

Glossary
Section 1 - Acronyms (at a glance)

Acronym	What it stands for
AA	Audit Authority
AIR	Annual Implementation Report
BIS	Department for Business, Innovation and Skills
CA	Certifying Authority
CAP	Common Agricultural Policy
CCT	Cross Cutting Themes
CLLD	Community Led Local Development
COESIF	Coordination Committee for the European Structural and Investment Funds
CPR	Common Provisions Regulation
CSF	Common Strategic Framework
DCLG	Department for Communities and Local Government
DEFRA	Department for Environment, Food and Rural Affairs
DA	Devolved Administrations
DG	Directorate General
DWP	Department for Work and Pensions
EAFRD	European Agricultural Fund for Rural Development
EC	European Commission
ECA	European Court of Auditors
EIB	European Investment Bank
EIF	European Investment Fund
EMFF	European Maritime and Fisheries Fund
EPSCO	Employment, Social Policy, Health & Consumer Affairs Council
ERDF	European Regional Development Fund
ESF	European Social Fund
ESIF	European Structural and Investment Funds
EU	European Union
FA	Funding Agreement
FI	Financial Instrument
FLAG	Fisheries Local Action Group
GBER	General Block Exemption Regulation
GDT	Growth Delivery Teams
GLA	Greater London Authority
GPB	Growth Programme Board
HMG	Her Majesty's Government
IB	Intermediate Body
ITI	Integrated Territorial Instrument
JEREMIE	Joint European Resources for Micro to Medium Enterprises
JESSICA	Joint European Support for Sustainable Investment in City Areas
LAG	Local Action Group
LEP	Local Enterprise Partnership
LEADER	Liason Entre des Actions pour Development Economique Rural (community led development under the RDPE – rural

	areas)
MEP	Member of European Parliament
MA	Managing Authority
MMO	Marine Management Organisation
NOMS	National Offender Management Service
OGD	Other Government Department
OJEU	Official Journal of the EU
OLAF	Office Europeen de Lutte Anti-Fraude (EU anti fraud office)
OP	Operational Programme
PA	Priority Axis or Partnership Agreement
PMC	Programme Monitoring Committee
PPP	Public private partnerships
RPA	Rural Payments Agency
SEA	Strategic Environmental Assessment
SLA	Service Level Agreement
SME	Small and medium-sized enterprises
SUD	Sustainable Urban Development
TA	Technical Assistance
UKCES	UK Commission for Employment and Skills
UKREP	UK Permanent Representation to EU
VCLF	Venture capital loan fund
YEI	Youth Employment Initiative

Glossary

Section 2 – Technical Terms/Jargon

Term	Definition										
Activity End Date	The date specified as such in the Project Specific Conditions and being the date that all of the Project Activities shall be finished and complete.										
Additionality	Additionality is a core principle of European funding which seeks to ensure that funding from the European Union does not replace or displace funding that would have been spent by agencies and authorities in the UK, but brings added value over domestic funding. The basic criterion for additionality is that projects should only receive ESIF funding if they would otherwise not proceed or if the ESIF support allows the project to proceed within a shorter timescale or achieve a higher quality and impact than would otherwise have been the case. Applicants should seek to demonstrate additionality in their application.										
Administrative Checks.	<i>See Desk Based Checks</i>										
Programme Allocation	<p>The total amount of money made available by the European Commission to each Operational Programme. The allocations for England in Euros for the period from 2014-20 are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">2014 to 2020 European Structural and Investment Funds</th> <th style="text-align: left;">Allocation for England Growth programme</th> </tr> </thead> <tbody> <tr> <td>European Regional Development Fund</td> <td>€3.6 billion</td> </tr> <tr> <td>European Social Fund</td> <td>€3.5 billion</td> </tr> <tr> <td>European Agricultural Fund for Rural Development</td> <td>€221 million - The Rural Development Programme 2014 to 2020 has a total value of over £3.5 billion, of which €221 million will be invested through the European Growth programme to help promote rural economic growth.</td> </tr> <tr> <td>European Maritime and Fisheries Fund</td> <td>€243m – this is for the UK as a whole.</td> </tr> </tbody> </table>	2014 to 2020 European Structural and Investment Funds	Allocation for England Growth programme	European Regional Development Fund	€3.6 billion	European Social Fund	€3.5 billion	European Agricultural Fund for Rural Development	€221 million - The Rural Development Programme 2014 to 2020 has a total value of over £3.5 billion, of which €221 million will be invested through the European Growth programme to help promote rural economic growth.	European Maritime and Fisheries Fund	€243m – this is for the UK as a whole.
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Annual Implementation Reports (AIR)	<p>Each year from 2016, the Managing Authority must submit to the European Commission an Annual Implementation Report for each Operational Programme covering the previous financial year.</p> <p>This report sets out key information on how the Programme is being implemented including financial data, progress against indicators and targets, a summary of evaluations undertaken, issues affecting</p>										

