure retention of documentation in a retrievable format until 3 years after Programme closure (say 31 Dec 2025)?	N	Documentation retention policy? – tested Location – tested Type of storage (disc, microfiche) Filing system – documents properly files and cross-referenced - tested	Yes, but no mention of 2025; it suggests 2022 and appears ESF orientated.
4	Is the project aware of its obligations in relation to European/ national statutory requirements on a. Equal opportunities b. Environmental Sustainability c. Health & Safety	Y Y Y	Written policy documents - tested	Equal opportunities policy on file but not dated/signed and no review date. Environmental policy is dated, signed and has targets. H&S policy statement, not signed/dated. Induction policy for new staff. Royal Holloway manual handling policy. Risk assessment pro forma manual handling. However no policies for partners.

	Question	Yes/No/N/A	Type of Evidence checked/tested	Findings / Comments
5	In establishing the legitimacy of the operation, does the project have insurance in respect of a. employer's liability b. public liability c. buildings & contents insurance	Y N N	Valid insurance certificates – tested	Employers liability and dishonesty policy checked. Front cover for buildings & contents insurance tested but some content missing. No public liability insurance. No insurance policies for partners.
6	Does the project maintain an asset register for assets with a value greater than £2,500?	N		None provided
7	Role of partners in the delivery of the project	Y	Service Level Agreements - tested Evidence of expenditure including defrayment - tested Minutes of Joint meetings - tested Correspondence to and from partners - tested	SLAs with Prevista, Enterprise Enfield, Deltaclub, Tottenham Partnership, E11 BID and Argall BID – these include financial arrangements, ERDF rates and amounts, description of the project, monitoring and evaluation, expected outputs and match funding. It should contain more guidance on ERDF management. Client feedback – emails from SMEs supported. Case studies from

	Question	Yes/No/N/A	Type of Evidence checked/tested	Findings / Comments
				Enterprise Enfield although access to finance so not really relevant but they include the ERDF logo. There are customer advice surveys with good feedback but it's not clear on the actual project as these contain so many logos! Steering group minutes from bi monthly meetings. Participants have signed in.
8	Consideration given to project exit strategy?	Y	Strategy for sustaining project on completion?	Forward strategy is clear

Additional Comments

External partner monitoring visit form is very good. Project performance and marketing are measured as are services provided and value for money.

Financial Systems and Records

- **Check that the project has systems in place for financial reporting, so that they can monitor expenditure**
- **You should describe or reference the documents checked**

	Question	Yes/No/N/A	Type of Evidence checked/tested	Findings / Comments
1	<p>Are the project's financial procedures documented?</p> <p>a. are they adequate?</p> <p>b. Is there proper segregation of duties</p> <p>c. Are there appropriate authorisations for bank accounts & delegated actions?</p> <p>d. What processes are in place to ensure appropriate cash management e.g account reconciliation, petty cash system etc?</p> <p>e. Arrangements to monitor & control project expenditure?</p> <p>f. MCIS claim editor and reviewer roles OK?</p> <p>g. Do they have a simple cash book system, a manual</p>	<p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p>	<p>Written policy documents/ Evidence of financial procedures - tested</p> <p>Authorisation limits, financial delegations</p> <p>Process notes - tested</p> <p>Evidence that procedures are followed – check some expenses that have been authorised - tested</p> <p>Management Accounts - tested</p> <p>Financial accounting software and systems - financial reports - tested</p>	<p>Partners budgets are monitored against spend (original budget + what is remaining).</p> <p>██████ processes outgoing invoices and raises a dummy invoice for those coming in. If 100% it is allocated against the project cost centre</p> <p>General invoices are apportioned manually every quarter in order to follow the apportionment methodology.</p> <p>██████ manages the accounts and produces financial reports. A demonstration was given on online access to the separate ERDF bank account.</p> <p>Budget outcomes and</p>

