

EUROPEAN STRUCTURAL FUNDS - REVIEW RECOMMENDATIONS

Decision Required

1. The JPMC is invited to consider the five key recommendations from the Review:
 - a) Request Programme changes as presented in Tables 1 (ERDF) and 2 (ESF)
 - b) Allocate the additional H&I allocations for ERDF to Priority 5 (Protecting the Environment) and ESF to Priority 3 (Investing in Education, Training and Vocational training)
 - c) Request an increase in the Programme co-finance rates set out in Para 17
 - d) Change to National Rules to allow apportioned staff costs following confirmation with Audit and EC
 - e) Consider eligible opportunities for digital skills, employability, mental health and financial engineering for social enterprises and, where appropriate, seek new interventions thereafter.

Purpose

2. To present the findings and recommendations of the European Structural Funds Review for discussion.

Background and Process

3. A formal performance review is required under Article 21 of the General Regulation 1303/2013 in 2019 and will assess performance based on data up to the end of 2018.
4. The current early Review was agreed by the JPMC in November 2016 following uncertainty triggered by the EU referendum and the UK Treasury Guarantee on EU funding after the UK exits the EU. Its purpose is to better inform decisions on the future management of the Programmes.
5. A Steering Group, chaired by the Managing Authority, was convened in early February and met on three occasions to consider the plan, analysis and consultation conclusions and recommendations.
6. Analysis and consultation took place from January to April with policy leads, lead partners and wider stakeholders. The Managing Authority greatly appreciates the open and constructive manner in which stakeholders entered these discussions. Consultation sessions were shaped around four questions:
 - What has changed since the programmes were developed and how this is affecting delivery or outcomes
 - What new opportunities can be accommodated in the programmes
 - Whether there are other adjustments to the programmes that will assist with maximising the outcomes and absorption
 - Suggestions to improve delivery of the programmes
7. In tandem, a data survey was issued to all lead partners to gain further information on progress and implementation issues. The return rate was 86% with the majority of the non-returns being from strategic interventions which had not yet started. The Annexes show the

expenditure and target (against 2018 Milestones) progress indicated from survey results. The recommendations have therefore been informed by a combination of a review of socio-economic data, analysis of the survey and consultation responses.

8. As part of the Review, the JPMC has already approved extensions, by written procedure, to current Strategic Interventions (SIs). These provide the necessary comfort for those delivering longer-term projects and investments such as higher level qualifications and capital infrastructure and will result in increased commitment. It further allows applications for more time to deliver other phase 1 interventions.

Programme Strategy and Context

9. The Review sought to “sense-check” the underlying analysis and context on which the Structural Funds Programmes were designed, particularly the socio-economic and policy environment. The following were identified as the key changes:

- Reduction in unemployment – the rate in 2016 (4.8%) was at its lowest level since 2008. A particular reduction in youth unemployment in West of Scotland has already been identified as an issue and affected the commitment and absorption of the Youth Employment Initiative funding
- Increase in economic inactivity rates – alongside the decrease in unemployment, there was also a reduction in the employment rate and increase in inactivity (23.2%)
- Contraction in the manufacturing industries in particular (including a fall in manufacturing exports) in 2016

No other issues were deemed to be very significant to delivery, with the exception of BREXIT. BREXIT is rather a fundamental exception; however its impact is *currently* mostly discernible in the ERDF programme through indications that business investment confidence is not as strong.

10. The analysis concluded that despite changes since the programmes were developed, the original intervention logic for both Programmes remains sound. However, the emergence of new strategic and key labour market changes means that, to assist in fully committing the Programme and meet performance targets, some adjustments to both the scope and allocations are required. In addition, the evidence of lower levels of absorption, particularly in the Highlands and Islands, merits more operational changes to the way the Funds are delivered to encourage higher take up. Together, these measures seek to reduce the risk of the Programmes not meeting expenditure targets but maintain absolute faith with the original strategies.
11. The recommendations acknowledge where there are both policy priorities and match funding available. The recommendations have also taken into account current commitment levels (Annex 1) and progress towards the programme milestones (Annex 2) and where adjustments can help meet these.
12. The tables below also highlight the recommendation to allocate the additional H&I funding (resulting from a recalculation of transition region funding at a UK level) based on anticipated demand, available match funding and consultation responses:

ERDF	€2,125,773	Priority 5 (Protecting the Environment)
ESF	€1,803,566	Priority 3 (Education, Training, Vocational Training)
Total	€3,929,339	

Table 1: European Regional Development Fund Operational Programme Recommended Amendments			
Priority Axis	Change	Justification	Intervention Logic/ Financial Tables/ Performance Framework Impact
1 Strengthening research, technological development and innovation	<p>Add a new Investment Priority (IP) to provide scope for research infrastructure under both the More Developed Region (Lowlands and Uplands Scotland) and Transition Region (Highlands and Islands):</p> <p><i>“1a (Enhancing R&I infrastructure and capacities to develop R&I excellence, and promoting centres of competence, particularly those of European interest)”</i></p> <p>Develop objectives, actions, indicators and targets to address the adjustment to targets under the existing priority.</p>	<ul style="list-style-type: none"> • Analysis highlighted a contraction in the manufacturing industries and reduction in manufacturing exports. The Scottish Government launched the Scottish Manufacturing Action Plan in 2016 to support this vitally important sector which delivers more than 50% of Scotland’s exports and business expenditure in R&D. Part of this plan is to develop a National Manufacturing Institute for Scotland (details below) • Priority is under-committed but with high demand for innovation infrastructure funding and with opportunities to enhance City Deal investments • The Manufacturing Action Plan and City Deals were not factored into the original programmes given they have developed since late 2014 • A current issue with absorption in the H&I – however there is demand for innovation infrastructure in Smart Specialisation sectors such as health sciences <p><i>A National Manufacturing Institute for Scotland will support manufacturing businesses to invest in product, process and service innovation by demonstrating the application of the most advanced manufacturing processes at appropriate scale. It will bring together cutting edge manufacturing research with skills development, from apprenticeships to doctorates.</i></p>	<p>Fits with the current intervention logic with some expansion. Focus remains on Smart Specialisation sectors.</p> <p>This is an addition to an existing priority and therefore no need to adjust the financial tables as the allocation is set at the priority level. The indicative allocation recommended to model scope and targets:</p> <p>£37m LUPS £5m H&I</p> <p>Performance Framework would be adjusted. New 2018 milestone relating to contracts being let for new facilities (a key implementation step).</p> <p>“Major project” process may be required.</p>
2 Access and Quality of ICT	No changes	<ul style="list-style-type: none"> • No changes 	
3 SME Competitiveness	<p>Increase ERDF funding for LUPS Reduce ERDF funding for H&I</p>	<ul style="list-style-type: none"> • There is a need to generate sufficient expenditure and outcomes via other SI to ensure milestones achieved as some lead partners do not intend to use a second tranche 	No impact on intervention logic with exception of explanation for target issue.

