



# First Level Control of Finance and Activities

Christian Byrith, Lise Espersen  
Viborg – 4th of November 2010



## Is the project expenditure relevant?

- The application form
- The subsidy contract
- Partnership agreement
- Activity reporting
- Changes procedure

European Union



The European Regional Development Fund

**The Interreg IVB  
North Sea Region  
Programme**



# The application

*Investing in the future  
by working together for a  
sustainable and competitive region*



## Background: FLC Checklist

Control question	yes	no	n/a	comments/ follow-up
Does the compiled activity report reflect the individual activity reports sent in by beneficiaries?				
<p><b>Have all the expenditure in this accumulated report been incurred for:</b></p> <ul style="list-style-type: none"> <li><b>- the purpose of implementing the operation in accordance with the descriptions provided in the original application or latest changes approved by the secretariat (including the annexes specifying the expenditure for budget lines 6, 8 and 10)?</b></li> </ul> <p>- If there were any deviations please describe them</p> <p>- Have the Lead Beneficiary prepared a change request to be sent with this report?</p> <p>- Does the expenditure incurred correspond to the activities agreed between beneficiary and the Lead Beneficiary?</p> <p>- If there were any deviations have they been clarified between beneficiaries and the Lead Beneficiary?</p> <p><b>- Does the expenditure reported reflect the implementation situation as described in the activity report, which forms part of this claim?</b></p>				



# The application form

*How to make sure that the occurred expenditure is project-relevant (=eligible)?*

- Projects work on many different topics e.g:
  - Innovation
  - Accessibility
- Descriptions vary in their level of concreteness

→ Know the application form!



# Where to look for information

- Section 1  
Partnership
- Section A4  
Project description, work packages, beneficiaries involved and results
- Section 5  
Material Investments
- Project appendix
- Partnership Agreement



# Where to look for information: Indicators

- Indicators quantify activities

11. Indicators							
Indicators							
Form							
14.2i Compulsory Indicators - each of the indicators must be established for the project							
Output/ Result/ Impact	Priority/Programme Indicator description	Description	Unit	Baseline	Project target	Source of information	Reached
Raising awareness / dissemination							
Output	transnational dissemination outputs	external events	number	0	10	Project records (Transnational workshops and Public Conferences)	0
Output		published material	number	0	30	Project record (Copies of articles and Newsletters)	5
Output		websites	number	0	1	Project record	1
Output		TV and radio ap- pearances	number	0	8	Project record	3
Output		other	number	0	0	TV productions	0
Result		external events	number male	0	400	Project record	940
Result		external events	number female	0	400	Project record	446
Result	organisations in target groups	external events	number	0	158	Project record (Enterprises participating in national and	774

European Union



The European Regional Development Fund

**The Interreg IVB  
North Sea Region  
Programme**



# The subsidy contract

*Investing in the future  
by working together for a  
sustainable and competitive region*





# Interrelation between key documents

## Project Application

Applications / A North Sea Way to Energy-Efficient Regions [Edit Application](#)

**A1. Title and Summary of Project**

**1 Title and Summary of Project**

1.1 Full Name  
A North Sea Way to Energy-Efficient Regions

1.2 Acronym  
ANSWER

1.3 Summary  
Please see the uploaded application form

1.4 Lead Beneficiary

Organisation	Suffolk County Council	Contact Name	Neil Harrison
Legal Status	Local Authority	Contact Name	Harrison
Address	Endeavour House, Russel Road	Contact Name	Harrison
Post Code	IP1 2BX	Contact Name	Harrison
City	Ipswich	Telephone	01473 264023
Country	UNITED KINGDOM	Fax	01473 218889
NUTS 3 Region (code)	UKH14 Suffolk	Email	neil.harrison@suffolkcc.gov.uk

**Activity 1  
Budget x  
approved**

Payment ✓

## Finance Report

Funding						
#	Organisation	Country	1. External experts and consultants	2. Temporary staff	3. Permanent staff	4. Travel and accommodation
1	Napier University, Transport Research Institute (TRI)	UK	0	0	222,494	13,215
	SubTotal #1	UK				2,990
2	Goeteborg University	SE	19,335	16	154,365	14,204
	SubTotal #2	SE				2,767
3	International Jacobs University	DE	56,954	95,910	46,332	7,323
	SubTotal #3	DE				230
4	Molde College	NO				4,436
	SubTotal #4	NO	5,670	0	28,069	5,436

**Cost x for  
Activity 1  
occurred**

## Project Level: Activity Report

4. Work packages/activities		
4a. Work packages and activities		
Planned main activities:	Realised activities in the reporting period	Status
<b>WP 1: Project coordination and management</b>		
Setting up management structures (see report no. 1 including a project steering committee (PSC))	The following PSC meeting was carried out	Finalised
Carrying out PSC meetings	The following PSC meeting was carried out	Ongoing
Setting up a central project secretariat for communication among partners, with the Interreg secretariat and stakeholders	see report no. 1	Finalised
Setting up a stakeholder advisory group	The stakeholder advisory group is established. More information see WP 2.	Finalised
Preparation of official financial and activity reports	The 3 <sup>rd</sup> activity and financial report is submitted to the Interreg Secretariat	Ongoing

