

## Recommendations for Managing Authorities

- ✓ **Consider beneficiary and Helpdesk project network support:** Take into account the overall positive feedback and support from beneficiaries and MAs within the Helpdesk project network regarding the wider use of SCOs, where appropriate and efficient. This feedback indicates that SCOs can bring advantages in many project scenarios.
- ✓ **Balance the use of SCOs:** It is important to carefully consider both the positive and negative aspects of SCOs, as listed in Tool 5.2. Avoid overusing SCOs in situations where their implementation could potentially jeopardize the success of projects. Maintain a balanced approach that considers the specific needs and requirements of each programme/call/project.
- ✓ **Provide budgeting flexibility:** MAs could offer applicants and beneficiaries the opportunity to choose between traditional budgeting methods and SCOs, depending on their specific circumstances. This flexibility would allow for a more tailored approach to project budgeting, aligning with the preferences and capabilities of the applicant/beneficiary. However, it is important to keep in mind that flexibility in the budget and more options for financing given to the applicant, is manageable in a situation of a small number of applications, although even then it can cause unnecessary administrative burden and confusion for staff and applicants.
- ✓ **Provide specialized guidance and support:** Develop comprehensive and sector-specific guidelines on implementing SCOs in social service projects. Offer clear instructions, templates, and examples tailored to the unique context of social services. The guidelines should include practical implications for project implementation and monitoring. Additionally, establish dedicated helpdesks or support channels where beneficiaries can seek guidance and clarification on SCOs specific to the social services sector. Ensure that beneficiaries have a thorough understanding of SCOs and how to prepare for project implementation when utilizing these budgeting options.
- ✓ **Conduct capacity-building programs:** Organize training sessions and workshops to enhance beneficiaries' understanding of SCOs and their practical implications in the social services sector. Cover topics such as budgeting with SCOs, documentation requirements, eligibility criteria, and reporting procedures. Encourage beneficiaries to actively participate in these programs to strengthen their knowledge and skills in managing SCOs effectively.
- ✓ **Improve clarity over administration and archiving:** In many cases it is not clear to the beneficiaries what kind of documentation needs to be kept and archived for SCOs for the case of an audit. It is necessary to understand on all levels that all accounting documentation must be in place and archived even when SCOs are being used, including proper procurement and proof of what was delivered for each expenditure and proof of all 3E principles being in place (economy, efficiency, effectivity). It is necessary to properly inform the beneficiaries that for audit and tax reasons, all documentation must be in place also in projects using SCOs.
- ✓ **Maintain consistency in rules:** It is crucial to establish clear rules and criteria from the outset and avoid making significant changes during the project implementation period. Changing methodologies or assessment criteria for the fulfilment of units in unit costs, for example, can introduce uncertainties and potentially disrupt project progress.

- ✓ **Tailor SCOs to the specific needs of social services:** Recognize that the social services sector has unique requirements and challenges. Adapt SCOs to address the specific characteristics of social service projects, considering factors such as service delivery models, target groups, and the nature of interventions. This customization can enhance the effectiveness and efficiency of SCOs in supporting social service initiatives. *The Helpdesk project will explore and analyze specific cases in more detail during sectoral workshops.* This approach allows for a more targeted assessment of SCOs' applicability and potential benefits in social service projects.
  - Specific cases have been discussed that should be elaborated in the focused sectoral workshops (i.e., unit costs for obtaining cars (EVs) for social services, home adaptations/renovations, trainings in social services)
- ✓ **Foster collaboration and knowledge sharing:** Facilitate platforms for beneficiaries in the social services sector to share experiences, best practices, and lessons learned related to SCOs. Encourage networking and collaboration among organizations implementing similar projects to promote a supportive community where beneficiaries can exchange insights, challenges, and innovative solutions.
- ✓ **Monitor and evaluate the impact of SCOs in social services:** Establish mechanisms to assess the effectiveness and impact of SCOs in social service projects. Regularly monitor and evaluate the outcomes, efficiency gains, and cost-effectiveness achieved through the utilization of SCOs. This evaluation process can help identify areas for improvement, share success stories, and inform future decision-making regarding SCOs in the social services sector. Technical assistance budget for evaluations could be used within each of the programmes.
- ✓ **Engage stakeholders in policy discussions:** Involve stakeholders from the social services sector, including service providers, advocacy groups, and experts, in policy discussions and consultations related to SCOs. Seek their input and feedback to ensure that the design and implementation of SCOs align with the specific needs and realities of the social services sector.
- ✓ **Cost calculators:** The cost calculators that have been developed to help applicants in preparing their budgets are very important and useful. However, there are several problems that need to be taken into account by managing authorities - applicants sometimes 'hack' the formulas in the calculators and the costs transferred to the application form often do not match the costs in the calculators.