Table 1: European Regional Development Fund Operational Programme Recommended Amendments			
Priority Axis	Change	Justification	Intervention Logic/ Financial Tables/ Performance Framework Impact
	<p>Adjust the output indicator targets for numbers of enterprises supported (increase)</p> <p><i>Further consideration of support for digital capacity in enterprises</i></p>	<p>of funding</p> <ul style="list-style-type: none"> • SME holding fund has sustained demand in LUPS but was only provided with one phase of funding unlike other SI. A phase 2 of sufficient scale requires a minimum of £40m ERDF • Assists with N+3 financial targets • Indicator targets envisaged a smaller number of enterprises gaining multiple levels of support through different projects. There appears to be a higher number of smaller investments and 2018 targets already met. Would expect to adjust for additional allocation • Activity envisaged under this priority for H&I in relation to culture, heritage and tourism has not progressed due to eligibility restrictions (SME focus) but demand remains and could be better satisfied under another Priority Axis (Protecting the Environment). Transfer of H&I funding to this priority will help meet this demand. 	<p>Change in funding will be: Increase of £11.8m LUPS Decrease of £2.5m H&I</p> <p><i>Transfer £5.3m from Pr4 (low carbon economy) LUPS to Pr3</i> <i>Transfer £6.5m from Pr5 (protecting the environment) LUPS to Pr3</i></p> <p><i>Transfer £2.5m H&I to Priority 5 (Protecting the Environment)</i></p>
4 Supporting the shift towards a Low carbon economy	<p>Transfer funding into Pr 3 from LUPS allocation (ref above)</p> <p>Adjust targets proportionately</p>	<ul style="list-style-type: none"> • Reduced second tranche of funding for Zero Waste Scotland SI. Intervention progressing well but cannot progress all activities due to eligibility issues and longer-term match funding unclear • Allows recapitalisation of the SME Holding Fund and assists with N+3 financial targets 	<p>No change to intervention logic – only scale changes</p> <p>Transfer £5.3m (LUPS) to Priority 3 SME Competitiveness</p> <p>Adjust targets accordingly</p>
5 Preserving and protecting the Environment and promoting resource efficiency	<p>Reduce ERDF for LUPS Increase ERDF for H&I (transfer from Priority 3 plus additional H&I allocation)</p> <p>Add a new IP for H&I for culture and heritage due to demand and lack of absorption under green infrastructure:</p>	<ul style="list-style-type: none"> • Reduced second tranche of funding for Zero Waste Scotland SI. Intervention progressing well but cannot progress all activities due to eligibility issues and longer-term match funding unclear. • Green infrastructure developed for deprived areas and criteria only extends to a limited number of areas in H&I. Still able to support community engagement in the region but unlikely to do the same scale of infrastructure as 	<p>Expansion of intervention logic – importance of the culture and heritage sector to H&I is already highlighted in the Programme strategy.</p> <p>Transfer £6.5m (LUPS) to Priority 3 SME Competitiveness</p>

Table 1: European Regional Development Fund Operational Programme Recommended Amendments			
Priority Axis	Change	Justification	Intervention Logic/ Financial Tables/ Performance Framework Impact
	<p><i>“6c (Conserving, protecting, promoting and developing natural and cultural heritage)”</i></p> <p>This change would require the standard objectives, actions, indicators and targets.</p> <p>Adjust targets appropriately</p>	<p>planned. Working closely with delivery agents to secure viable projects</p> <ul style="list-style-type: none"> • Draft Programme included support for culture and heritage in H&I but Commission originally wanted this funded under SME competitiveness. Problematic for some projects to fit under that priority. There is demand, it is a key sector for the region and is referenced clearly in current Programme Strategy. • New investment priority would assist with expenditure targets – H&I rate of expenditure currently slower 	<p>Transfer £2.5m H&I from Priority 3 SME Competitiveness (H&I)</p> <p>Allocate additional H&I funding of £1.82m</p> <p>Create an indicative allocation of £5m for the new investment priority for H&I (<i>transfers plus projected undercommitment from Green Infrastructure</i>).</p> <p>Performance Framework adjustments to accommodate reduction in resource efficiency support and increase in culture and heritage.</p>

Table 2: European Social Fund Operational Programme Recommended Amendments			
Priority Axis	Change	Justification	Intervention Logic/ Financial Tables/ Performance Framework Impact
<p>1 Promoting sustainable and quality employment and supporting labour mobility</p>	<p>Accommodate support for pre-Neets (subsequent additions to actions, indicators and targets)</p> <p><i>Further work is required to complete the scoping of options for further commitments beyond possible phase 2s of existing interventions. Further consideration of mental health support.</i></p>	<ul style="list-style-type: none"> • Demand and match funding to provide earlier intervention and work with participants who are at risk of being NEET. Targeting those who are at most risk of disengagement and providing more structured and integrated support • Changing labour market – unemployment reduced, inactivity increased and more on zero-hour contracts (making them difficult to support as they are deemed “employed” and harder to coordinate support), more intensive support for certain barriers such as mental 	<p>Change to intervention logic as currently pre-NEETs are not eligible</p> <p>New indicators and targets to capture pre-NEET activity and outcomes</p> <p>Potential adjustments to targets given longer and more intensive work with a smaller number of the most disadvantaged participants</p>