Term	Definition
	<p>performance and measures taken.</p> <p>The National Growth Board needs to agree the report before it is sent to the European Commission. Once the Annual Implementation Report has been accepted by the European Commission, it will be made publicly available.</p> <p>[Regulation (EU) No 1303/2013 Articles 50 and 111]</p>
Applicable ex ante conditionality	<p>A concrete and precisely pre-defined critical factor, which is a prerequisite for, and has a direct and genuine link to, and direct impact on, the effective and efficient achievement of a specific objective for an investment priority or a Union priority.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Applicant	<p>The organization that proposes a project (Operation) that brings together match funding and European Funding. Once the project is approved by the Managing Authority the Applicant becomes the Grant Recipient.</p>
Application	<p>The submission of a formal proposal by an individual or organization seeking ESIF funding for a project. For the 2014-20 ESIF Programmes, applications are made via an online system in response to a call for proposals.</p> <p>This is a two stage process including Outline and Full Applications.</p>
Appraisal	<p>The process whereby full project applications are assessed against selection criteria such as eligibility, fit, value for money and quality.</p>
Assessment	<p>The process whereby an Outline Application is assessed for its suitability for submission as a Full Application. This assessment includes a Gateway Assessment and an assessment against the Core Selection Criteria. <i>See Selection Criteria, and see also Gateway Assessment.</i></p>
Audit	<p>Projects can be subject to audit from the Audit Authority. Grant recipients are expected to cooperate with these audits and provide all the information requested. Audits can occur long after the operation has ended.</p> <p>In some cases European Commission auditors or the European Court of Auditors will also carry out audits. Other audits may also take place during the life of the Programme if the MA deems it necessary.</p>
Audit Authority (AA)	<p>Body designated by the Member State, independent of the Managing Authority, to be responsible for verifying the effective functioning of the management and control system. The designated AA for the ERDF and ESF programmes is the Government Internal Audit Service.</p> <p>The AA will also undertake project audits during the lifetime of the programme in accordance with Article 127 of the CPR 1303/2013</p> <p>Regulation (EU) No 1303/2013 Article 127 refers</p>
Awarding body	<p>The organisation providing certification of vocational courses, for example City and Guilds, BTEC and so on.</p>
Basic Skills	<p>Literacy, numeracy and English for speakers of other languages. Not to be confused with key skills.</p>

Term	Definition						
Beneficiary	<p>The formal term used in the EU Regulations for the “Grant Recipient” i.e. the organization or individual to which ESIF grant is awarded to implement an operation (project or programme).</p> <p>The formal definition is: “A public or private body and, for the purposes of the EAFRD Regulation and of the EMFF Regulation only, a natural person, responsible for initiating or both initiating and implementing operations; and in the context of State aid schemes, as defined in point 13 of this Article, the body which receives the aid; and in the context of financial instruments under Title IV of Part Two of this Regulation, it means the body that implements the financial instrument or the fund or funds as appropriate.”</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>						
Call	<p>A call is an open invitation for applicants to submit proposals against a published call specification. Inviting applications via calls ensures that the process for selecting which operations are supported is open, transparent and consistent.</p>						
Call specification	<p>A document issued by the Managing Authority which sets out the opportunity to submit applications for ESIF funding. It specifies the value of funding available, the outputs/results sought and the timetable and process by which projects will come forward and be assessed and selected. Applicants must demonstrate how their proposals will contribute to delivering the requirements in the call specification.</p>						
Categories of Region	<p>In England the allocations of European Union funding are split geographically into three categories of region, defined under Regulation (EU) No 1303/2013 Article 90, as follows:</p> <table border="0" data-bbox="531 1312 1497 1951"> <tr> <td data-bbox="531 1312 691 1384">Less Developed</td> <td data-bbox="719 1312 1497 1529">Gross Domestic Product per capita is less than 75% of the EU average. Cornwall and the Isles of Scilly is the only region in England in this category, which means the European Commission can contribute a larger percentage of spend (contribution rate). The maximum contribution rate is 80%.</td> </tr> <tr> <td data-bbox="531 1541 691 1576">Transition</td> <td data-bbox="719 1541 1497 1794">Gross Domestic Product per capita of between 75% and 90% of the European Union average. This category covers Cumbria, Tees Valley and Durham, Lancashire, Lincolnshire, East Yorkshire and North Lincolnshire, Shropshire and Staffordshire, Merseyside South Yorkshire and Devon. The maximum contribution rate is 60%.</td> </tr> <tr> <td data-bbox="531 1805 691 1877">More Developed</td> <td data-bbox="719 1805 1497 1951">Gross Domestic Product per capita is above 90% of European Union average. The remainder of England falls into this category. The maximum contribution rate is 50%.</td> </tr> </table> <p style="text-align: right;">These intervention rates apply to ERDF and ESF only.</p>	Less Developed	Gross Domestic Product per capita is less than 75% of the EU average. Cornwall and the Isles of Scilly is the only region in England in this category, which means the European Commission can contribute a larger percentage of spend (contribution rate). The maximum contribution rate is 80%.	Transition	Gross Domestic Product per capita of between 75% and 90% of the European Union average. This category covers Cumbria, Tees Valley and Durham, Lancashire, Lincolnshire, East Yorkshire and North Lincolnshire, Shropshire and Staffordshire, Merseyside South Yorkshire and Devon. The maximum contribution rate is 60%.	More Developed	Gross Domestic Product per capita is above 90% of European Union average. The remainder of England falls into this category. The maximum contribution rate is 50%.
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Term	Definition
	[Regulation (EU) No 1303/2013 Article 2]
Certifying Authority (CA)	<p>The organisation responsible for paying ESF or ERDF claims and submitting expenditure declarations (grant claims) to the EC. This is the Department for Communities and Local Government for European Regional Development Fund (ERDF) and the Department for Work and Pensions for European Social Fund (ESF).</p> <p>For EAFRD the Rural Payments Agency is responsible for paying claims and submitting expenditure declarations.</p> <p>Regulation (EU) No 1303/2013 Article 126 refers</p>
Change	<p>Defined in the FA under Clause XX (Definitions). The definition covers the common and fairly routine types of change that Grant Recipients frequently request. The Changes are defined as:</p> <ul style="list-style-type: none"> • a change in the Ownership, Control and Nature of Business of the Grant Recipient; • a change in the nature or purpose of the Project; • any change to the Eligible Expenditure; • any change to the Expenditure Profile; • any change to any of the Key Milestone Dates; • any change to any of the agreed Deliverables
Change Request	Formal process by which a Grant Recipient can request approval for proposed changes to the Funding Agreement.
Claims	A request for payment submitted by an approved project providing details of eligible defrayed expenditure against which ESIF reimbursement is sought at the agreed contribution rate. The claim is submitted with a progress report and details of deliverables achieved in the period covered by the claim.
Clawback	Where some or all of a Structural Funds grant award is required to be repaid because grant terms and conditions have been breached and are unable to be remedied, or irregularities have been identified.
Closure	<p>Projects closure: Once the project is completed, the project has to be formally closed with final verification of outputs and expenditure.</p> <p>Programme Closure: The formal process at the end of the programming period.</p>
Co-financing Organization	<i>See Opt-In</i>
Co-financing Rate	The percentage rate of Eligible Expenditure at which Grant is paid. Different maximum rates apply according to the Category of Region. The agreed contribution rate for each operation will be specified in the Funding Agreement. Used to be called the Intervention Rate or Contribution rate.
Co-investment	In the context of European Growth Programme funding models, a 'co-invest' model means a model whereby the investor who is investing private or public co-financing alongside the European