	Question	Yes/No/N/A	Type of Evidence checked/tested	Findings / Comments
	double entry or a computerised system? h. Are regular meaningful financial reports produced?	Y		<p>outputs achieved are recorded over regular periods.</p> <p>There is a checklist for the MCIS process each quarter for NLB and all partners.</p> <p>Correspondence confirming partners are VAT registered on file.</p> <p>Budget sheets on file.</p> <p>Every invoice is coded and clear on the system.</p> <p>All checked satisfactorily except authorisation limits/financial delegations.</p>
2	Does the project have a separate bank account from the parent organisation?	Y	Bank Statements - tested Cheque Book	Yes – there is a separate account.
3	Is the project or parent organisation registered for VAT?	N	VAT registration details and any relevant correspondence from HMRC.	Not registered
4	Do accounting records maintained allow easy identification of project /	Y	Accounting software used - tested	Quickbooks is the accounting software.

	Question	Yes/No/N/A	Type of Evidence checked/tested	Findings / Comments
	grant income and expenditure to the project? Do they have an organised system for filing numbered invoices and receipts? Are these originals, and are they easily retrievable? For larger organisation is it possible to extract information from their complex financial system?	Y Y	Evidence of cost centre, cost code - tested Original invoices and receipts in files - tested	Project is the cost code. Invoices are stamped with the project name. All checked satisfactorily
5	Records of cash match-funding from partners? Records of in-kind match funding?	N	BACS and/or Bank statements which can identify each transaction. Independent evaluation of services/premises	All tested except LB Enfield match letter
6	Where ERDF support is being provided for trade missions is the provider aware of and following the EPMU guidance (Athena Doc ref: 2461266)?	N/A	Evidence of rates charged in line with guidance	N/A

--

Verification of Expenditure & Income

CLG requires that a visit must verify at least 10% of the total expenditure defrayed by the project at the time of the visit against the original source documentation; these checks will be made under each expenditure category. If checks carried out during a visit reveal errors which amount to more than 2% of expenditure checked the sample size must be increased.

- **Select a representative sample of items from recent claims and ask the applicant to demonstrate the audit trail for those item(s). State rationale as to how the sample size and interval between items have been selected**
- **Cross- reference the documents checked to the claim number / period and note the value of expenditure checked**

	Cost Heading	Type of Evidence checked/tested	Findings/ Comments (Reference to expenditure checks table)
1	Staff Costs	Payroll records - tested Payslips - tested BACS/ Bank Statements - tested Management Accounts - tested	Please refer to EBS comments.
2	Plant & Machinery/ Equipment	Asset Register Invoices Bank Statements Receipts Management Accounts	N/A
3	Depreciation	Depreciation Policy Working papers detailing methodology/ calculation Asset Register	N/A
4	Land Acquisition	Independent land valuation Receipts for land on Accounts	N/A

	Cost Heading	Type of Evidence checked/tested	Findings/ Comments (Reference to expenditure checks table)
		summary	
5	Site Investigation	Specialist Report Invoice from Consultant Environmental Impact Assessment Studies	N/A
6	Site Preparation/ Building & Construction	Tender report from project QS Valuations from contractor QS Payment record Contractor tipping notes (to check for disposal of any waste)	N/A
7	Overheads – agreed method for apportioning costs. Check that overheads are <ul style="list-style-type: none"> based on real costs pro rata allocation to project on the basis of head count or space If flat rate methodology used check: <ul style="list-style-type: none"> compliance with the methodology set out in ERDF funding agreement or agreed subsequently that the rate is being applied as a percentage of the direct costs and not as a percentage of the total costs 	Working papers detailing methodology & calculation - tested Cost codes - tested Management Accounts - tested List of staff, signed & authorised timesheets if based on headcount - tested	Please refer to EBS comments.