Table 2: European Social Fund Operational Programme Recommended Amendments			
Priority Axis	Change	Justification	Intervention Logic/ Financial Tables/ Performance Framework Impact
		<p>health</p> <ul style="list-style-type: none"> • Absorption and match funding issues - new contracts and funding available targeting same participants and so absorption issues likely to continue. Participant record keeping difficulties (guidance has now been reissued with expanded options, eligibility criteria and ability to use statutory registers in April) • Currently an under-commitment envisaged 	
2 Promoting social inclusion, combating poverty and any discrimination	<p>No Programme changes planned.</p> <p><i>Further consideration of support for mental health, financial engineering, digital skills</i></p>	<ul style="list-style-type: none"> • Allocation is ring-fenced and so cannot be transferred • See progress and issues under “Further Actions”. 	
3 - Investing in education, training and vocational training for skills and lifelong learning	<p>Indicator and target changes required since mapping of Scottish qualifications against ISCED levels was incorrect.</p> <p>High demand, esp. for apprenticeships.</p> <p>Assign additional allocation for H&I to this priority.</p> <p><i>Consideration of support for digital skills on-going</i></p>	<ul style="list-style-type: none"> • Strong progress and demand for apprenticeships and skills development across both regions • Higher levels of qualifications being achieved than set out in the programme due to a misinterpretation of the qualifications framework • Lack of absorption in the H&I region under other priorities but good demand under workforce development 	<p>Intervention logic unaffected</p> <p>Allocation additional of £1.54m for H&I.</p> <p>Additional allocation of £7m LUPS from uncommitted ESF match for YEI.</p> <p>Adjustment of targets for H&I additional allocation and for new ISCED mapping</p>
4 – YEI (Youth Employment Initiative)	<p>Transfer uncommitted ESF match of £7m (tbc) to Priority 3 LUPS.</p>	<ul style="list-style-type: none"> • YEI targets cannot be changed and the YEI funding is ring-fenced 	<p>ESF match of £7m transferred to Priority 3 LUPS</p>

Proposed Financial Changes

ERDF - Priority Axis	Programme Allocation H&I		Programme Allocation LUPS		Proposed Changes H&I		Proposed Changes LUPS		Revised Programme Allocation H&I		Revised Programme Allocation LUPS	
	€M	€M	€M	€M	€M	€M	€M	€M	€M	€M	€M	€M
01 - Strengthening research, technological development and innovation	19.2	92.3	16.41	78.89					16.41	78.89		
02 - Enhancing access to, and use and quality of, information and communication technologies	25		21.37	0					21.37	0		
03 - Enhancing the competitiveness of small and medium sized enterprises	32.7	111	27.95	94.87	-2.5	11.8			25.45	106.67		
04 - Supporting the shift towards a low carbon economy in all sectors	25.87	105.2	22.11	89.9		-5.3			22.11	84.6		
05 - Preserving and protecting the environment and promoting resource efficiency	6.8	49.2	5.81	42.05	4.3	-6.5			10.11	35.55		
ERDF Total	109.57	357.7	93.65	305.71	1.8	0			95.45	305.71		
1- Promoting sustainable and quality employment and supporting labour mobility	25.9	125.88	22.14	107.59					22.14	107.59		
2- Promoting social inclusion, combating poverty and any discrimination	24.08	65.32	20.58	55.83					20.58	55.83		
3 - Investing in education, training and vocational training for skills and lifelong learning	29	92.99	24.79	79.48	1.54	7			26.33	86.48		
4 - Promoting Sustainable and quality employment and supporting labour market mobility (YEI)	0	92.62	0	79.16		-7			0	72.16		
ESF Total	78.98	376.81	67.51	322.06	1.54	0			69.05	322.06		

Further Actions

13. To achieve full absorption requires new proposed investment priorities. The consultation and survey work indicated that two main areas, research infrastructure and culture & heritage offer good opportunities to achieve this. In addition, other policy areas have been highlighted which could secure additional or new funding streams. Work to conclude possible applications for SI and Operations in the following areas will continue:
- a) **Digital capacity/skills** – explore how the funds could be more directly used. The ESF Programme already supports digital skills (under employability and education and training). Labour market shortages and potential activities to address these were identified however more work is needed to progress this as the activity didn't fit neatly under either programme. This will include consideration for digital capacity within SMEs.
 - b) **Labour mobility (employability)** – this is a highly complex area faced with current changes in policy and funding. Within that context, work will continue over the next few weeks to ensure that options are pursued.
 - c) **Social inclusion and poverty** – the three major interventions have taken some time to launch however all are now operational and the two Scottish Government strands (aspiring communities, social innovation and social economy) are experiencing good demand. There is an under-commitment across the priority. Mental health support was raised extensively during the consultation and current support available through the ESF programme (within employability and social innovation fund). However, expanding the type or intensity of support is under consideration. In addition, the programme referenced the possible use of financial engineering instruments for social enterprises.