**Activity 1  
carried out**

## Partner Reports

Activity: 1.1

Finance: x€

Activity: 1.2

Finance: x€

Activity: 1.3

Finance: x€

Contract



# The purpose of the subsidy contract

- Determines the period of eligibility (Section C1)
- Determines the nature of the eligible expenditure
  - Original application (Section A1 & C1-X)
  - Extensions (Section A1, B1-5, C1-X & G4)
  - Changes (Section A1, B1-5, C1-X & G4)

European Union



The European Regional Development Fund

**The Interreg IVB  
North Sea Region  
Programme**



# The partnership agreement

*Investing in the future  
by working together for a  
sustainable and competitive region*



# The purpose of the partnership agreement

- Commission requirement (Reg. 1080/2006, Article 20).
  - Not valid unless signed by all parties.
- Specifies roles and responsibilities within the partnership.
- Good to have on a rainy day!

European Union



The European Regional Development Fund

**The Interreg IVB  
North Sea Region  
Programme**



# Activity reporting

*Investing in the future  
by working together for a  
sustainable and competitive region*



# Activity Reporting



## Project Application

Applications / A North Sea Way to Energy-Efficient Regions [Edit Application](#)

**A1. Title and Summary of Project**

**1 Title and Summary of Project**

1.1 Full Name  
A North Sea Way to Energy-Efficient Regions

1.2 Acronym  
ANSWER

1.3 Summary  
Please see the uploaded application form

1.4 Lead Beneficiary

Organisation	Suffolk County Council	First Name	Ned
Legal Status	Local Authority	Last Name	Harrison
Address	Endeavour House, Russel Road	Director (full name)	Bryn Griffiths
Post Code	IP1 2BX	Project Manager (full name)	Iain Dunnett
City	Ipswich	Telephone	0044 (0) 1473 264829
Country	UNITED KINGDOM	Fax	0044 (0) 1473 216889
NUTS 3 Region (code)	UKH14 Suffolk	Email	ned.harrison@suffolkcc.gov.uk

partners  
activities  
m.investments  
results  
communication  
indicators

## Activity Report

ISRP IVB Monitoring System / JTS [Jasper Jonsson](#) [Media Manager](#) [Logout](#)  
NSRP IVB User Area

Home Pre-Assessment Applications > Configuration > Essence CMS >

Report: Activity: A North Sea Way to Energy-Efficient Regions

Cover 1. Beneficiary and project information 2. Time period (6 months) 3. Changes and other project issues 4. Work packages/activities  
5. Completion of a work package 6. Transnational approach 7. Transnational partnership 8. Knowledge transfer and links 9. Innovation  
10. Publicity 11. Indicators 12. Enclosures Finalise

**1** You are required to report on your activities two times a year. The secretariat will always send a request for periodic reports (once every six months). All information given in this report should only cover the time period that is covered by the report. You should not report on activities that have not yet taken place.

Please only report on indicators once every 12th month and on an even report.

The information provided in the reports is fundamental to the programme secretariat for several reasons. Firstly, the secretariat relies on the information provided in the reports to obtain an accurate picture of project progress, both in relation to activity and finance. Secondly, the reports provide the secretariat with the information it needs to monitor the project and enable it to check that the project is delivered in accordance with the application form. Finally, the secretariat can use the up to date information provided in the reports for dissemination and promotional purposes.

Separate reports by project beneficiaries will not be considered. It is the task of the lead beneficiary to collect information from the beneficiaries and to prepare the reports for the whole project.

When completing your report you should also remember:

- In all cases the structure of reporting should follow the structure of, and be consistent with the information provided in your application and appendices. For example, if you have described the project activities under a specific work package, you should report on their functioning within the pre-chosen work package. Or, if you should have not executed the actual activities in

Direct interrelation

partner-level reports

*Investing in the future  
by working together for a  
sustainable and competitive region*



## Material Investments

- Bsp: Education Centre
- Check application form, section A.5 / Appendix
  - Right partner?
  - Corresponds with description?
  - Right timing?
  - Corresponds with indicative budget?
- Pictures, evidence?



European Union



The European Regional Development Fund

**The Interreg IVB  
North Sea Region  
Programme**



# Changes procedure

*Investing in the future  
by working together for a  
sustainable and competitive region*





## Project changes and eligibility

- No changes of project activities are possible unless agreed between the project partnership and the secretariat (Section F of the Contract).
- Minor changes will normally not trigger a new contract.
- Major changes will trigger a new contract.



# Changes to approved application

## Activity Changes

- Exceptional cases!
- Minor: Eligible only, if approved by Secretariat and endorsed by Steering Committee
- Major: Requires decision by Steering Committee



# Changes to approved application

## Partner Changes

- Exceptional cases!
- Minor: Requires consultation of Member State representative and Steering Committee endorsement
- Major: Eligible only, if approved by the Steering Committee