	Cost Heading	Type of Evidence checked/tested	Findings/ Comments (Reference to expenditure checks table)
8	Others – Consumables, Fees, Rent etc	Invoices/ Receipts Bank Statements - Tested	Please refer to EBS comments.
10	Revenue / Income Check that actual revenue is in line with offer letter conditions Check that income is in line with projections on spreadsheet for Article 55 funding gap calculation supplied at project negotiation stage and set out in project specific conditions attached to funding agreement, and that the source is specified, such as: Sublets/ leases/ rentals Beneficiary contributions Sale of project assets Sale of products & services made	Financial Statements/ Management Accounts Bank Statements	N/A

EXPENDITURE CHECKS TABLE

Please refer to attached spreadsheet

Physical Progress – Delivery of Performance Indicators

- **Satisfy yourself that outputs and results are being correctly understood and properly recorded/ reported, in accordance with relevant guidance on performance indicators**
- **Test at least one type of evidence for each performance indicator and evidence of achievement applicable to the project**
- **Use supplementary sheets, if required**

	Question	Yes/No/N/A	Type of evidence checked/tested	Findings / Comments
1	How is the progress data being reported in claims, gathered and calculated?		Beneficiary database Beneficiary files Monitoring Spreadsheets MI / Activity Reports All tested	No outputs were reported up to the claim period tested. However we checked the monitoring spreadsheet which contained all necessary fields such as sector, address, borough, business contact etc. This has the date started and reference numbers to be clear which partner is delivering. Data is collected from partners which contain type, equalities data etc. They have and use EPMU guidance.
2	Are baseline measurements available where applicable? Eg no. of jobs in a SME prior to assistance		Beneficiary database Baseline data	N/A
3	Check some evidence for		Consultants time writing sheets	N/A

	Question	Yes/No/N/A	Type of evidence checked/tested	Findings / Comments
	each type of performance indicator on activity which has been reported. Beneficiaries in London area?		Beneficiary feedback/ evaluation reports Beneficiary files Scope of works/ specifications Surveys/ reports Letter from SMEs giving details of employment/ sales Before & after photographs for environmental enhancements, land serviced	
4	Is the evaluation plan being implemented as planned?		Evaluation Plan – Not yet ready Self-evaluation report(s) – beneficiary feedback forms Externally commissioned evaluation: specification /Invitation to Tender; - checked Consultancy appointed; Evaluation Framework Report; Inception /Interim /Final evaluation reports. Evaluation activity as a milestone in work plans /programmes Evaluation /use of findings referenced in forward strategy documents; Lessons learnt from evaluation dissemination activities – project work plan – too early to check	The project has just tendered for an external consultant via CompeteFor, with a contract value of £1,680,000. On file were the specification and 19 proposals with records of time and date. At the time of the visit the evaluation plan was not ready

Compliance

	Question	Yes/No/N/A	Evidence Checked	Comments
1	Publicity Has the project fulfilled its commitment to publicise the EU's contribution to this project as stated in the application?	Y	Plaques on buildings - tested Logos on stationery, website - tested Logos on advertising and promotion material such as brochures, flyers - tested Billboards – N/A Funding acknowledged in press briefings- tested Case studies - tested	Plaque tested. On file:- Communications plan for project and how to use the logo. Emails with details of events organised EPMU presentation Flyers, newsletters, advert with logo Attendance records. Information on all events held Arrival forms, sign in sheets Presentations made. All very thorough however a partner, NLCC, was using the wrong logo.
2	State Aid Is the applicant complying with the conditions of the state aid scheme under	N	<u>De minimis</u> Copy of <i>de minimis</i> aid declaration form (or equivalent document) - signed by the beneficiary - setting out the amount of	De minimis declaration form incorrect, not separating out de minimis and small amounts of compatible aid.

	Question	Yes/No/N/A	Evidence Checked	Comments
	which the project was approved?		<p><i>de minimis</i> aid received over the past 3 fiscal years</p> <p>Letter issued by applicant notifying the beneficiary of the prospective amount of aid that will be provided.</p> <p>Document retention policy which allows for the records regarding support under the <i>de minimis</i> rule to be maintained for 10 years from the date on which the last individual aid was granted.</p>	No notification to SMEs of the value of aid delivered by the project
3	<p>Procurement (detailed questions below. If procurement was covered fully at PEV, there is no need to cover at PAV) Is the project team aware of the need to adhere to public procurement policies? Are public procurement rules being followed?</p>	<p>Y</p> <p>Y</p>	<p>Written procurement policy – tested</p> <p>Tender file for a competitive tender (EOI, work specification, selection criteria, proposals, evaluation report etc) - tested</p> <p>OJEU notice for EU level tender – N/A</p> <p>Written quotes received - tested</p> <p>Local advertisements - tested</p>	<p>CompeteFor project management support £50k-£100k</p> <p>On file:-</p> <ul style="list-style-type: none"> -LDA OJEU guidance. -Letter to [REDACTED] confirming appointment. -Scoring sheets and submissions for:- [REDACTED] -A brighter future -Urban lynx -Renaissi