Operational Recommendations

14. SI Extensions are covered earlier in this report. Three other areas of interest featured heavily in the Review: match funding issues, staff eligibility rules and ESF participant guidance. The latter has already been changed and published with eligibility/appropriate evidence options expanded.

Intervention Rates

15. An increase in intervention rates was considered in the context of:
- Demand for future funding
 - Recognition that the value of the Programme reduces and the outcomes that can be “purchased”
 - Level of match funding difficulty
16. Analysis shows that whilst there is a need to raise rates in both regions and both Programmes, although more of an issue in H&I and under Priorities 1 and 2 ESF. These feature a higher level of third sector involvement. Commitment and expenditure levels are lower in H&I at this stage and match funding is identified as a key factor.
17. Under LUPS ERDF there remains strong demand for funding as indicated in the Programme adjustments above and the current rates are not hampering progress to the same extent as in H&I. The recommendation therefore is:
- a) H&I ERDF – increase the Programme co-finance rate from current 55% to 70% for all priorities
 - b) H&I ESF – increase the Programme co-finance rate from 55% to 70% for all priorities
 - c) LUPS ESF Priorities 1 and 2 – increase the Programme co-finance rate from 45% to 50% (this is the maximum permissible for this region)

100% staff costs

18. The current National Rules are clear that only staff working fully on Structural Fund activity are eligible for support. This rule came about as a direct result of the high level of errors in the previous Programme which were a key factor leading to suspension of payments by the European Commission. The new rule was offered as part of an action plan for tackling the most common errors and lifting the suspension.
19. The Review Steering Group requested that the conditions for permitting apportioned staff be drafted for further consideration at the next meeting. The MA has developed the following within the context of audit evidence and feedback from the previous programmes: and, if a change to the National Rules was deemed appropriate:
 - Should only be used where it acts as an impediment to delivery
 - A standard timesheet from the Managing Authority would have to be used – this would include automated calculations for hourly rates
 - All timesheets would have to be submitted with each claim
 - The MA recommends a minimum of 40% time spent on the Structural Funds within a (payroll) period. However, The Review Steering Group felt that this could be reduced to 25% and this is being considered with Audit given the context set out previously.
20. Members should note that any change to the National Rules and Management and Control System requires Audit Authority approval.

Conclusions and Next Steps

21. The five recommendations of the early Review support both more effective implementation and focussed on assisting the Programmes to achieve full commitment whilst meeting N+3 (expenditure) and performance targets:
 - i. Request the Programme Changes as presented in Tables 1 (ERDF) and 2 (ESF)
 - ii. Allocate additional H&I allocations to ERDF Priority 5 (Environment) and Priority 3 ESF (Education and Training)
 - iii. Request an increase in intervention rates set out in Section 6
 - iv. Change to National Rules to allow apportioned staff costs following confirmation with Audit and EC
 - v. Consider eligible opportunities for digital capacity/skills, employability, mental health and financial engineering for social enterprises and, where appropriate, seek new interventions thereafter.
22. Depending on the Committee decision, recommendations will be implemented as part of new guidance and/or fully developed to form a package of Operational Programme Amendments. Discussions with EC desk officers have confirmed that once the further detail of the changes to the Operational Programmes are finalised and approved by JPMC (which is planned to be by written procedure in early September) the changes be submitted for formal consideration by the European Commission by end of September 2017.
23. Work will continue on other options identified under the Further Actions section and, where appropriate and developed in consultation, may form part of final recommendations.
24. It is likely that there will further amendments necessary prior to March 2019 and following the formal EC Regulation required mid-term Review in early 2019.

