ECLAIMS

Self-Declared Adjustments (SDAs)

Grant Recipient Guidance

1.0 Self-Declared Adjustments (SDAs)

1.1   These are cases when the beneficiary comes forward to inform the MA of ineligible expenditure in a previous claim not linked to a planned audit and in normal day to day project business. A SDA must be notified to the MA before the expenditure is selected for review by the MA/CA/AA/EC otherwise it should be treated as an irregularity.

1.2   The ineligible expenditure for an SDA must be recovered from the beneficiary by offset or demand note. The beneficiary will not lose their grant allocation.

1.3   The ineligible expenditure must also be accounted for in the next ECPA (or in the Annual Accounts) by the CA (this process is managed by the CA).

1.4   The grant recipient should notify the MA immediately once they are aware of an issue, using the Self Declared Adjustment screen via E-Claims or by contacting the MA Contract Manager.

1.5   Although the grant recipient can apply for an SDA it is for the relevant authority (MA or CA or both) to decide whether that is appropriate. If the MA or CA is not satisfied with the justification provided by the grant recipient or if the same issue is identified regularly across a number of claims, or across projects within the same organisation, the MA may consider treating this as an irregularity.

1.6   Where a grant recipient is seen to be continually making SDAs in claims, then this should be investigated by the MA. This is particularly important where SDAs are repetitive for the same reason and if necessary SDAs should be changed and reported as irregularities.

1.7   Each SDA should be judged on a case by case basis but if, as a guide, a grant recipient repeatedly reports the same issue as an SDA then this should be reviewed by the MA (and reviewed by National Irregularity forum if appropriate) and could be considered as an irregularity. Contract managers would not need to go back and re-categorise the earlier SDAs but the latest SDA would be recorded as an irregularity.

1.8   An SDA can be submitted at any time, subject to the conditions set out below, and grant recipients are advised to notify the MA of any potential SDAs at the earliest possible opportunity. The SDA must link to a claim period which has already been completed.

1.9   Common examples of what a SDA can include (this is not an exhaustive list):

- Clerical errors
- Simple over-claims due to miscalculation of funding
- Ineligible activity
- Removal of expenditure from partners, including those that have gone into administration, that do not or cannot meet audit requirements and/or cannot provide necessary evidence

1.10   In the case of an SDA, the grant recipient will be required to repay the ineligible expenditure, but the value of the ineligible expenditure is not automatically lost to the project. In most cases the grant recipient is able to replace the expenditure with eligible expenditure, unless there is insufficient time left in the project. It is therefore in the grant recipient's interest to notify the MA of any issues as soon as possible.

1.11   An SDA is not an irregularity and is exempt from reporting to the EC.

1.12   Where a grant recipient has identified an error prior to receiving notification of an Article 125/127 inspection or an audit but has not yet declared the adjustment, then they should collate evidence of the detection and action taken as part of their evidence to highlight the robustness of their management and control systems.

1.13   Any expenditure identified as suspected fraud should be notified as an irregularity and cannot be declared as an SDA

In the first instance, you should discuss the Self Declared Adjustment (SDA) with your contract manager.

PLEASE NOTE!

We recommend that you select the Self-Declared Adjustment (SDA) function once you have the adjustment/s finalised offline. Unfortunately ECLAIMS currently does not allow you to save draft versions.

2.0 How to Enter SDA's on to ECLAIMS

2.1   To raise an SDA you will need to login to ECLAIMS as normal. Once logged in and you will be taken to the welcome page as normal.

2.2   Once you are in the Welcome page, Under **'Projects'** type the name of the project in to the search bar. Then click **'view'** button. You will then be taken to the **'Manage Project'** page.

2.3   From the options menu in the **'Manage Project'** page, click the **'Self-declared Adjustment'** button.

2.4   You will then be taken to **'Self-Declared Adjustment'** page. Click on the **'Add new Self-declared Adjustment'**.

