

# **2014 to 2020 European Structural and Investment Funds Growth Programme**

## **Call for Proposals European Social Fund**

### **Priority Axis 1: Inclusive Labour Markets**

<b>Managing Authority</b>	<b>Department for Work and Pensions (DWP)</b>
<b>ESI Fund</b>	<b>European Social Fund</b>
<b>Priority Axis:</b>	<b>Priority Axis 1 : Inclusive Labour Markets</b>
<b>Investment Priority:</b>	<b>1.2 Sustainable Integration of Young People into the Labour Market</b>
<b>Call Reference:</b>	<b>NEET Provision in Coast to Capital LEP area (OC04S16P0451)</b>
<b>LEP Area:</b>	<b>Coast to Capital</b>
<b>Call Opens:</b>	<b>27 October 2016</b>
<b>Call Closes:</b>	<b>06 January 2017</b>
<b>Document Submission</b>	<b>Completed Outline Applications must be submitted to ✉: <a href="mailto:2014-2020.ESFAPPLICATIONS@DWP.GSI.GOV.UK">2014-2020.ESFAPPLICATIONS@DWP.GSI.GOV.UK</a></b>

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# 1. Call Context

The 2014 to 2020 European Structural and Investment Funds (ESIF) bring the European Regional Development Fund (ERDF), European Social Fund (ESF) and part of the European Agricultural Fund for Rural Development (EAFRD) together into a single European Union (EU) Structural Investment Funds (ESIF) Growth Programme for England supporting the key growth priorities of innovation, research and development, support for Small and Medium Enterprises (SME), low carbon, skills, employment, and social inclusion.

European Structural and Investment Funds are managed by the Department for Communities and Government (ERDF), Department for Work and Pensions (ESF) and the Department for Environment Food and Rural Affairs (EAFRD). In London, the Greater London Authority acts as an Intermediate Body for the European Regional Development Fund and European Social Fund programmes. Unless stated otherwise, the term “Managing Authority” will apply to all these organisations. These Departments are the Managing Authorities for each Fund. The Managing Authorities work closely with local partners who provide:

- Practical advice and information to the Managing Authorities to assist in the preparation of local plans that contribute towards Operational Programme priorities and targets;
- Local intelligence to the Managing Authorities in the development of project calls (decided by the Managing Authorities) that reflect Operational Programme and local development needs as well as match funding opportunities;
- Advice on local economic growth conditions and opportunities within the context of Operational Programmes and the local ESIF Strategy to aid the Managing Authority’s assessments at outline and full application stage.

This call is issued by the Department for Work and Pensions (DWP) to commission ESF Funded projects that will support the **Priority Axis 1 of the Operational Programme: Inclusive Labour Markets** and **Investment Priority: 1.2 Sustainable Integration into the Labour Market of Young People** as set out in the Operational Programme.

All applications will need to be eligible under the European Social Fund Operational Programme for England 2014 to 2020. The [ESF Operational Programme](#) is available for applicants to read.

This call for proposal sets out the requirements for any applicants to consider before applying. Applications against this call will be assessed as part of a two stage appraisal process and successful applicants will enter into a funding agreement with the DWP. Further information is given in sections 4 to 10.

All ESF applicants will need to be aware of the requirement to collect and report data on all participants as per Annex 1 (see Appendix A). This will be as well as the

requirement of reporting on output and result indicators referred to in section 3 of the call for proposal.

## 1.1 National Context

This priority axis aims to increase participation in the labour market and thereby improve social inclusion and mobility. The Operational Programme identifies the need to address high levels of youth unemployment in specific areas of England this will be delivered through the following Investment priority:

**Investment priority 1.2** Sustainable integration into the labour market of young people (ESF), in particular those not in employment, education or training, including young people at risk of social exclusion and young people from marginalised communities, including through the implementation of the Youth Guarantee

ESF will not fund activity that duplicates or cuts across national policy on grants and loans for tuition for skills activities. Exemptions to this principle will be considered only where a local specific need and/or market failure has been demonstrated and where the activity falls within the scope of the Operational Programme.

