Match Funding in the ESF 2014-2020 programme

Actual match funding

Actual match funding within the meaning of the European Union (EU) and ESF regulations is in the form of cash payments and staff time. Cash match is the most secure option. Cash match is additional funds put into the same project for which ESF is being claimed.

Staff time

It is possible for organisations to identify the costs associated with employees delivering the ESF supported project as potential match funding. In order to be eligible the staff concerned must be performing duties associated with the ESF project. In audit terms the easiest way of using staff time as match is to identify and use those staff members who are employed full time in delivering the ESF project. If staff time associated with employees who are not full time on the ESF project are used then time sheets detailing the specific time spent on the ESF project must be maintained.

Match funding in kind

The use of in kind funding for match purposes is limited to programme costs

Programme Costs.

Some organisations use the costs of programmes that are delivering similar activities to ESF to match European Programmes e.g. training courses. This can be eligible but should be checked with the Managing Authority before being proposed. Co-financing Organisations (CFOs) normally use separate but eligible public contracts to match with ESF. This is how the Skills Funding Agency (SFA), Department for Work and Pensions (DWP) and National Offender Management Service (NOMS) will match in 2014-2020 ESF programme**.**

Volunteers

Unpaid voluntary work may be eligible as match funding in kind. In addition to the normal rules for match funding, the following conditions will apply:

- Beneficiaries cannot be treated as volunteers during their time on the project.

- Volunteer-time contributions must be calculated using the method and guidance set out.

- Volunteers must be made aware from the beginning that they are helping the project in their own private time and they are not employed on the project.

- Projects will need to show final claim entries for volunteer time. The project management should hold complete, accurate and up-to-date records which show not only the time sheets of volunteers but also a description of their activities. Projects should be able to match the information held to annual reports or final reports when the project ends. If they cannot do this, then the relevant report entries will be not be classed as eligible.

- If any paid employee performs additional duties on a voluntary basis, the costs are not eligible.

- The tasks performed by the volunteer should match the job titles and the notional rates given in the guidance.

- If a volunteer performs a task which is outside the range of the job titles provided, this activity cannot be claimed as match. The Managing Authority will need written evidence to justify technical or specialist rates to be agreed prior to the project making any claims.

- If a volunteer does the same or similar duties as paid staff, the rate allowed for the volunteer will be either the notional rate or the salary rate of the paid employee, whichever is lower.

Previous experience of using volunteer time as match has been that for some organisations the obligations have proved too rigorous. In order to mitigate this, the use of volunteer time as match must be agreed by the Managing Authority.

How to value unpaid volunteer time

Match up the volunteer role to the mean hourly wage rate for the specific role e.g. match paid 'groundsmen and greenkeepers' with volunteer greenkeepers. You can find these wage rates (there are hundreds of roles listed) - http://www.ons.gov.uk/ons/rel/ashe/annual-survey-of-hours-and-earnings/index.html (you need the 'Occupation' tables).
It is important to remember that the value of volunteer time is based on the theoretical value of the tasks performed by the volunteer for the project and not the current earnings of an individual in their usual paid employment.
The Managing Authority will require a project using volunteer time as match to submit full audit trail details for example timesheets with their first – and all subsequent – claim(s) for payment.

Eligible match for the 2014 -20 ESF programme

Match funding must meet all comparable ESF eligibility requirements. This is important as auditors will select and test match funds as part of their audit regime. Failure to demonstrate an audit trail for match could lead to financial penalties for the project.

Eligibility

- Match funding must be for activity deemed to be eligible within the Operational Programme

- Match funding must meet the eligibility requirements of each Priority within the Operational Programme

- Match for activities within
  a) the less developed area (Cornwall)
  b) the transition areas and
  c) the more developed areas must be drawn from within the same area as the funding is ring fenced

- Any statutory training that must be provided e.g. training employers must provide under health & safety legislation is ineligible.
- Funding for staffing, programmes or activities coming from the EFA, SFA or any other EU source is ineligible as match funding