2.5   You will then be taken to the "**Details**" page.

2.6   Please populate the following boxes in the **'Details'** Page:

- Other Reference (If linked to a previous SDA - if Applicable)
- Date Detected
- Name (of person reporting the SDA)
- Function (of person reporting the SDA)
- Workplace/team options (of person reporting the SDA)
- Comment (Explain the reason for the SDA)

2.7 After completing the 'Details', please click the **'Next'** button.

2.8 You will then be taken to the **'Financial Breakdown by Category'** page. On the **'Financial Breakdown by Category'** page, click on the **'Add new category'** button.

2.9 You will then be presented with the claims which have been paid. Select the **claim/s** which the SDA relates to by clicking in to the boxes.

2.10 Once you have ticked the boxes, click the **'View Transactions'** button.

2.11   You will then be presented with the Transactions which appear in the Claims (these should tie back to the lines on the Transaction list for the Claim Periods). **Select the Claims & Claim Lines.**

	Claim Number	Line Item Number	Details	Expenditure	Irregular Expenditure	Total Irregular Expenditure (including FRIC)
☑	08	1	(Cap) Building and Construction valuation 3	0.00	0.00	0.00

2.12   After selecting the lines, please click the **'Categorise transaction'** button.

TOTAL

Categorise transactions   Cancel

2.13   You will still remain on the **'Financial Breakdown by Categor**y' page.

Details

Financial Breakdo...

Action

History

Financial Breakdown by Category

* Category

* Subcategory

Description

File

Choose File   No file chosen

Add Another

OK

2.14   From the **'Category'** drop down box select the reason for the SDA.

2.15   After you have selected the **'Category'** you will need to select from the **'Subcategory'** box.

2.16   After selecting the from the **'Subcategory'** box please enter a comment in to the **'Description'** box.

2.17   If you have evidence which helps support the SDA then please click the **'Choose File'** button to add the document.
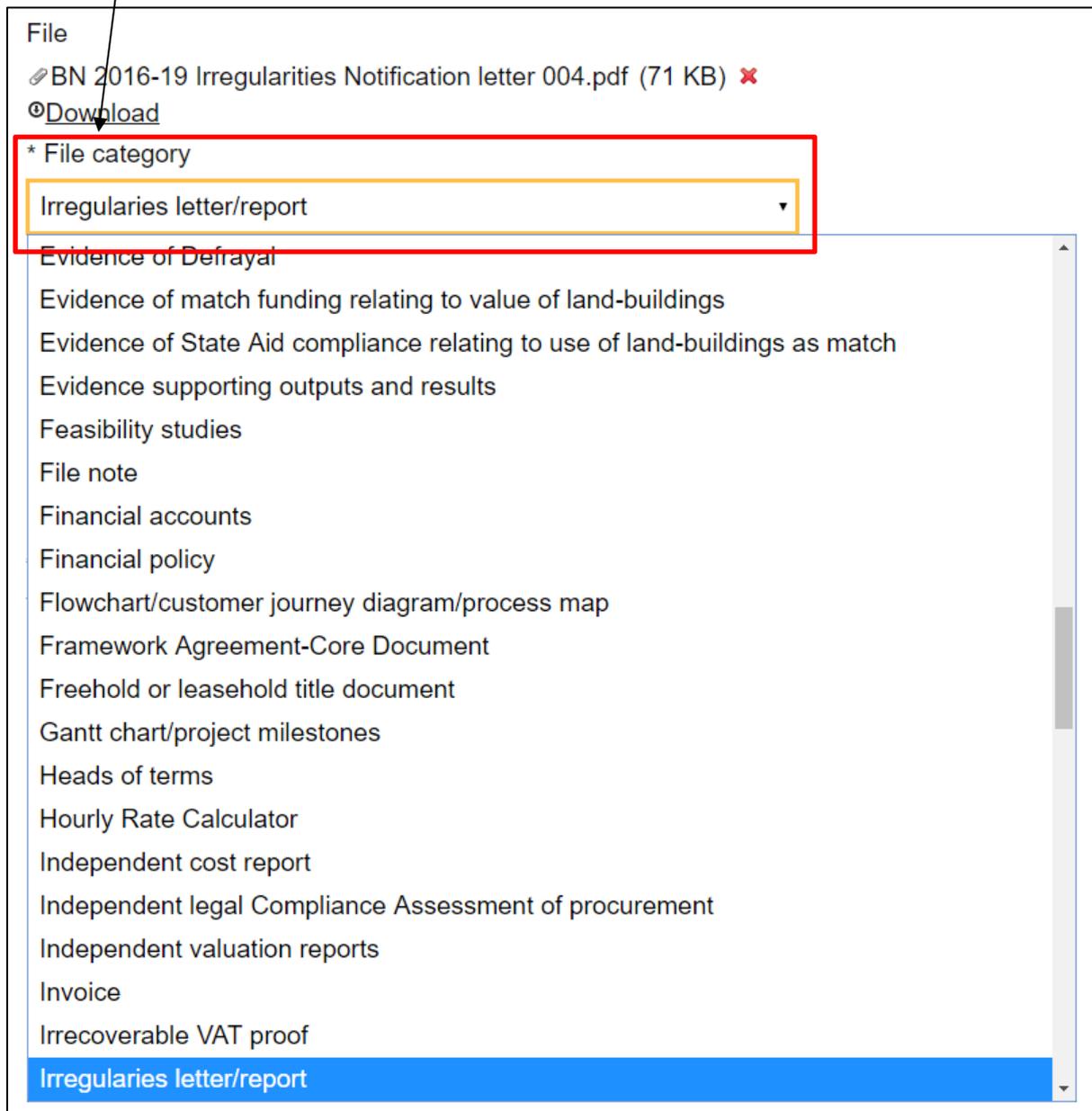
2.18   If evidence has been uploaded please select from the options presented within the **File Category'** box.