Full details of what can and cannot be supported under this Investment Priority are set out in the Operational Programme. Details of the specific objectives have been reproduced below.

Specific Objective	Results that the Member States seek to achieve with Union support
To support the rise in the participation age by providing additional traineeship and apprenticeship opportunities	The additional support from this investment priority will help more young people enter traineeships and apprenticeships (in areas that do not qualify for the Youth Employment Initiative up to 2018) It will improve the quality of what is offered to individuals by improving recruitment and assessment and engagement with employers. By helping more young participants aged 15 to 24, male and female, who were NEET or at risk of NEET, to take up traineeships or apprenticeships, we will improve movements into work.
To engage marginalised 15-18 year olds and support them to re-engage with education or training	The additional support from this investment priority will help to find and engage young people who are disconnected from mainstream activity in areas that do not qualify for the Youth Employment Initiative. Participants could, for example, be members of gangs, care leavers, young lone parents, ex-offenders or young people with learning difficulties. They are likely to require more intensive and tailored interventions. The main result that will be

	achieved is that more participants will be engaged with education or training on leaving, and this will be measured by the result target.
To address the basic skills needs of young NEETS so that they can compete effectively in the labour market;	The additional support from this investment priority will help young NEETs (in areas that do not qualify for the Youth Employment Initiative up to 2018) to acquire the basic skills necessary to enable them to progress into an apprenticeship, traineeship or other employment. The main result that will be achieved is that more participants will have gained basic skills. There is an output target for participants without basic skills and a result target for participants gaining basic skills.
To provide additional work experience and pre-employment training opportunities to unemployed 18-24 year olds	The additional support from this investment priority will help unemployed 18-24 year olds (in areas that do not qualify for the Youth Employment Initiative up to 2018) to transition into training or sustainable employment (or self-employment). The main result that will be achieved is that more participants will enter traineeships, apprenticeships or sustainable employment (including self-employment) on leaving.
To support young lone parents to overcome the barriers they face in participating in the labour market (including childcare).	The additional support from this investment priority will help young lone parents (in areas that do not qualify for the Youth Employment Initiative up to 2018) to move closer to and into sustainable employment (including self-employment). Support will include assistance with childcare when this has not been covered by public provision, such as Universal Credit. It will also help participants to overcome other barriers, such as low basic skills or lack of confidence. The main result that will be achieved is that more participants will move into sustainable employment (including self-employment). There is an output target for the number of lone parents.

## 1.2 Local Development Need

Projects must deliver activity which directly contributes to the objectives of Priority Axis 1, Investment Priority 1.2 of the Operational Programme, and which meets the **local development need** expressed in the text and table below.

## Call outline

Coast to Capital is perceived to be an affluent area, however, there are areas of relative deprivation, significant levels of worklessness and numbers of households which face significant deprivation. Sections of the community such as lone parents and the disabled face additional challenges. In certain areas, wage levels are low, the employment on offer is often unattractive and some seaside towns require regeneration if they are not to decline further economically and socially. Individuals often face multiple barriers: low and outdated skills, digital exclusion, health issues, and lack of affordable childcare or affordable transport.

Although employment rates are, on the whole, relatively high in Coast to Capital, there are geographic areas and sections of the community that are not benefiting equally from the economic and social opportunities our area has to offer. Youth unemployment is a particular issue: in the Coast to Capital region youth unemployment is currently standing at 11.2 per cent, around 14,900 people (Source: Department for Education - Local Authority NEET Figures 2015 - Released May 2016 <https://www.gov.uk/government/publications/neet-data-by-local-authority-2012-16-to-18-year-olds-not-in-education-employment-or-training> ). Youth unemployment makes up 42 per cent of total unemployment in the region despite the age group making up 17 per cent of the working age population ( Source: Department for Education - Local Authority NEET Figures 2015 - Released May 2016 <https://www.gov.uk/government/publications/neet-data-by-local-authority-2012-16-to-18-year-olds-not-in-education-employment-or-training> ).