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	<p>Growth Programme finance, and which is intended to be counted as part of the eligible expenditure declared by the Fund, invests its monies directly in the final recipients alongside the European Growth Programme contribution paid by the Fund.</p>
Commission	The European Commission
Committed	<p>Money committed by the Managing Authority to an operation. Defined in a Funding Agreement.</p>
Common Provisions Regulation	<p>European Union Regulation governing the European Structural and Investment Funds for the period 2014-20.</p> <p>The Regulation (EU) No 1303/2013 defines common principles, rules and standards for the use and implementation of the ESI funds.</p> <p>It also sets out the principle of concentrating investments on a limited number of core priorities aligned with the Europe 2020 strategy and puts a strong focus on results. It requires a performance framework with targets to be established and a performance review to be carried out in each Member State in 2019.</p> <p>This Regulation sets out the allocation of resources against three categories of region: less developed, regions in transition and more developed regions, according to their GDP per capita.</p> <p>See also Regulations. ERDF (EU) No 1301/2013 ESF (EU) No 1304/2013 EAFRD (EU) No 1305/2013</p>
Common Strategic Framework	<p>In order to promote the harmonious, balanced and sustainable development of the Union, and to maximise the contribution of the ESIF to the Union strategy for smart, sustainable and inclusive growth as well as the Fund- specific missions of the ESI Funds, including economic, social and territorial cohesion, it is necessary to ensure that policy commitments made in the context of the Union strategy for smart, sustainable and inclusive growth are underpinned by investment through the ESIF and other Union instruments. The Common Strategic Framework (CSF) shall therefore, in accordance with Article 10, and in compliance with the priorities and objectives laid down in the Fund-specific Regulations, provide strategic guiding principles in order to achieve an integrated development approach using the ESIF coordinated with other Union instruments and policies, in line with the policy objectives and headline targets of the Union strategy for smart, sustainable and inclusive growth and, where appropriate, the flagship initiatives, while taking into account the key territorial challenges and specific national, regional and local contexts.</p>

Term	Definition
	[Regulation (EU) No 1303/2013 Annex I]
Community Grants	<p>Small grants of up to £12,000 to community groups to help develop their skills and capacity to help people in deprived communities into the labour market.</p> <p>Previously called Global Grants – this term means something different and should not be used.</p>
Community Led Local Development (CLLD)	<p>Community Led Local Development under the England Growth Programme is a territorial instrument focused upon targeted geographic areas that require more concentrated support than may otherwise be available through mainstream programme operations. It represents a specific tool targeted upon the most deprived areas and communities, that involves local communities and organizations coming together to develop their capacity, identify their development needs, and then plan how they will be addressed and how local assets can best contribute. Local Action Groups define a local development strategy at a level which meets local needs and potential while also contributing to the relevant Operational Programmes and the broader Europe 2020 strategy.</p> <p>[Regulation (EU) No 1303/2013 Article 32 to 35]</p>
Completed Operation	<p>An operation that has been physically completed or fully implemented and in respect of which all related payments have been made by beneficiaries and the corresponding public contribution has been paid to the beneficiaries.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Contribution Rate	<i>See Co-financing Rate</i>
Cross-cutting themes (CCT)	<p>Shorthand term for the horizontal themes of equal opportunities and gender equality, and sustainable development as required by EU regulations.</p> <p>Regulation (EU) No 1303/2013 Articles 7 & 8 refer</p>
Defrayed expenditure	<p>Expenditure actually incurred and fully paid (i.e. all money leaves the bank account or immediate control of the body which incurred the expenditure). For ESIF purposes this relates to defrayal of eligible expenditure, and defrayal must be by the Grant Recipient and/or a named Delivery Partner only.</p>
Deliverables	<p>Outputs/results/impacts (to be) achieved as a direct result of ESIF support.</p>
Deliverables Profile	<p>The agreed quarterly profile of how deliverables will be declared. Any slippage from this could require a Change Request.</p>
Delivery partners	<p>A delivery partner is responsible for delivering elements of the project's activity and a share of the project's outputs and results - and receives ERDF funding via the Grant Recipient.</p> <p>Delivery Partners receive ESI funding via the lead partner (i.e. the applicant). A legally-binding agreement, such as a Service-Level Agreement (SLA) is required between the lead partner and delivery partner. The SLA details the requirements and liabilities of the delivery partner, and should reflect the terms of the lead applicant's</p>

Term	Definition
	Funding Agreement.
Department for Business, Innovation and Skills (BIS)	The UK Government policy lead for the 2014 to 2020 European Structural and Investment Funds, including the Partnership Agreement, helping develop the England European Growth programme, ensuring alignment with UK government priorities and policies.
Department for Environment, Food and Rural Affairs (DEFRA)	<p>Managing Authority for the European Agricultural Fund for Rural Development – part of this fund falls within the European Structural and Investment Funds Growth programme. More information is available on the Rural Development Programme.</p> <p>Also - Department with policy responsibility for the European Maritime and Fisheries Fund.</p>
Department for Communities and Local Government	Managing Authority for the 2014 to 2020 European Regional Development Fund in England as part of the European Structural and Investment Funds Growth programme. The Managing Authority is the body designated by the European Union member state to ensure European Union structural fund programmes are implemented and that their activity conforms to European Union regulations. DCLG provides the framework for how the European Regional Development Fund should be delivered, reporting to ministers and the European Commission.
Department for Work and Pensions (DWP)	Managing Authority for the European Social Fund funding stream in England as part of the European Structural and Investment Funds Growth programme.
Desk Based Checks	Check on expenditure completed by the MA as part of the ESIF claims process - including some checks to confirm defrayal. Also called Administrative Checks.
Economic Operator	<p>Any natural or legal person or other entity taking part in the implementation of assistance from the ESIF, with the exception of a Member State exercising its prerogatives as a public authority.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
End Beneficiary	The people or businesses which benefit directly from the project activity. For example, this could be small and medium enterprises which receive support from an ERDF-funded business support provider, or the individuals who benefit from ESF-funded skills provision.
Entry Level Qualification	Qualification level giving basic knowledge and skills that can be applied in everyday situations – but not related to any specific occupations – for example, ‘Skills for Life’.
Eligibility	The rules and conditions governing the use of the European Structural and Investment Funds are laid down partly in EU regulations and partly in National rules. All operations, costs and activities supported by the ESIF funds must comply with European and National Eligibility rules.