File

  BN 2016-19 Irregularities Notification letter 004.pdf (71 KB) ✖
  Download

* File category

Irregularies letter/report   ▾

Evidence of Defrayal
Evidence of match funding relating to value of land-buildings
Evidence of State Aid compliance relating to use of land-buildings as match
Evidence supporting outputs and results
Feasibility studies
File note
Financial accounts
Financial policy
Flowchart/customer journey diagram/process map
Framework Agreement-Core Document
Freehold or leasehold title document
Gantt chart/project milestones
Heads of terms
Hourly Rate Calculator
Independent cost report
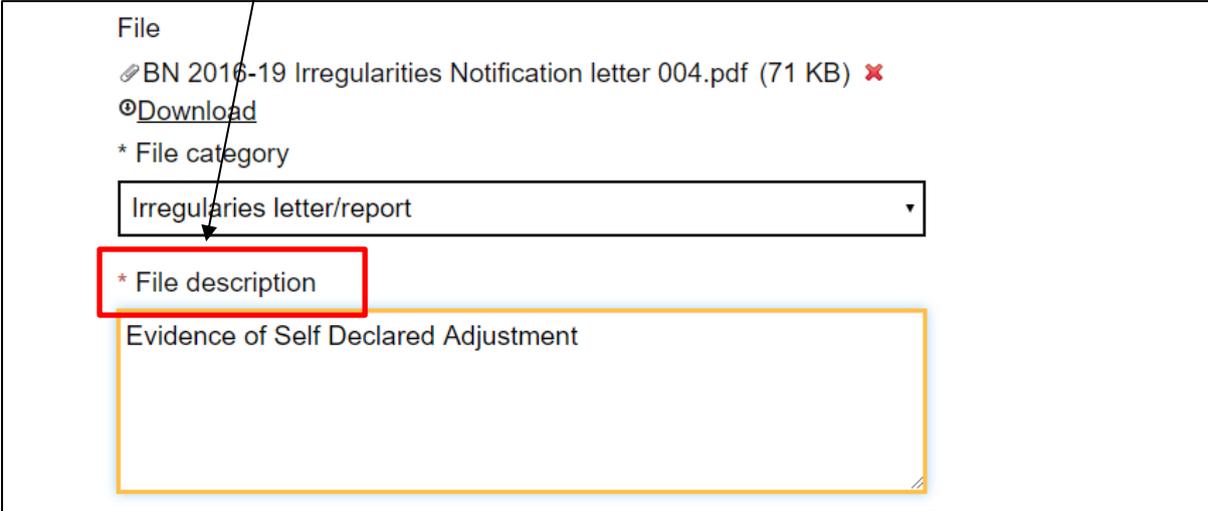Independent legal Compliance Assessment of procurement
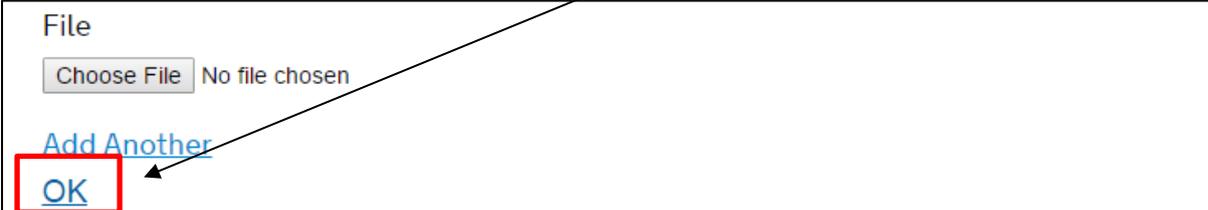Independent valuation reports
Invoice
Irrecoverable VAT proof
Irregularies letter/report