At the same time, employers often report difficulties attracting and retaining staff to unattractive work in low status sectors (Anecdotal evidence collected from employers in Coast to Capital and UKCES Employer Skills Survey 2013). We are fortunate in having a strong community and voluntary sector with an in-depth understanding of these issues.

Those young people who are Not in Education, Employment or Training are also a matter of concern; Department for Education figures estimate that there are 3,170 people (3.2% of the cohort) who are NEET in Coast to Capital (Source: Department for Education - Local Authority NEET Figures 2015 - Released May 2016 <https://www.gov.uk/government/publications/neet-data-by-local-authority-2012-16-to-18-year-olds-not-in-education-employment-or-training> ). Young people in care or who are care leavers and those young people with special educational needs and disabilities face particular challenges and there is a growing incidence of mental health issues amongst young people in the region.

The LEP's work to date through consultation and workshop events confirms that successful work to equip those who are most disadvantaged with skills for inclusion

and employment requires a strong understanding of local need and good engagement with local networks.

Details of the Coast to Capital ESIF strategy can be found at [http://www.coast2capital.org.uk/images/CtoC\\_ESIF\\_Strategy\\_Refresh\\_Final\\_APRIL\\_16\\_.pdf](http://www.coast2capital.org.uk/images/CtoC_ESIF_Strategy_Refresh_Final_APRIL_16_.pdf)

## **SCHEME DETAIL**

### **Local Priorities:**

The local priorities to be addressed through this call are as follows:

- Track, engage, assess, support and monitor young people who are NEET (e.g. through intensive, innovative, holistic and tailored outreach work) so they can benefit from the programmes on offer in the local area
- Broker opportunities with local employers to employ young people who are NEET (including those with complex barriers) e.g. to support them to access traineeships, apprenticeships, work experience and supported internships for young people with special educational needs and disabilities. Also offer support for employers to take on young people NEET.
- Support re-engagement activities to address the needs of target groups such as: young lone parents; looked-after children and care leavers; carers; ex-offenders; those involved in gangs; and young people with special educational needs and disabilities.
- Foster an aspirational and enterprising culture amongst young people by supporting them to acquire skills (basic, intermediate and technical) needed by the employers in Coast to Capital's growth and high employing sectors or to help them into self-employment
- Increase participation in traineeships and apprenticeships
- Provide opportunities to link learning to work experience including volunteering
- Provide support and a range of soft skills to disadvantaged young people to overcome the barriers to engagement, such as lack of childcare, transport, confidence building, motivation and health issues.

## **SCHEME LOTS**

Lot 1: Tracking, monitoring and engaging

Lot 2: Re-engagement provision

Lot 3: Route into traineeships, apprenticeships and internships

Applicants would be eligible to submit Outline Applications under any specific lot, any combination of lots or all 3 lots if they wish to.

## LOT 1 – TRACKING, MONITORING AND ENGAGING

This lot 1 would target:

- Young people who are NEET aged 16-18 and aged 19-24 if they have a statement of special educational needs or an Education and Health Care plan

The scheme will include elements for:

- Identification and tracking of unknowns using innovative outreach models e.g. social media
- Re-engagement, assessment and ongoing monitoring of young people who are NEET
- Be based on best practices models. A Youth Employment Service model of provision (Brighton and Hove: <http://www.brighton-hove.gov.uk/content/children-and-education/youth-service/youth-employability-service> and East Sussex <https://www.c360.org.uk/education/careers/criconnexions> are examples of this kind of model

The geographical focus is:

- West Sussex as a priority but also available to other Local Authority areas to expand / improve the services on offer (this provision already exists in Brighton and Hove, Surrey, Croydon, Lewes District)

## LOT 2: RE-ENGAGEMENT PROVISION

This lot 2 would target:

- Young people who are NEET aged 16-24
- Suitable for young people with social, emotional and behavioural issues
- Focus on Year 14

The scheme will include elements for:

- A delivery of programmes in small groups which include functional skills:
- Year-round roll-on roll-off courses or courses with flexible start dates for re-engagement into mainstream learning opportunities
- Offering employer contact e.g. work place visits, work experience, employer talks etc
- Exploring and secure progression opportunities into EET