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	<p>Particular rules also apply to eligible expenditure of Financial Instruments such as Access to Finance funds and Urban Development Funds.</p> <p>The National Eligibility Rules are published by the Managing Authority for each Fund, setting out the specific ways in which aspects of the EU regulations are to be applied in England.</p>
Eligible expenditure	Expenditure that is to be taken as allowable charges for a European Regional Development Fund (ERDF)/ European Social Fund (ESF)-funded project.
Error	A mistake made on a claim prior to payment, detected by the Managing Authority. The claim is returned to the Grant Recipient and the error is removed prior to resubmission.
Escrow account	<p>A bank account covered by a written agreement between a managing authority or an intermediate body and the body implementing a financial instrument, or, in the case of a PPP operation, a written agreement between a public body beneficiary and the private partner approved by the managing authority or an intermediate body, set up specifically to hold funds to be paid out after the eligibility period, exclusively for the purposes provided for in point c of Article 42(1), Article 42(2), Article 42(3) and Article 64 of Regulation 1303/2013, or a bank account set up on terms providing equivalent guarantees on the payments out of the funds.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Equality Impact Assessment	An assessment of the programme or project designed to ensure that a policy, project or scheme does not discriminate against any disadvantaged or vulnerable people
Europe 2020	<p>Europe 2020 is the European Union's ten-year growth and jobs strategy that was launched in 2010.</p> <p>Five headline targets have been set for the EU. These cover employment; research and development; climate/energy; education; social inclusion and poverty reduction. There are also seven flagship initiatives, including the Digital Agenda for Europe and Innovation Europe.</p> <p>[http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/index_en.htm]</p>
European Commission	Manage European Structural and Investment Funds across Europe, ensuring correct implementation and appropriate allocation of funds through various measures. These include setting the parameters around what the funds can be spent on, the issuing of detailed regulations, regular auditing / monitoring, and membership on Managing Authority committees within each member state.
European Court of Auditors (ECA)	The taxpayers' representative, responsible for checking that the European Union spends its money according to its budgetary rules and regulations and for the purposes for which it was intended.
European Investment Bank (EIB)	The European Investment Bank, the European Investment Fund or any subsidiary of the European Investment Bank. The EIB or its

Term	Definition
	<p>subsidiaries may support financial instruments funded by ESIF.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
European Investment Fund (EIF)	<p>Supports Europe's small and medium-sized businesses (SMEs) by helping them to access finance. To this end, they satisfy existing and future market needs by designing innovative financial products addressed to our partners (banks, guarantee, leasing and microfinance institutions, private equity and venture capital funds, among others), acting as our financial intermediaries.</p> <p>[http://www.eif.org/]</p>
European Structural and Investment Funds	<p>The European Structural and Investment Funds are provided for investment by member states of the European Union to reduce differences in economic performance within and between the member states. The European Structural and Investment Funds available to the United Kingdom in 2014 – 2020 comprise the:</p> <ul style="list-style-type: none"> • The European Regional Development Fund (ERDF) - supports businesses to grow and to create new businesses. • The European Social Fund (ESF) - supports people to gain skills and qualifications to gain employment and progress in work. • The European Agricultural Fund for Rural Development (EAFRD) - supports rural areas. • The European Maritime and Fisheries Fund (EMFF) <p>The shared objective of investments under the ESIF is to provide support for delivery of the EU's 2020 strategy for smart, sustainable and inclusive growth.</p>
Evaluation	<p>There is a legal requirement under Articles 54 to 57 to comprehensively evaluate ESIF programmes. This is before the start of the programme (and this exercise becomes part of the programme document) and is known as the ex ante. There is also a continuing requirement for evaluation during the programming period where monitoring of an OP reveals a significant departure from the goals initially set or there are proposals for the revision of the OP. These evaluations will always be undertaken by an independent, external evaluator and assess the performance and delivery of all aspects of the programme.</p>
Expenditure Profile	<p>The agreed quarterly profile of how eligible expenditure will be defrayed and claimed. Any slippage from this profile could require a Change Request.</p>
Final Claim/Project Closure Report	<p>The final return completed by an organisation to show financial and non-financial information on completion of a specific project.</p>
Financial Appraisal	<p>An assessment of the financial capability of a private sector or voluntary or community organization applicant to ensure it has the financial capacity to cash flow the project, and cover the level of grant requested in the event of clawback. This involves a check of the last three years of accounts and the latest set of management accounts</p>