	Question	Yes/No/N/A	Evidence Checked	Comments
				<p>-Creative differences Only 2 scores and only [REDACTED] signs. Both should sign and keep all notes.</p> <p>-Letters to unsuccessful applicants</p> <p>Specification for consultant support £40k-£50k</p> <p>On file:- -Advert and scoring. -Combined score sheet -Scoring 3 companies: -Romero James -Urban lynx -Gino fox -Letters to unsuccessful applicants</p>

	Question	Yes/No/N/A	Evidence Checked	Comments
3.1a	Is the applicant a contracting authority (State, local authority, regional authority, body governed by public law)?	N		
3.1b	Is the applicant running a subsidised contract?	n/a		
3.1c	Are the applicant's procurement procedures documented? If so obtain a copy. If not how do they ensure compliance?	Y		Procurement policy is out of date with incorrect ERDF limits
3.1d	Does the applicant understand the requirements of the EC Directives and UK Regulations and how they relate to their organisation?	Y		
3.2a	What is the value of the contract and is it a contract for public works or services? Refer to checklist showing applicable EU thresholds during the programme period.			£50k–£100k management support £40k–£50k consultant £6k–£15k evaluation
3.2b	Is there a copy of the OJEU notice? <i>If so obtain a copy for file</i> <i>If not explain why</i> <i>Obtain list of replies to OJEU notice</i>	N/A		

3.2c	Have the rules concerning non-splitting of contracts been respected?	Y		
3.2d	<p>Where the organisation is not bound by public procurement directives, were calls for tender circulated widely enough to ensure real competition for contracts?</p> <p><i>Obtain a copy of any adverts e.g. Newspapers etc.</i></p> <p><i>Obtain a list of replies to any advertisement, requesting a tender document (for open procedure) or expressing an interest (for restricted procedure)</i></p>	N/A		

3.3a	<p>For restricted procedure only - were the pre qualification evaluation criteria set in advance of receipt of expressions of interest and were the expressions of interest evaluated against the set criteria?</p> <p><i>Obtain and check pre-qualification criteria used for those expressing an interest.</i></p> <p><i>Obtain copies of evaluation (usually based on a scoring system carried out by a minimum of three people).</i></p>	N/A		
------	--	-----	--	--

3.3b	<p>Were all those who requested a tender document (open procedure) or who met the pre qualification criteria (restricted procedure) sent the relevant documents?</p> <p><i>Obtain a list of organisations that were sent tender documents.</i></p> <p><i>Does this match the list of those who originally applied (open procedure) or were selected (restricted procedure)? If not, why?</i></p>	N		Not known who requested a tender document for the 2 nd consultant project management exercise.
3.3c	<p>Was the receipt of all tenders recorded?</p> <p><i>Obtain and check a record of the tender-opening procedure indicating the number of tenders, the amounts bid and the reasons for any withdrawals (should be signed, dated and timed by those present, at least two people)</i></p>	Y		

3.3d	<p>Were the tender evaluation criteria set in advance of receipt of tenders and were tenders evaluated against the set criteria?</p> <p>NOTE: tender evaluation criteria must not relate to pre-qualification issues.</p> <p><i>Obtain and check the evaluation criteria.</i></p> <p><i>Obtain and check the evaluation report for the tenders submitted (showing the scorings/markings of the tenders under the various award criteria).</i></p>			Not known
------	---	--	--	-----------