The geographical focus is:

- Across the Coast to Capital region



### LOT 3: ROUTES INTO TRAINEESHIPS, APPRENTICESHIPS AND SUPPORTED INTERNSHIPS

The lot 3 would target:

- 16-24 years old with a particular focus on young people with Special Educational Needs and Disability (SEND), in care and care leavers
- Focus on Coast to Capital's priority and high employing sectors

The scheme will include:

- Development and delivery of innovative and employer led routes into traineeships, apprenticeships and supported internships for young people with learning difficulties and disabilities giving them opportunities to gain experience in the workplace
- Job coaching and wraparound support where appropriate
- Work related learning and experience, employer master classes, etc – developed and delivered in partnership with employers
- Employability skills, workplace literacy, numeracy and digital skills
- Work with colleges and independent training providers to encourage them to develop appropriate traineeship and supported internship programmes
- Broker opportunities including support for employers to give them the understanding and skills to recruit and employ young people, in particular those with SEND, in work placements, traineeships, apprenticeships or supported internships
- Support, both practical and financial, for young people's travel needs
- Useful information here about job coaching and supported employment  
[http://base-uk.org/sites/base-uk.org/files/\[user-raw\]/11-06/supported\\_employment\\_and\\_job\\_coaching- best practice\\_guide....pdf](http://base-uk.org/sites/base-uk.org/files/[user-raw]/11-06/supported_employment_and_job_coaching- best practice_guide....pdf)  
Useful information here about supported internships  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/389411/Supported\\_Internship\\_Guidance\\_Dec\\_14.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/389411/Supported_Internship_Guidance_Dec_14.pdf)

The geographical focus is:

- Delivery provision available across the Coast to Capital region

### ADDITIONALLY

All lots must consider innovative approaches to the rural areas of Coast to Capital where there are NEET hotspots.

Provision in Croydon and Lewes must complement (and not duplicate) the ESF funded projects available through London LEP (Croydon is in both Coast to Capital and London LEPs) and Lewes (Lewes is in both Coast to Capital and SELEP).

Finally, provision must complement other NEETs' projects funded under previous rounds of ESF Opt-in with Big Lottery Funding in Coast to Capital LEP area.

The following contact details regarding this provision are :

- for Croydon local authorities in charge of NEETS/ESF provision Ms Julie Ralphs - London Borough of Croydon Council - [Julie.Ralphs@croydon.gov.uk](mailto:Julie.Ralphs@croydon.gov.uk)
- for Lewes local authorities in charge of NEETS/ESF provision Ms Caroline Bragg – East Sussex County Council - [Caroline.Bragg@eastsussex.gov.uk](mailto:Caroline.Bragg@eastsussex.gov.uk)
- for Barnardos who deliver the ESF/NEETS contract under Big Lottery Mr Steve Woolcock – Barnardos - [steve.woolcock@barnardos.org.uk](mailto:steve.woolcock@barnardos.org.uk)

### 1.3 Scope of activity

This call invites Outline Applications which support the delivery of Priority Axis 1, **Investment Priority 1.2 Sustainable Integration of Young People into the Labour Market** of the European Social Fund Operational Programme and responds to the local development need set out in the Coast to Capital Local Enterprise Partnership Area European Structural and Investment Funds Strategy.

This call aims to address the identified shortfalls listed in section 1.2 Local Development Need above.