2.19   After selecting the from the **'File category'** please enter a description of the file in to
        the **'File description'** box.

2.20   Once this has been done you can click the **'OK'** button.

2.21 You will still remain on the **'Financial Breakdown by Category'** page. This time the Transactions lines have been opened up so that you can enter the Self-Declared Adjustment values (see below).

2.22 You will need to click the **'Edit'** button (highlighted in blue).

2.23   In the **'Expenditure Adjustment'** Box which appears, please enter the overclaim value of the expenditure item (e.g. you claimed £10,000 but you should have claimed £9,900 so in this box you enter £100). Please enter the expenditure value **excluding** the FRIC value (If applicable) as this will be calculated by ECLAIMS. Please can you also ensure the overclaim value is split correctly between the correct category of region's. Once the incorrectly claimed amount has been entered please press save.

2.24   After entering the value against all the lines identified scroll down to the bottom of the page and click the '**Next**' button.

2.25   You will then be taken to the **'Action'** page. This is a free text box so you will need to enter the reason for the SDA. Once the text has been added please click the **'Insert'** button.

Action

Details

Financial Break…

Action

History

Comment
Please add your comment and press 'Insert' to record your comment in the log prior to saving or submitting the irregularity.

Incorrect claim of Expenditure

Insert

2.26   After this has been done click the **'Next'** button.

Submit   Save draft   Cancel   Close

Back   Next

2.27   You will then be taken to the **'History'** page. Once there click the Green **'Submit'** button. This will then submit the SDA to the Managing Authority to review and process.

History

Details

Financial Break…

Action

History

This self declared adjustment is new, so there is no history for it.

Submit   Save draft   Cancel   Close

2.28   Once your Contract Manager has processed the SDA, it's outcome will be recorded, the status will be shown as 'recovery' if accepted, 'rejected' if rejected and 'converted to an irregularity' if the MA has decided to treat it as an irregularity instead.

2.29   Your Contract Manager should email you once the SDA offset process has been completed.

NB: In order to recover the amount that has been incorrectly claimed and paid, a future claim will be offset (reduced) by that amount. In these cases the project budget will not be affected.

Please be aware that the Irregularities Manager will review the case and there may be instances where a Self-Declared Adjustment could be converted into an irregularity by the MA. Your contract manager will advise you if this is the case. If it is determined that the case should be recorded as an irregularity, the offset will be applied in the same way as an SDA but the project budget will also be reduced and the funds will not be available to be claimed again in the future.