Cross Cutting Themes

	Question	Yes/No/N/A	Evidence Checked	Tick	Comments
1	Cross cutting theme performance indicators? Have they the necessary systems in place to monitor progress?	Y Y	Equal opportunities Environmental sustainability	Y Y	A plan of aims and objectives for meeting CCTs on file. Tables with indicator description and how they are measured. CCTs are an agenda item at steering group meetings. On file are emails containing specific efforts to reach equality targets. Have plans to target disability groups.
2	Do they have evidence to support the delivery of cross cutting theme performance indicators?	N	Specific action taken for to promote equal opportunities for men, women, BME, disabled people and other excluded group?		No real evidence on delivery yet, only a plan of action.
3	Can you see any evidence that the organisation practically implements cross	Y	Access & initial entry to the project (accessible to all) - tested Equal opportunities guidelines - tested		

	Question	Yes/No/N/A	Evidence Checked	Tick	Comments
	cutting themes?		Green buildings policy - No Green transport policy - No		

General Comments

Overall assessment of the project

Best Practice

Are there any examples of good practice that could be publicised or promoted?

27

Document Number: 3113609

Section IV: Actions and Recommendations

Issue	Agreed Action/ Recommendation for improvement	Deadline for Completion	Person Responsible	Follow up Report
1. No contingency plan.	Please provide a project contingency plan.			Action completed 3/4/2012
2. No asset register.	If the project has assets of £2,500 or more, please provide an asset register.			Action completed 3/4/2012
3. Document retention policy.	Please provide an updated document retention policy which meets ERDF requirements.			Action completed 3/4/2012
4. Match funding letter London Borough of Enfield	Please provide a copy of the original match funding certificate for London Borough of Enfield			Action completed 3/4/2012
5. Public liability insurance	Please provide a copy of the public liability insurance certificate			Action completed 3/4/2012

Issue	Agreed Action/ Recommendation for improvement	Deadline for Completion	Person Responsible	Follow up Report
6. Partners' policies	Please provide copies of partners' insurance, equal opportunities, health and safety and environmental policies.			Action completed 3/4/2012
7. Authorisation limits/financial delegations	Please provide details of authorisation limits and financial delegations			Action completed 3/4/2012
8. ERDF Logo	Please ensure partners are using the correct ERDF Logo			JK confirmed that all partners are now using the correct logo. 30/8/2012.
9. State aid notification to beneficiaries.	Please confirm when SMEs will be notified of the amount of de minimis aid they received through the project, and provide an example to EPMU.			Action completed 6/12/2012
10. De minimis information.	Please correct the de minimis forms that SMEs are being asked to complete, to reflect ERDF guidance.			Action completed 10/09/2012

Issue	Agreed Action/ Recommendation for improvement	Deadline for Completion	Person Responsible	Follow up Report
11. Tender documents for consultant.	Not clear who requested a tender document for the £40k-£50k consultant project management exercise – please provide details.			Action completed 10/09/2012
12. Procurement processes.	Please ensure that all score sheets are correctly signed and that the procurement policy is up to date.			Action completed 16/11/2012
13. EBS actions	Please respond to actions on EBS spreadsheet attached.			Action completed.
14. Delivery of CCTs.	Please explain how CCTs are to be delivered.			Action completed 3/4/2012
15. Practical implementation of CCTs.	Please explain what steps are taken by NLB to practically implement CCTs.			Action completed 11/10/12

Signatures:

Project Delivery Officer (Project):

Date:

Project Delivery Manager (EPMU):

Date:

ERDF PROJECT ENGAGEMENT VISIT REPORT

1. PROVIDER INFORMATION

Provider Organisation: North London Business

Address: First Floor Heron House, Hale Wharf, Ferry Lane, London N17 9NF

Project Name: Exporting Success – the Export Escalator

Project Ref: ERDF 09/225

Project Address: As above

Date and Time of Visit: 4th November 2009 at 10am

Those Present at Visit:

LDA EPMU: [REDACTED]

Project: [REDACTED]

2. PROJECT SUMMARY

Start Date: 1/6/2009

Practical Completion Date: 1/6/2012

Financial Completion Date: 31/8/2012

Eligible expenditure approved	% rate	ERDF grant approved
Capital :	0%	Capital: 0
Revenue:	50%	Revenue: £840,000

3. PROJECT DELIVERY

3.1 Understanding of offer letter and project objectives

Project Overview

There are a few mistakes in the offer letter. Firstly the funding does not add up correctly. The R3 have been double and should be 100, with 40 BAME. Finally the match funding must add up and the annual funding profile should match that of the match funding letters.