## 2. Call Requirements

All applications are competitive

<b>Indicative Fund Allocation:</b>	<p>Indicatively, through this call the Managing Authority expects to allocate approximately <b>£1,000,000 ESF</b>.</p> <p>Indicative total value            £1,000,000 (ESF funding only) Lot 1 - £400,000 (West Sussex as a priority) Lot 2 - £200,000 (Coast to Capital area) Lot 3 - £400,000 (Coast to Capital area)</p> <p>The Managing Authority reserves the right to increase or decrease the indicative allocation, or support more or fewer projects subject to the volume and quality of proposals received.</p>
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<b>Minimum application level</b>	European Social Fund investment is intended to make a significant impact on local growth. Applications are expected to demonstrate appropriate scale and impact. The Managing Authority does not intend to allocate less than <b>£50,000</b> of European Social Funding to any single project.
<b>Duration of project approvals</b>	Projects should be for a maximum of three years; however the Managing Authority reserves the right to vary the maximum duration in exceptional circumstances.
<b>Geographical Scope</b>	All interventions should be focused on activity and beneficiaries within the Coast to Capital Local Enterprise Partnership area.
<b>Specific call requirements</b>	This is a call for ESF activity.
<b>Call Deadlines</b>	For this specific call, applications will be assessed following closure of the call. Applications received after the published call close date will not be considered.
<b>Application selection</b>	All applications will be scored in line with the ESF scoring criteria, but the MA reserve the right to invite projects to full application stage where they complement other activity or provide niche activity to target groups within the OP.
<b>Applicant proposals</b>	These can only contain activities which are eligible for ESF.
<b>Eligible match funding</b>	Applicants will need to have eligible match funding for the balance of costs, which must be from a source other than the European Union. For all outline applications proof of match funding will need to be supplied as part of the assessment. The intervention rate in the Coast to Capital LEP Area is 50%.
<b>Operational completion</b>	Operations must be completed no later than 3 years from anticipated project start date.
<b>Procurement</b>	All procurement must be undertaken in line with EU regulations.
<b>State Aid law</b>	Applicants must demonstrate compliance with State Aid law.
<b>Audit/ Compliance</b>	All expenditure and activities will be subject to rigorous audit and non-compliance may lead to financial penalty.
<b>Calls listing multiple activity</b>	The applicant is required to list each activity they plan to deliver, supported by a clear breakdown of costs. Expected outputs and results per activity should be provided.

ESF cannot be used to duplicate existing activities or activities that do not address market failure. ESF can only be used to achieve additional activity or bring forward activity more quickly. Applicants must be able to demonstrate that proposals are additional to activity that would have occurred anyway or enables activity to be brought forward and delivered more quickly than otherwise would be the case in response to opportunity or demand.

### 3. Deliverables required under this Call:

Applications will be expected to achieve the minimum indicative level of Programme Deliverables by contributing to the following Investment Priority. The definitions of which can be accessed at the [ESF Operational Programme](#).

<b>Investment Priority</b>	<b>1.2 Sustainable Integration Of Young People Into The Labour Market</b>
<b>Specific Objectives</b>	Sustainable integration into the labour market of young people (ESF), in particular those not in employment, education or training, including young people at risk of social exclusion and young people from marginalised communities, including through the implementation of the Youth Guarantee
<b>Indicative Actions</b>	<p>ESF will not support activities that duplicate or replace existing support within national programmes, but may be used to support additional activities or target groups, including provision co-designed with local partners.</p> <p>Examples of actions for all young people who are NEET or at risk of becoming NEET include:</p> <ul style="list-style-type: none"> <li>• literacy, numeracy, ICT and employability provision to ensure that individuals have the basic skills needed in all jobs and to help them prepare for apprenticeships and progress through other routes to gaining higher skills;</li> <li>• support which complements other skills provision, such as crosscutting and 21<sup>st</sup> century skills, including team working, effective communication, problem solving, critical thinking and self-direction;</li> <li>• community and informal learning to engage young people who have struggled at school and encourage them to access more formal learning;</li> <li>• using self-employment as a route out of worklessness, including providing advice and support for self-employment.</li> </ul>

<b>ID</b>	<b>Result Indicator</b>	<b>Target value for this call</b>
R3	Participants gaining basic skills	4% (applies to all Categories of Region)
R5	Participants (below 25 years of age) in employment, including self-employment, or education/ training upon leaving	43% More Developed
ESF-CR06	Participants in employment, including self-employment, 6 months after leaving	34% More Developed