Annex 1 – Current Financial Allocations v Commitment

	Programme Allocation H&I €M	Programme Allocation LUPS €M	Programme Allocation H&I €M	Programme Allocation LUPS €M	Total Committed (to Strategic Interventions) H&I €Ms	Total Committed (to Strategic Interventions) LUPS €Ms	Total of Operations Approval (Grant) HI €M	Total of Operations Approval (Grant) LUPS €M	Potential Phase 2 Indicative Allocation H&I * €Ms	Potential Phase 2 Indicative Allocation LUPS* €Ms	REMAINING H&I [Allocation – Commitment – Indicative Phase 2] €M	REMAINING LUPS [Allocation – Commitment – Indicative Phase 2] €M
ERDF - Priority Axis												
01 - Strengthening research, technological development and innovation	19.20	92.30	16.41	78.89	7.63	40.92	3.39	27.37	3.00	1.10	5.78	36.87
02 - Enhancing access to, and use and quality of, information and communication technologies	25.00		21.37	0.00	20.00		20.00				1.37	0.00
03 - Enhancing the competitiveness of small and medium sized enterprises	32.70	111.00	27.95	94.87	18.51	63.08	16.50	51.75	7.10	8.00	2.34	23.79
04 - Supporting the shift towards a low carbon economy in all sectors	25.87	105.20	22.11	89.90	11.30	47.04	11.30	47.04	9.85	37.55	0.96	5.31
05 - Preserving and protecting the environment and promoting resource efficiency	8.93	49.20	7.63	42.05	4.30	23.70	4.30	23.73	1.20	11.83	2.13	6.52
ERDF Total	111.70	357.70	95.47	305.71	61.74	174.74	55.49	149.89	21.15	58.48	12.58	72.49
1- Promoting sustainable and quality employment and supporting labour mobility	25.90	125.88	22.14	107.59	9.39	57.96	8.09	56.46	7.41	31.15	5.34	18.48
2- Promoting social inclusion, combating poverty and any discrimination	24.08	65.32	20.58	55.83	8.21	21.27	7.91	20.47	11.51	25.99	0.86	8.57
3 - Investing in education, training and vocational training for skills and lifelong learning	30.80	92.99	26.32	79.48	9.14	23.89	8.17	19.51	17.18	55.59	0.00	0.00
4 - Promoting Sustainable and quality employment and supporting labour market mobility (YEI)	0.00	92.62	0.00	79.16		59.13		59.13		n/a	0.00	7.00
ESF Total	80.78	376.81	69.04	322.06	26.74	162.25	24.17	155.57	36.10	112.73	6.20	34.05

Note – the H&I additional allocation for Priority 5 ERDF and Priority 3 ESF already factored into first four columns.

Annex 2 – Performance Framework Table ERDF (survey data)

Priority	Pry Axis	Fund	Category of Region	Key Implementation Step or Indicator	Measurement Unit	Milestone Total for 2018	Achieved to date	%
RTDI	1	ERDF	Transition	expenditure	Euro	9,486,487	529,131	5.58%
RTDI	1	ERDF	More developed	expenditure	Euro	55,727,591	2,197,272	3.94%
RTDI	1	ERDF	Transition	Enterprises receiving support to introduce new to the firm or new to the market products	Number	60	79	131.67%
RTDI	1	ERDF	More developed	Enterprises receiving support to introduce new to the firm or new to the market products	Number	195	304	155.90%
ICT	2	ERDF	Transition	expenditure	Euro	11,593,045	0	0.00%
ICT	2	ERDF	Transition	ICT infrastructure contract let and implementation commenced	Date	1	0	0.00%
SME Competitiveness	3	ERDF	Transition	expenditure	Euro	16,154,032	3,757,885	23.26%
SME Competitiveness	3	ERDF	More developed	expenditure	Euro	67,020,293	16,305,832	24.33%
SME Competitiveness	3	ERDF	Transition	Enterprises receiving support	Number	520	307	59.04%
SME Competitiveness	3	ERDF	More developed	Enterprises receiving support	Number	1800	2976	165.33%
Low carbon economy	4	ERDF	Transition	expenditure	Euro	11,996,483	374,272	3.12%
Low carbon economy	4	ERDF	More developed	expenditure	Euro	59,621,146	3,097,186	5.19%
Low carbon economy	4	ERDF	Transition	Low carbon projects receiving non-financial or financial support	Number	25	8	32.00%
Low carbon economy	4	ERDF	More developed	Low carbon projects receiving non-financial or financial support	Number	125	49	39.20%
Low carbon economy	4	ERDF	Transition	Transport hubs with contracts let or construction commenced	Number	2	0	0.00%
Low carbon economy	4	ERDF	More developed	Transport hubs with contracts let or construction commenced	Number	4	0	0.00%
Environment & resource efficiency	5	ERDF	Transition	expenditure	Euro	3,153,308	993,846	31.52%
Environment & resource efficiency	5	ERDF	More developed	expenditure	Euro	27,888,276	5,100,995	18.29%
Environment & resource efficiency	5	ERDF	Transition	Organisations receiving non-financial or financial support	Number	157	101	64.33%
Environment & resource efficiency	5	ERDF	More developed	Organisations receiving non-financial or financial support	Number	890	475	53.37%
Environment & resource efficiency	5	ERDF	More developed	Projects delivering new/improved green infrastructure which have commenced (main contract let or construction started)	Number	4	0	0.00%