Term	Definition
Financial Instrument (FI)	<p>Financial instruments are an alternative to traditional grant funding and may take the form of venture capital funds or loans. The technical definition is provided in the EU's overarching financial regulation (Regulation (EU) No 966/2012).</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Financial Irregularity	Any incorrectly claimed grant which has an obvious attributable financial value.
Financial Tables	The section of the operational programme which shows how funds will be spent by year; by category of region by Priority Axis (see below); and with what match funding contributions.
Financing Gap	Also called funding gap. A deficit between the financial resources needed to deliver the project and the available funds.
Fisheries Local Action Group (FLAGS)	FLAGS design and implement the community-led local development strategies in fisheries and aquaculture areas.
Flat Rate Correction	Where it is not possible or feasible to quantify the level of irregular expenditure, a flat rate correction can be applied to all or part of the project expenditure to ensure all expenditure is regular. Commonly used for procurement irregularities.
Full Application Form	A document used by the grant applicant that sets out the activity for which they are seeking ERDF grant in sufficient detail to answer the tests set out in the appraisal and complete enough to make an investment decision.
Full Appraisal	<i>See Appraisal</i>
Funding Agreement	The legal agreement between the Managing Authority and the grant recipient, including schedules which set out what is being delivered, when it is being delivered, the funding that the Managing Authority will be providing, and on what terms the funding is provided.
Gateway Assessment	<p>An initial check that an applicant's proposal meets essential eligibility - "gateway" - criteria. Once these are satisfied, the remaining criteria are applied.</p> <p>Gateway criteria:</p> <ul style="list-style-type: none"> • The applicant must be eligible to apply for an ESIF grant. • The proposed activity and associated expenditure must be eligible for support. • The applicant must present evidence that the proposal meets the objectives in the Operational Programme and call for proposals.
Grant Recipient	<p>The legal entity that enters into a Funding Agreement with the Managing Authority to deliver the Project, defray eligible expenditure, and carry out the Project Activities in line with the Funding Agreement.</p> <p>The "Applicant" becomes a Grant Recipient once the Project has been formally selected and has entered into a Funding Agreement with the Managing Authority.</p>

Term	Definition
	<p>For the 2014-20 ESIF Programmes, this is the term commonly used for “Beneficiary” which is the formal term used by the European Commission.</p>
<p>Growth Delivery Teams (GDT)</p>	<p>The Department for Community and Local Government has local teams in Truro, Plymouth, Exeter, London, Cambridge, Nottingham, Birmingham, Sheffield, Warrington, Leeds and Newcastle. They work with local partners to support the delivery of local economic growth.</p> <p>These teams undertake many of the functions of the Managing Authority for the European Regional Development Fund at local level and are the first point of contact in the Managing Authority for LEP Area ESIF partners, applicants and grant recipients.</p>
<p>Growth Programme Board (GPB)</p>	<p>The Growth Programme Board is the Programme Monitoring Committee (PMC) for both the European Regional Development Fund and the European Social Fund Operational Programmes in England. It also makes sure funds are linked with the European Agricultural Fund for Rural Development projects.</p> <p>As a national partnership, the Board:</p> <ul style="list-style-type: none"> • collectively take decisions set out by European Union regulations on the European Growth programme to help shape design and implementation • provide strategic advice to ensure alignment with other local growth programmes and help maximize the impact of the European Growth programme • promote co-ordination with the other European Funds <p>Meeting on a quarterly basis, membership of the Growth Programme Board is made up of representatives from government departments, Local Enterprise Partnerships, local government, the voluntary sector, rural organizations, further and higher education, and equalities bodies. The European Commission attends in an advisory role.</p> <p>The Growth Programme Board currently acts as the shadow Programme Monitoring Committee for the European Regional Development Fund and the European Social Fund. This shadow board will become the formal Programme Monitoring Committee once the Operational Programmes for the European Regional Development Fund and the European Social Fund are formally adopted by the European Commission. Once established the Programme Monitoring Committee will be responsible for making sure the programme policy and objectives are carried out. Separate Programme Monitoring Committees will oversee the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund.</p>

Term	Definition
	<p data-bbox="520 237 1158 273"><i>See also: Programme Monitoring Committee</i></p> <p data-bbox="520 311 1469 342">[https://www.gov.uk/government/groups/growth-programme-board]</p>
Horizon 2020	<p data-bbox="520 349 1461 528">Horizon 2020 is the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe's global competitiveness, and is the successor to the Seventh Framework Programme for Research and Technological Development (FP7).</p> <p data-bbox="520 533 1469 786">Horizon 2020's goal is to ensure Europe produces world-class science, removes barriers to innovation and makes it easier for the public and private sectors to work together in delivering innovation. Projects funded under Horizon 2020 generally require participants from three or more member states, although there are special schemes for SMEs and for fundamental research through the European Research Council.</p> <p data-bbox="520 824 1190 860">[http://ec.europa.eu/programmes/horizon2020/]</p>
Investment Priority	<p data-bbox="520 866 1485 1077">Each Priority Axis of the Operational Programme for ERDF or ESF brings together one or more Investment Priorities. The Investment Priorities are set out in the European Union Regulations governing ERDF and ESF and set out more specific areas of activity. All activity funded by ESIF must contribute to delivering the Investment Priorities selected in the Operational Programme.</p>
Indicators	<p data-bbox="520 1090 1477 1301">A means of measuring from the management information the success or otherwise in delivering the operational programme. For example, an indicator of the number of people from ethnic minorities gaining jobs would help to assess how well this objective was being met. Indicators are not quantified, and should not be confused with targets, which are quantified.</p>
Intermediate Body	<p data-bbox="520 1314 1485 1458">Any public or private body which acts under the responsibility of a managing or certifying authority, or which carries out duties on behalf of such an authority, in relation to beneficiaries implementing operations.</p> <p data-bbox="520 1496 1134 1532">[Regulation (EU) No 1303/2013 Article 2]</p>
Intervention rate	<p data-bbox="520 1538 847 1568"><i>See Contribution Rate.</i></p>
Irregularity	<p data-bbox="520 1574 1445 1641">In simple terms - A mistake on a project detected by the MA, CA, AA, EC or ECA after the payment of the claim</p> <p data-bbox="520 1680 1485 1897">The formal definition is: Any breach of Union law, or of national law relating to its application, resulting from an act or omission by an economic operator involved in the implementation of the ESIF, which has, or would have, the effect of prejudicing the budget of the Union by charging an unjustified item of expenditure to the budget of the Union.</p> <p data-bbox="520 1935 1453 2047">As the result of an irregularity the MA may claw back money from the applicant. This will result in a reduction in the eligible expenditure figure.</p>