<b>ID</b>	<b>Output Indicator</b>	<b>Total target value for this call</b>	<b>Men target value</b>	<b>Women target value</b>
O2	Participants (below 25 years of age) who are unemployed or inactive	1680	920	760
ESF –CO01	Unemployed, including long-term unemployed	1220	-	-
ESF – CO03	Inactive	460	-	-
O5	Participants from ethnic minorities	230	-	-
ESF - CO16	Participants with disabilities	170	-	-
O6	Participants without basic skills	300		
ESF - CO14	Participants who live in a single adult household with dependent children	70	-	-

Applicants will be required to demonstrate how they will achieve the deliverables within their proposal along with any methodology that will be used to record achievement. Applicants will also need to ensure robust systems are in place, and be able to describe them, to capture and record the targets and to report quantitative and qualitative performance across the Coast to Capital LEP area. All operations will be required to collect data and report progress against the deliverables with each

claim. Where an operation underperforms against their deliverables they may be subject to a performance penalty.

There must be a fully evidenced audit trail for all contracted deliverables.

## 4. General Information

Essential information to support the drafting of an application and delivery of a successful ESF funded project is available at the [European Growth Funding](#) website pages.

### 4.1 Compliance and Eligibility

When developing an application, Applicants should refer to [guidance](#) on eligible Applicants, activities and costs. These are for guidance only and Applicants should take their own specialist advice if in doubt. It is the responsibility of the Applicant to ensure that the rules and guidance are adhered to both at application stage and following approval.

European Structural Investment Funds (ESIF) are governed by European regulations and national rules. Applicants are advised to familiarise themselves with the relevant documentation listed in the 'key documents' section prior to submitting an Outline application. If successful, Applicants will enter into the standard Funding Agreement and must abide by the standard terms and conditions contained therein. Applicants are therefore strongly advised to read these terms and conditions to ensure that they would be able to enter into such an agreement prior to responding to the call. Once a Funding Agreement has been issued it should be signed and returned within a short timescale.

### 4.2 Intervention Rate & Match Funding

ESF is funding used where no other funding can be obtained (the funder of last resort) and the maximum ESF intervention rate for the operation is 50%. This means ESF can contribute up to 50% of the total eligible project costs, subject to State Aid regulations. The remaining 50% or more must come from other eligible sources. For all outline applications proof of match funding will need to be supplied as part of the assessment.

ESF is not paid in advance and expenditure must be defrayed prior to the submission of any claims. Applicants may be asked to demonstrate how they are able to cash flow the operation.

### 4.3 Applicants

Applicants must be legally constituted at the point of signing a Funding Agreement, and be able to enter into a legally binding Funding Agreement. The Applicant will be

the organisation that, if the application is successful, enters into a contract for ESF and therefore carries the liability for ensuring that the terms of the ESF Funding Agreement are met by them and to all delivery partners. If there is more than one organisation applying for the funds, a lead organisation must be selected to become the Applicant. It is this organisation that carries the responsibility and liability for carrying out a compliant project.

The Managing Authority will consider the Applicant's track record, both positive and negative. If the Applicant has been involved in the delivery of previous European grants and any irregularities with this (these) grant(s) have been identified, the Managing Authority will look into these and expect to see how and what steps have been taken to ensure that these have been addressed to mitigate the risk of further irregularities in the future. It is acknowledged that some organisations will be new to ESIF funding and will not have a track record.

#### **4.4 Cross Cutting Themes**

All applications received under this Call should demonstrate how the Cross Cutting Themes have been addressed in the project design and development. Cross cutting themes for ESF are 'gender equality and equal opportunities' and 'sustainable development'.

For ESF, the project applicants will be required to deliver their services in-line with the Public Sector Equality Duty (as defined in the Equality Act 2010). All projects must have a gender and equal opportunities policy and implementation plan which will be submitted at full application stage and in-line with Managing Authority guidance. Project applicants will also be required to answer a number of ESF-specific equality questions which will be set out in both the full application form and the related guidance.

For ESF, all projects will also be required to submit a sustainable development policy and implementation plan (in-line with guidance produced by the Managing Authority).