The data above was collected via a survey as part of the Review. The expenditure and targets achieved reflects actual spend and performance up to February 2017.

Annex 2 - Performance Framework ESF (survey data)

Priority	Pry Axis	Fund	Category of Region	Key Implementation Step or Indicator	Measurement Unit	Milestone Total for 2018	Achieved to date	%
Labour Market Mobility	1	ESF	Transition	expenditure	Euro	12,794,782	1,779,385	13.91%
Labour Market Mobility	1	ESF	More developed	expenditure	Euro	76,004,635	30,722,519	40.42%
Labour Market Mobility	1	ESF	Transition	Unemployed and inactive participants with multiple barriers to employment	Number	2630	154	5.86%
Labour Market Mobility	1	ESF	More developed	Unemployed and inactive participants with multiple barriers to employment	Number	25800	4,815	18.66%
Labour Market Mobility	1	ESF	Transition	Employed participants with multiple barriers to progressing in the labour market	Number	126	0	0.00%
Labour Market Mobility	1	ESF	More developed	Employed participants with multiple barriers to progressing in the labour market	Number	1404	190	13.53%
Social Inclusion and poverty	2	ESF	Transition	expenditure	Euro	11,164,199	0	0.00%
Social Inclusion and poverty	2	ESF	More developed	expenditure	Euro	37,019,375	1,325,164	3.58%
Social Inclusion and poverty	2	ESF	Transition	Disadvantaged participants in workless, lone parent or low income households	Number	1000	0	0.00%
Social Inclusion and poverty	2	ESF	More developed	Disadvantaged participants in workless, lone parent or low income households	Number	3150	84	2.67%
Social Inclusion and poverty	2	ESF	Transition	Deprived or fragile communities supported	Number	28	0	0.00%
Social Inclusion and poverty	2	ESF	More developed	Deprived or fragile communities supported	Number	25	0	0.00%
Education and Training	3	ESF	Transition	expenditure	Euro	14,326,205	4,159,568	29.03%
Education and Training	3	ESF	More developed	expenditure	Euro	56,146,280	17,155,822	30.56%
Education and Training	3	ESF	Transition	Total participants (employed, unemployed, inactive) with ISCED level 2 or below qualification	participants	800	31	3.88%
Education and Training	3	ESF	Transition	Total participants (employed, unemployed, inactive) with ISCED level 3 or 4 qualifications	participant	917	516	56.27%
Education and Training	3	ESF	Transition	Total participants with ISCED level 5 and above qualification	participants	280	13	4.64%
Education and Training	3	ESF	More developed	Total participants (employed, unemployed, inactive) with ISCED level 2 or below qualification	participants	5187	161	3.10%
Education and Training	3	ESF	More developed	Total participants (employed, unemployed, inactive) with ISCED level 3 or 4 qualifications	participant	2823	2,893	102.48%
Education and Training	3	ESF	More developed	Total participants with ISCED level 5 and above qualification	participants	1092	123	11.26%
Youth Employment Initiative	4	YEI		expenditure	Euro	92,619,400	57,923,624	62.54%
Youth Employment Initiative	4	YEI		Participants aged 16-24 who are unemployed or NEET	participants	13,430	2,842	21.16%
Youth Employment Initiative	4	YEI		Participants aged 25-29 who are unemployed or NEET	participants	3,570	515	14.43%

The data above was collected via a survey as part of the Review. The expenditure and targets achieved reflects actual spend and performance up to February 2017.