



European Union
European Social Fund
Investing in jobs and skills

2007 - 2013 ACTION NOTE

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Changes to CFO performance monitoring arrangements

WHO

CFOs; Managing Authority teams, London Development Agency (LDA) EPMU, ESF teams, ITM Unit, Audit Authority, Certifying Authority, DG Emploi, ESF providers.

WHAT

This action note outlines the changes to CFO performance monitoring arrangements applicable from April 2011 following the closure of the Government Office network.

CLEARED

Ian Chapman Head of Managing Authority

Background

1. The closure of Government Offices and the demise of English regions as administrative entities means that the managing authority needs to adopt an alternative approach to monitoring the performance of ESF co-financing organisations (CFOs) .

CFO performance monitoring changes

2. From 1 April 2011 the managing authority will adopt the following approach to CFO performance monitoring:-

- (i) Performance reports from the three national CFOs (DWP, Skills Funding Agency and NOMS) at each national ESF Programme Monitoring Committee (PMC) meeting;
- (ii) Other CFOs to be invited to a future national PMC meeting to report on their ESF activities; and
- (iii) Performance monitoring dialogues between the managing authority and all CFOs.

(i) PMC performance reports (DWP, Skills Funding Agency & NOMS)

3. At each of the biannual ESF PMC meetings there will be a national report on performance, followed by papers presented by each of the three national CFOs. The session for each CFO will last around 15 minutes.

4. In order to have a standard approach, the PMC paper should contain the following. The data must be taken from the ESFD INES system, and will be supplied by ESFD:-

- Expenditure
 - ◆ Total allocation – split between Convergence and Competitiveness and Employment;
 - ◆ Total committed
 - ◆ Total claimed
- Performance against participant targets
 - ◆ By priority
 - ◆ National
 - ◆ Regional
- (When applicable) progress with tendering and contracting for 2011-13
- What problems are there with expenditure and targets and how these are being resolved.

(ii) Other CFOs to be invited to a future PMC meeting to report on their ESF activities

5. There is no requirement for other CFOs to produce detailed performance reports for the PMC. However, each of the other CFOs will at some stage be invited to a future PMC meeting to report on their ESF activities.

(iii) Performance monitoring dialogues with all CFOs.

6. Discussions between the managing authority and all CFOs will supplement the performance reporting to the PMC.

Individual Monitoring dialogues between the managing authority and DWP, Skills Funding Agency & NOMS

7. These will take place twice a year in the two quarters not covered by PMC meetings. Timing will follow the receipt of quarterly management information returns. The meetings will cover

- Spend v profile and “regional” and national level;
- Performance against N+2 target;
- Current intervention rate (too much/little match);
- Particular local spend issues;
- Commitments v allocation;
- Movement of funds between “regions”; and
- Performance against national and regional MI targets
- Outstanding Article 13 and Article 16 issues and other audit related issues.
- Issues raised by the CFO

The managing authority will send any specific questions in advance of the meeting.

Individual Monitoring dialogues between the managing authority and other CFOs

8. There will be annual monitoring dialogues between the managing authority and the other CFOs covering the same issues as for the national CFOs as described above. Either Liz Wigley or Pete Long from ESFD will be in contact with CFOs to arrange these meetings.

9. The monitoring dialogues with the two London CFOs will be carried out by the London European Programmes Management Unit (EPMU) on behalf of the managing authority as an Intermediate Body. The managing authority may attend some or all of these meetings.

London

10. The London ESF committee will continue to function due to the unique institutional arrangements in London whereby the Mayor has oversight of employment and skills strategy. Committee meetings are held twice a year and the national CFOs as well as the London CFOs will be expected to attend and report on performance in a similar way to the PMC report.

Convergence

11. The Cornwall and Isles of Scilly Convergence Committee will also continue to exist and the national CFOs will be expected to attend to report on performance. At the request of the Convergence partnership these meetings might be more frequent than biannual.

Convergence issues will still be covered in the monitoring dialogues with the national CFOs.

CFO meetings

12. In some areas CFOs continue to meet locally to discuss a range of issues including performance. Where the managing authority attends these meetings at the invitation of the CFOs it will be on an informal basis.

Claims and performance information

13. The requirement to provide performance update information when submitting ESF claims on INES remains unchanged.

Action

14. Recipients of this Action Note are asked to note the new arrangements for performance monitoring and cooperate with the managing authority in preparing performance information and organising meetings.

Contact

15. For more information on this note contact:

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