The ESF programme particularly welcomes projects that have an environmental focus that can meet the strategic fit at local and programme level whilst also adding value by:

- supporting environmental sustainability; and/ or
- complementing the environmental thematic objectives of other programmes such as ERDF; and/or
- using the environment as a resource to help motivate disadvantaged people

Further information is available in the [ESF Operational Programme](#).

## **4.5 State Aid & Revenue Generation**

Applicants are required, in the Outline Application, to provide a view on how their proposal complies with State Aid law. Applicants must ensure that projects comply with the law on State Aid.<sup>1</sup> Grant funding to any economic undertaking which is state aid can only be awarded if it is compatible aid, in that it complies with the terms of a notified scheme or is covered by the De Minimis Regulation. Guidance for grant recipients, explaining more about State Aid, is available; it is important that Applicants take responsibility for understanding the importance of the State Aid rules and securing their full compliance with them throughout the project, if it is selected into the Programme.

The Managing Authority is not able to give legal advice on State Aid. It is the responsibility of the Applicant to ensure that the operation is State Aid compliant.

Where the Applicant does not perceive that there is any State Aid, it should state whether or not it considers Articles 61 and 65(8) of regulation 1303/2013 to apply. This revenue should be taken into account in calculating eligible expenditure. Article 61 refers to monitoring revenues generated after completion of the project, and Article 65(8) how to deal with differences in the forecast and actual revenues at the end of the operation. The details of this will be tested at the full application stage.

## **4.6 Funding Agreement**

The Funding Agreement is a standard, non-negotiable and legally binding document. Any successful Applicant will be subject to the terms and conditions contained within this agreement. Applicants are strongly advised to seek their own advice to ensure that they would be able to enter into and abide by the terms of the Funding Agreement.

Failure to meet any of the conditions of the agreement or the commitments within the application will result in claw back of funding.

Applicants should be aware that additional provisions and securities may be included within the Funding Agreement to protect the investment. These will be further discussed if relevant following the Full Application stage.

## **4.7 Procurement**

All costs delivered by the Grant Recipient (the applicant) and/or delivery partners must be delivered on an actual cost basis. Other costs must be procured in line with EU regulations. The most common error identified during audit has been failure to

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<sup>1</sup> Article 107(1) of the Treaty on the Functioning of the European Union provides that: "Save as otherwise provided in the Treaties, any aid granted by a Member State or through state resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market."



comply with relevant procurement regulations and crucially to maintain a full audit trail to prove that they have complied with the relevant regulation. Robust and transparent procurement is required to ensure that Grant Recipients:

- consider value for money;
- maximise efficient use of public money; and
- maintain competitiveness and fairness across the European Union.

It is recommended that applicants seek their own legal advice pertaining to their procurement and requirements to publicise any tendering opportunities.

The Managing Authority is not able to give legal advice on procurement. It is the responsibility of the applicant to ensure the project is compliant in this respect.

#### **4.8 Retrospection**

There will be no retrospection for applications made against this call, other than in line with the general policy on retrospection which allows costs to be potentially eligible between outline and full application stage, but only where the full application is approved.

## **5. Application Process & Prioritisation Methodology**

There are two stages to the ESF application process; Outline Application and if successful, Full Application. Applicants must fully complete the Outline Application Form (section 9 refers). Guidance is available on the [European Growth Funding](#) website pages. Acceptance of an Outline Application to progress to full application stage does not in any way indicate or constitute an offer of European Social Fund grant. Applications will be subject to a Gateway Assessment undertaken by the Managing Authority under the following criteria:

- Applicant eligibility;
- Activity and expenditure eligibility; and
- The fit with the ESF OP and the call.

Proposals that pass the Gateway Assessment will move into the Core Assessment which consists of the following:

- Strategic fit;
- Value for money;
- Management & control;
- Deliverability;
- Procurement / tendering; and

- State Aid compliance.

The Managing Authority will seek advice from partners when considering applications to ensure its assessment is informed by local economic growth conditions and opportunities within the context of Operational Programmes and the local ESIF Strategy. This will include the relevant LEP Area ESIF Committee and other partners deemed relevant to the application.