Term	Definition
	<p>An irregularity may have an obvious, attributable financial value (financial irregularity). However, if the value cannot be quantified, a flat rate correction may be applied.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
<p>Joint European Resources for Micro to Medium Enterprises (JEREMIE)</p>	<p>A Commission/EIB Group initiative for SME financing strictly using the Structural Funds.</p>
<p>Joint European Support for Sustainable Investment in City Areas (JESSICA)</p>	<p>A policy initiative of the European Commission developed with the European Investment Bank and supported by the Council of Europe Development Bank, having as a primary objective the use of EU Structural Funds through financial engineering mechanisms to support sustainable urban development.</p>
<p>Key skills</p>	<p>Transferable skills that are needed for most jobs. The main key skills are communication, application of numbers and ICT. Wider key skills are: working with others; improving own learning and performance; problem solving. Not to be confused with <u>basic skills</u>.</p>
<p>Less developed area</p>	<p><i>See Categories of Region</i></p>
<p>Lisbon Treaty</p>	<p>The Treaty of Lisbon (also known as the Reform Treaty) is an international agreement signed in Lisbon 13 December 2007 and is the latest in a series of treaties revising the Treaty of Rome (1957); it came into force 1 December 2009.</p>
<p>Local Action Group (LAGS)</p>	<p>LAGs design and implement the community-led local development strategies.</p> <p>Regulation (EU) No 1303/2013 Article 34</p>
<p>Local Enterprise Partnership (LEP)</p>	<p>The 39 Local Enterprise Partnerships (LEPs) in England bring the Private and Public Sectors together to drive economic growth from the bottom up.</p> <p>The LEP Network links these 39 bodies through their Chairs, with the aim of maximizing the impact of the network as a whole. The LEP network acts as a two way conduit with Central Government on network-wide strategic issues relating to the generation of more jobs and growth in the economy.</p> <p>[https://www.gov.uk/government/policies/supporting-economic-growth-through-local-enterprise-partnerships-and-enterprise-zones]</p>
<p>LEP Area ESIF Committee</p>	<p>LEP Area ESIF Committees are formal sub-committees of the Growth Programme Board (the Programme Monitoring Committee) which work with the Managing Authority to ensure that the investment of ESIF is in line with local strategic priorities as well as the national Operational Programmes. The committees have members drawn from a range of sectors and interests including the</p>

Term	Definition
	public sector, the private sector, and the voluntary and community sector.
Local Implementation Plan	An indicative plan which sets out how and when calls for proposals will be managed, how much of the ESIF allocation may support these activities, and the level of ESIF outputs which are expected to be secured. It is used as a planning and programme management tool.
Major project	<p>An operation funded by ERDF or the Cohesion Fund comprising a series of works, activities or services intended in itself to accomplish an indivisible task of a precise economic or technical nature which has clearly identified goals and for which the total eligible cost exceeds EUR 50 000 000 and in the case of operations contributing to the thematic objective for promoting sustainable transport and removing bottlenecks in key network infrastructures where the total eligible cost exceeds EUR 75 000 000 (Financial instruments shall not be considered to be major projects).</p> <p>Regulation (EU) No 1303/2013 Article 100 refers</p>
Managing Authority	<p>The Managing Authority is the government department that is responsible for implementation of the Operational Programme in accordance with the ESIF regulations. There are currently four Managing Authorities in England:</p> <ul style="list-style-type: none"> • The Department for Communities and Local Government: European Regional Development Fund; • The Department for Work and Pensions: European Social Fund • The Department for Environment Food and Rural Affairs: European Agricultural Fund for Rural Development <ul style="list-style-type: none"> • The Marine Management Organisation: European Maritime and Fisheries Fund. <p>Regulation (EU) No 1303/2013 Article 125 refers</p>
Match funding	ESIF investment contributes to the costs of delivering activity at set percentage rates, the balance of the costs must be met by the organization receiving the funds, this balance of funding is known as match funding.
Monitoring	Two definitions. The first is that individual projects may receive a monitoring visit (On the Spot Verification Visit) to check on progress and to verify expenditure. The second is that the PMC will receive regular reports on the progress of the programme as a whole and notably on the extent to which it is meeting targets.
More developed	<i>See Categories of Region</i>
N + 3	ESIF must be spent in line with strict financial targets set by the European Commission. The Commission require a fixed amount of the funding allocated to each Operational Programme to have been spent within three years of money being formally committed by the EU to the programme; hence N+3. For the England ERDF and ESF Programme, the first target will be in 2018 and the final target (100% of the budget) falls in 2023. If these targets are not met the amount of funding allocated to the Operational Programme will be

Term	Definition
	reduced.
National Compliance Team	Part of the Managing Authority which undertakes on the spot checks of project expenditure under Article 125 (5) (b) by visiting grant recipients and examining their records.
National Eligibility Rules	<i>See Eligibility</i>
National Offender Management Service (NOMS)	Within the European Social Fund the National Offender Management Service will operate a nationally managed European Social Fund strand of activity supporting the reintegration of prisoners back into the workforce.
NEET	Young person aged 14-19 not in employment, education or training
New Irregularities Management System (NIMS)	The European Commission's IT system used for recording all reportable irregularities over €10,000
NUTS	Nomenclature of Units for Territorial Statistics, is an EU geocode standard for referencing the subdivisions of countries for statistical purposes.
Offset	Recovery of irregular funds by offset reduces future claims to recover the overpayments on previous claims
On the Spot Verification	<p>A monitoring visit carried out in accordance with the requirements set out in Article 125. The project is assessed in terms of delivery, spend and compliance with national and European requirements, including procurement and publicity.</p> <p>Regulation (EU) No 1303/2013 Article 125 refers</p>
Operation	<p>The term used in the European Union Regulations to refer to each of the discrete activities that is covered by an ESIF funding agreement. 'Operation' is usually synonymous with 'project' but in some cases an operation may include a number of projects within it.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Operation Specific Conditions	Those conditions which are specific to an operation and which are included in the Funding Agreement.
Operational programme (OP)	<p>The document setting out the priorities for how the Structural Funds will be used and how they will be administered. These documents are prepared by government and agreed with the European Commission. The Operational Programmes include financial targets and targets for what needs to be achieved. There is an England Operational Programme for each of the ERDF, ESF and EAFRD, and a UK-wide Operational Programme for the EMFF.</p> <p>Regulation (EU) No 1303/2013 Article 96 refers</p>
Opt-in	National, government-funded programmes are a key source of match funding for ESIF. LEP Area ESIF Committees have been given the opportunity to allocate some of the European Social Fund allocation in their area to national bodies who will provide match funding and work with the committee to agree how this is spent to best meet local needs. This process is known as an 'Opt-In'.