A change may be made to one of the match letters – a partner may put in more match. EMPU will be kept up to date about this.

AW advised that 100% checks of first claims are being carried out, and that it would be sensible for the project to not submit a claim for June, but roll it up into the claim for October.

Offer letter and specific conditions

The Enfield Enterprise match funding letter is required.

SLAs are in draft, using EPMU's template. Every partner has the output and spent profile.

R3 sub categories need to be altered. R3i doesn't need an equalities breakdown, but the others, including R3 itself, do.

SfB – AW will send the link to the webpage for guidance.

A manual for delivery partners is being put together and an induction meeting has taken place.

Overheads may be higher than in budget, but this will be monitored and EPMU kept informed.

All will be made aware of the terms and conditions of the offer letter which will be put in the SLA.

NLB was originally set up through ERDF, and ran a programme from 2003 to 2007.

3.2 Provider systems

a) Record keeping

NLB is aware that records must be kept until 2025, and of what records to keep. AW advised that electronic copies can be kept but that hard copies should be kept too. Each claim has a lever arch file containing the evidence, including the original invoice, timesheets, apportionment, remittance advice from ERDF.

Invoices will be certified, but originals must be made available if requested.

Partners – all paperwork will be sent to NLB and put on the claims file for claim one. Then from the second claim NLB will take copies and carry out

spot checks to verify outputs and spend.

Information will be gathered monthly, with monitoring visits to verify it. This will be built into the SLAs.

Records will be kept at NLB and with partners.

Evidence will be at NLB for the first claim check.

There will be no expenditure for partners until the January 2010 claim.

b) Apportionment

Staff will complete timesheets, as they do for all projects in NLB.

AW advised that enough description, relating to project activity, must be on each timesheet. NLB will ensure there is a full explanation.

Staff time is split into the percentage spent on the project. Holidays and sickness are apportioned down as a percentage of the month.

Timesheets then consolidated monthly.

Direct expenses will be claimed and the project has a separate cost code.

General overheads will be apportioned on staff time based on timesheets. AW requested that the apportionment methodology is written on each invoice.

Payment / defrayment dates noted.

NLB has a list of salary sheets, apportioned on an actual basis, and evidence will go back to the salary being defrayed.

How will NLB deal with overtime?

Overheads can be apportioned monthly, according to when the invoice was paid.

NLB has 11 staff at the moment and will ensure apportionment relates to project activity.

NLB also has a 'de minimis' policy: spend, e.g. travel, milk, unless a significant project related expense, is ignored and not claimed. It was decided this was not worth it for tiny expenses.

c) Procurement

AW advised the procurement opportunities must be adequately advertised, and enough quotes obtained, or the opportunity must be re-advertised. The use of accelerated procedures is generally not acceptable. Urban Lynx was

procured – EPMU will need to see this evidence. NLB went through existing suppliers, which also applies to partners. AW advised on rules for this, and will send the procurement guidance.

NLB will ask partners what process they used – this should only apply to Enterprise Enfield. EPMU are to be kept informed.

The evaluation will be procured and, for its size, will need three written quotes.

Procurement should be included in the SLAs.

d) Depreciation

None

e) Material changes

AW will send the list of material changes, and advised on the process.

NLB may need to roll forward funds from year to year, and will look at the expenditure profile for 2009 and see if this is on profile. Most delivery is from January onwards.

MCIS will break down spend into equal quarters so there may be an opportunity to reprofile before the project goes live. RH must talk to EPMU about this first.

The project needs a few changes: match, funding from 2009-2010.

f) Publicity requirements

Logos must be on everything, and those seen were correct.