The assessment and any prioritisation will be undertaken using only the information supplied as part of the application process. The Managing Authority cannot accept further detail outside this process.

Non-public sector Applicants who are successful at the Outline Application stage may be subject to due financial diligence checks by the Managing Authority, prior to submission of a Full Application. Applicants will be required to submit accounts, and to clarify financial or other organisational information. New Applicant organisations may be required to provide details of a guarantor.

## 6. Support

Please note that this is a competitive call and to preserve impartiality we are unable to enter into correspondence with applicants over their Outline application. Details of where guidance can be found are contained throughout this calls document. In exceptional circumstances, if there are issues with accessing this guidance, please contact:

✉: [ESF.2014-2020@dwp.gsi.gov.uk](mailto:ESF.2014-2020@dwp.gsi.gov.uk)

No applications are to be sent to this email address. Completed Outline applications must be sent to the email address provided in Section 9 – Document submission.

## 7. Key Documents

- Outline Application Form;
- Outline Application Form Guidance;
- Local Enterprise Partnership area's ESIF strategy; and
- National ESF Eligibility Rules.

## 8. Document Checklist

The assessment will be undertaken on the basis of documentation received at the point of closure of the call. Applicants should provide the following documentation.

## Outline Stage:

- fully completed Outline Application;
- financial tables (if the application is against more than one Category of Region, a financial table for each Category of Region);
- Outputs, Results and Indicators tables (if the application is against more than one Category of Region, a Outputs, Results and Indicators table for each Category of Region); and
- three years financial accounts (if private or voluntary and community sector).

Failure to provide the above documentation could result in the application being rejected.

## 9. Document Submission

Completed Outline Applications must be submitted to

✉: [2014-2020.ESFAPPLICATIONS@DWP.GSI.GOV.UK](mailto:2014-2020.ESFAPPLICATIONS@DWP.GSI.GOV.UK)

## 10. Timescales

Launch of Call advertised on gov.uk.	27 October 2016
Deadline for submission of Outline Application	06 January 2017

Outline Application forms not received by the deadline will not be assessed. Outline Applications which are not fully completed will be excluded.

For this call applications will normally be required to **commence delivery/activity within three months** of the award of contract.

Any changes related to the deadline for the submission of the Outline Application form will be notified on the [European Growth Funding](#) website pages.

## 11. Appendix A – Common output indicators

### Appendix A – extract from Annex 1 of the ESF regulation

Common output and result indicators for ESF investments **that has to be collected by successful projects**

## (1) Common output indicators for participants

"Participants" refers to persons benefiting directly from an ESF intervention who can be identified and asked for their characteristics, and for whom specific expenditure is earmarked. Other persons shall not be classified as participants. **All data shall be broken down by gender.**

The common output indicators for participants are:

unemployed, including long-term unemployed
long-term unemployed
inactive
Inactive, not in education or training
employed, including self-employed
below 25 years of age
above 54 years of age
above 54 years of age who are unemployed, including long-term unemployed, or inactive not in education or training
with primary (ISCED 1) or lower secondary education (ISCED 2)
with upper secondary (ISCED 3) or post-secondary education (ISCED 4)
with tertiary education (ISCED 5 to 8)
participants who live in jobless households
participants who live in jobless households with dependent children
participants who live in a single adult household with dependent children
ethnic minorities
Participants with disabilities
other disadvantaged
homeless or affected by housing exclusion
from rural areas

Common immediate result indicators for participants are:

inactive participants engaged in job searching upon leaving
participants in education/training upon leaving
participants gaining a qualification upon leaving
participants in employment, including self-employment, upon leaving
disadvantaged participants engaged in job searching, education/ training, gaining a qualification, in employment, including self-employment, upon leaving

Common longer-term result indicators for participants are:

participants in employment, including self-employment, six months after leaving
participants with an improved labour market situation six months after leaving
participants above 54 years of age in employment, including self-employment, six months after leaving
disadvantaged participants in employment, including self-employment, six months after leaving