Term	Definition
	<p>European Social Funds will be, for the most part, match funded by national Co-financing Organizations. The opt-in model enables these national bodies to deliver policy priorities that are part-funded by European Structural and Investment Funds and which are tailored to local conditions. Where Local Enterprise Partnership areas choose to opt-in to services provided by these organizations, the activities to be delivered will be agreed at local level in line with the Operational Programme. In addition there will be opportunities for organizations to access European Social Funds outside the opt-in arrangements. The Co-financing Organizations are: Department for Work and Pensions, Skills Funding Agency, and Big Lottery Fund.</p>
Outline Application	<i>See Application</i>
Outline Assessment	<i>See Assessment</i>
Outputs	<p>The effectiveness of a programme can be measured in terms of the outputs which are the immediate consequences of a project activity e.g. people trained or square feet of workspace created.</p>
Participant	<p>An individual person who takes part on an ESF funded activity.</p>
Partnership Agreement (PA)	<p>A document prepared by a Member State with the involvement of partners in line with the multi-level governance approach, which sets out that Member State's strategy, priorities and arrangements for using the ESIF in an effective and efficient way so as to pursue the European Union strategy for smart, sustainable and inclusive growth. The Partnership Agreement is approved by the Commission following assessment and dialogue with the Member State concerned.</p> <p>The UK Partnership Agreement sets out financial allocations for operational programmes and thematic objectives and describes how the UK will use EU funds to help meet Europe's long-term goals.</p> <p>The UK's Partnership Agreement can be found at: https://www.gov.uk/government/publications/european-structural-and-investment-funds-uk-partnership-agreement</p> <p>[Regulation (EU) No 1303/2013 Articles 14 to 16]</p>
Performance Reserve	<p>6 % of the resources allocated to the ERDF, ESF and the Cohesion Fund under the Investment for Growth and Jobs goal, as well as to the EAFRD and to measures financed under shared management in accordance with the EMFF Regulation shall constitute a performance reserve which shall be established in the Partnership Agreement and programmes and allocated to specific priorities in accordance with Article 22 of Regulation (EU) No 1303/2013.</p> <p>Regulation (EU) No 1303/2013 Article 20 refers</p>
Performance Review	<p>The European Commission, in cooperation with Member States, will undertake a review of the performance of the programmes in 2019,</p>

Term	Definition
	<p>with reference to the performance framework set out in each Operational Programme.</p> <p>The performance review will examine the achievement of milestones at the level of priorities, on the basis of the information and the assessments presented in the annual implementation report submitted by the Member States in 2019.</p>
Priority Axes	<p>The Operational Programmes are made up of Priority Axes. These set out the detail of the priorities for ERDF and ESF investment, the types of activities that will be supported, the resources available, and the specific objectives, results and outputs to be achieved. Priority Axes bring together one or more investment priorities set out in European Union regulations that govern ERDF and ESF. All activity funded by ESIF must contribute to delivering a priority axis.</p> <p>Regulation (EU) No 1303/2013 Article 96</p>
Programme Monitoring Committee (PMC)	<p>The Programme Monitoring Committee is responsible for monitoring the implementation of the Operational Programme. PMCs are made up of representatives of government and key stakeholders. In England, a single PMC - the Growth Programme Board - will cover the European Social Fund and European Regional Development Fund.</p> <p>The European Agricultural Fund for Rural Development and EMFF operational programmes will have their own PMCs, but elements of these funds will be taken forward in conjunction with the Growth Programme Board to ensure activities are aligned and make the maximum contribution to local growth.</p> <p><i>See also: Growth Programme Board</i></p> <p>Regulation (EU) No 1303/2013 Article 47-49 refers</p>
Project	The particular activity being supported by ESIF. Referred to in EU Regulations as an “operation”.
Project Assurance Visit (PAV)	A visit made by the Managing Authority to conduct on the spot verifications in accordance with Art 125. <i>See On the Spot Verification</i>
Project Initiation Visit (PIV)	For ESF and ERDF projects: A visit made by the Managing Authority to the grant recipient after the investment decision has been made, but before the first claim is paid. The purpose is to ensure that the grant recipient understands the conditions under which ESIF grant is awarded and that essential processes and systems, as described in the full application, are in place and working effectively.
Project Inception Meeting	For EAFRD projects. Meeting with projects prior to payment of first EAFRD claim. Held at Rural Payments Office.

Term	Definition
Provider	A provider is responsible for delivering an approved ESF project, under contract to a CFO. In exceptional circumstances in convergence and phasing in areas, the provider may be under contract directly to the Managing Authority.
Public Expenditure	<p>Any public contribution to the financing of operations the source of which is the budget of national, regional or local public authorities, the budget of the Union related to the ESIF, the budget of public law bodies or the budget of associations of public authorities or of public law bodies and, for the purpose of determining the co-financing rate for ESF programmes or priorities, may include any financial resources collectively contributed by employers and workers.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Qualification Levels	The level of qualification in the National Qualifications Framework. Qualification levels relate to both academic and vocational qualifications and should not be confused with NVQs. There is an entry level, then 8 further levels.
Request for Payment	<p>A payment application or declaration of expenditure submitted by the Member State to the Commission.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Result Indicators	For ESF. These relate to the direct and immediate effect on direct beneficiaries, such as improved performance, brought about by a programme. These can be physical (e.g. reduction in journey times) or financial leverage of private sector resources. For ERDF, the Commission is looking to see what changes the programme will bring about at regional or national level and the indicators that should be used to measure this.
Revenue Generating Projects	Project which generates income that has to be taken into account in determining amount of any potential ESI investment.
Selection Criteria	<p>All operations seeking support from ESIF will be tested against standard criteria before a formal decision to offer support is made. These are known as the selection criteria. The criteria are agreed by the Programme Monitoring Committee at the start of the programme.</p> <p>The proposed national selection criteria for the European Regional Development Fund and the European Social Fund are listed below:</p> <ul style="list-style-type: none"> • Strategic fit • Value for money • Management and control • Deliverability • Compliance - Procurement / State Aid / Publicity • Contribution to cross-cutting themes