AW advised that photos and originals of press releases should be kept, and that EPMU needs to approve publicity in advance.

NLB also need to check that partners are doing the right thing, and publicity should be in the SLA.

AW will send the ERDF communications guidance.

g) State Aid requirements

The project is operating under de minimis, and the draft declaration was fine.

h) Definitions of Performance Indicators (PIs) (including equal opportunities and environmental sustainability)

NLB has an output manual which has been shared with partners.

AW will send the new version of the PI guide, which has been updated to remove the requirement for an employee to sign the jobs safeguarded form..

NLB will pull out the relevant indicators from this and give it to partners. Visits will monitor this as well as signed forms.

NLB will be recruiting a full time trade manager; there is no need for timesheets in this case. As evidence EMPU will need the job description, advert (with ERDF logo), invoices etc.

NLB will need to vire money from the salary budget to create a new recruitment code.

AW will talk to John Joyce re making changes on MCIS prior to going live.

3.3 Provider management capacity

a) Organisation chart

A chart is on file but NLB will send another. NLB will also send a list of all staff working on the project across all delivery partners, with names and roles and responsibilities.

b) Recording of staff time

As discussed above. This will be cross-referenced with online diaries. Timesheets will be verified and spot checks undertaken.

c) Arrangements for collection of performance indicator information

AW advised that the evidence which sits behind the signed forms will also be required.

Forms shared at the meeting looked ok.

All forms will be emailed to EPMU.

d) Provision of claims on MCIS

NLB will be uploading the outputs and expenditure breakdown summary spreadsheets, and will upload other, relevant, documentation.

AW requested that sufficient detail be included on the EBS.

e) Guidance and/or training for staff

As discussed. NLB will can on EPMU if individuals need any help, for example on evidencing outputs. Many partners are delivering other ERDF projects. The project steering group will share best practice and issues.

All project files are kept in an accessible place and backups are on the shared drive.

The project doesn't have a communication plan – one might be useful to formalise project publicity and marketing, and should be uploaded onto MCIS.

3.4 Progress to date

The project has been delivering since June. The first steering group meeting has taken place, which agreed aims and objectives, roles and responsibilities, clarified outputs and set up project procedures.

The next steering group is on 24th November, and they will take place every two months. The terms of reference and minutes will be uploaded on MCIS.

SLAs are being worked on.

Some partners have started to recruit SMEs.

An event is planned in January, at which the project will be launched.

A project brochure will be developed and uploaded on MCIS.

A trade manager is to be recruited – the JD has been agreed and the process is underway.

Project admin – systems have been set up and the first claim is 80% of the way there.

Most activity will be reported from January 2010 onwards and will be reprofiled to reflect this.

NLB needs to meet with UKTI, a strategic partner, to agree links with their products.

3.5 Project Evaluation

There will be an external interim and final evaluation, but some evaluation will be carried out throughout the project.

AW advised that EPMU needs to see the evaluation specification.

NLB has seen the ERDF evaluation toolkit.

The process to start procurement is in April 2010.

A.O.B

The timescale for profile changes is by the end of November.

The first claim should be submitted in draft so EPMU can check it.

4. OVERALL FINDINGS AND ACTION REQUIRED

No:	Action	Responsible	Due
1.	Send offer letter annexes to NLB	AW	17/11/09
2.	Send SfB link	AW	17/11/09
3.	Send procurement guidance	AW	17/11/09
4.	Send information on material changes	AW	17/11/09
5.	Send communications guide	AW	17/11/09
6.	Send revised performance indicator guide	AW	17/11/09
7.	Complete and return offer letter annexes	RH	1/12/09
8.	Send output templates	RH	1/12/09
9.	Advise on overtime procedure	RH	1/12/09
10.	Advise on procurement procedure used	RH	1/12/09
11.	Send organisation chart and staff roles and responsibilities	RH	1/12/09


Delivery Manager EPMU
Date: 16th November 2009

Notes:

I can confirm that all actions above PEV have been completed. See email confirmation dated 9/06/10


9 June 2010