Term	Definition
	<p>The selection criteria for the European Agricultural Fund for Rural Development will differ slightly:</p> <ul style="list-style-type: none"> Strategic Fit – National and Local Need for the project Measure specific criteria Need for public funding Outputs delivered Deliverability Risk Management Viability of the project / Financial performance Sustainability of the project
Self declared adjustment	<p>Mistake made on a project, declared by the grant recipient prior to detection by the Managing Authority, CA, AA, EC or the ECA. Overpaid grant is normally recovered by means of offset, however there is no reduction to the overall eligible expenditure.</p>
Service Provider	<p>Organisations procured by the Grant Recipient to deliver elements of the approved ERDF project under a subcontract for goods or service. Contractual partners must be procured within public procurement rules.</p>
Small and Medium Sized Enterprises (SME)	<p>A micro, small or medium sized enterprise as defined in Commission Recommendation 2003/361/EC.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Smart Specialisation Strategy	<p>The national or regional innovation strategies which set priorities in order to build competitive advantage by developing and matching research and innovation strengths to business needs in order to address emerging opportunities and market developments in a coherent manner, while avoiding duplication and fragmentation of efforts; a smart specialization strategy may take the form of, or be included in, a national or regional research and innovation (R&I) strategic policy framework.</p> <p>“Smart Specialization in England” can be found at: https://www.gov.uk/government/publications/smart-specialisation-in-england</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Start Date	<p>The date specified as such in the Project Specific Conditions - being the earliest date that the expenditure incurred by the Grant Recipient in relation to the Project can be eligible expenditure.</p>
Strategic Environmental Assessment (SEA)	<p>An assessment of the environmental impact of strategic land use related programs. European Union Directive 2001/42/EC (the SEA Directive) sets out the requirement for National, Regional, or Local Authorities to carry out these assessments.</p>
State Aid	<p>Aid falling under Article 107(1) of the Treaty on the Functioning of</p>

Term	Definition
	<p>the European Union which shall be deemed for the purposes of this Regulation also to include de minimis aid within the meaning of Commission Regulation (EC) No 1998/2006 (1), Commission Regulation (EC) No 1535/2007 (2) and Commission Regulation (EC) No 875/2007 (3).</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Strategic Partners	Organisations involved in overseeing the programme or its operations. LEPs have been appointed by the government as the key strategic partner for local economic growth
Strategic Policy Framework	<p>A document or a set of documents established at national or regional level which set out a limited number of coherent priorities established on the basis of evidence, and a timeframe for the implementation of those priorities - and which may include a monitoring mechanism.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Structural Funds (SF)	The Structural Funds is the collective name for ERDF and ESF.
Sustainable Urban Development (SUD)	<p>The EU regulations specify that at least 5% of the UK's ERDF must be spent on integrated actions for Sustainable Urban Development where urban authorities have some responsibility for tasks relating to the selection of operations. Urban authorities have to prepare strategies setting out how they will tackle the economic, environmental, climate, demographic and social challenges affecting urban areas.</p> <p>Regulation (EU) No 1301/2013 Article 7</p>
Systemic Irregularity	<p>Any irregularity, which may be of a recurring nature, with a high probability of occurrence in similar types of operations, which results from a serious deficiency in the effective functioning of a management and control system, including a failure to establish appropriate procedures in accordance with this Regulation and the Fund-specific rules.</p> <p>[Regulation (EU) No 1303/2013 Article 2]</p>
Targets	<p>Targets are normally quantified with numerical values, although there is scope to express them in qualitative terms for result indicators for ERDF. Not to be confused with indicators which can be used to measure if a target has been met.</p> <p>Each priority axis in the operational programme has a small number of targets for outputs and results.</p> <p>Regulation (EU) No 1303/2013 Article 96 refers</p>
Technical Assistance (TA)	The European Union Regulations allow a small proportion of the overall budget to contribute to the costs of the managing authorities in running the programmes and servicing the Programme Monitoring Committee. It also allows, in certain circumstances,

Term	Definition
	<p>funding to be made available to partners to contribute to the costs of work they do which is essential to the delivery of the programmes.</p> <p>Technical Assistance may be made available to public and voluntary sector bodies that are legally constituted and able to enter into a legally binding contract. Examples of the type of activities Technical Assistance can support include:</p> <p>Capacity Building:</p> <ul style="list-style-type: none"> • ERDF and ESF advisory support to project applicants on an individual organisational or sector basis, to promote the design and development of compliant projects. • Contracting with independent consultants to carry out evaluations. • Feasibility work which looks at the viability of activities. • Support for Civil Society networks to support participation of voluntary, community and social enterprise sector in the programme • For Opt In organisations, TA can be used to support those additional activities that are over and above those already in place to meet the selection criteria for the award of CFO status. <p>Promoting and Publicising Funds:</p> <ul style="list-style-type: none"> • Supporting partners in raising awareness and communicating programme and project activities through in-person and online network exchanges, newsletters, case studies other means of communication and across LEP area boundaries; • Promoting cooperation, networking and exchange of best practice; • Use of promotional events such as seminars, conferences and road shows. <p>Sustainable Urban Development:</p> <ul style="list-style-type: none"> • Support for activities which core cities will need to undertake in relation to the implementation of the Sustainable Urban Development element of the English ERDF Operational Programmes.
Transition Region	<i>See Categories of Region</i>
Youth Employment Initiative (YEI)	Targeted funding to help young people aged 15 – 24 to find work, primarily in four areas with high youth unemployment (Inner London, West Midlands, Tees Valley & Durham and Merseyside), as part of the ESF Operational Programme.

