



Department  
for Work &  
Pensions



**European Union**  
European Structural  
and Investment Funds

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

### Call for Proposals European Social Fund

### Priority Axis 1: Inclusive Labour Markets

### Youth Employment Initiative (YEI)

<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>1.3 Sustainable Integration of Young People into the Labour Market</b>
<b>Call Reference:</b>	<b>IP 1.3 Access to Employment - Youth Employment – OC01S17P0601</b>
<b>LEP Area:</b>	<b>Black Country</b>
<b>Call Opens:</b>	<b>2 February 2017</b>
<b>Call Closes:</b>	<b>1 March 2017</b>

<b>Document Submission:</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>
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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 Local 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: 1.3 Sustainable integration into the labour market of young people (YEI)** 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 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) and additionally Annex 2 (see

Appendix B) of the ESF regulation specifically for Youth Employment Initiative (YEI). 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 1.3** Sustainable integration into the labour market of young people (YEI), 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 for 15-29 year old NEETs in YEI areas, with a particular focus on 15-19 year old NEETs.	<p>The additional support from this investment priority will help more young people aged 15-29 enter traineeships and apprenticeships. It will be focussed on young people in YEI areas, with a particular focus on 15-19 year old NEETs. The additional support from this investment will support investment in traineeships and apprenticeships, including improvements to recruitment and assessment and engagement with employers.</p> <p>The main result will be that more young participants aged 15 to 29, male and female, who were NEET are in traineeships or apprenticeships as a result of ESF interventions and this will support movements into work.</p>
To engage marginalised 15-29 year old NEETs in YEI areas and support them to re-engage with education or training, with a particular focus on 15-19 year olds.	The additional support from this investment priority will help to find and engage young people in YEI areas, particularly those aged 15-19, who are disconnected from mainstream activity. Participants could, for example, be

	<p>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.</p> <p>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.</p>
<p>To address the basic skills needs of 15-29 year old NEETS so they can compete effectively in the labour market;</p>	<p>The additional support from this investment priority will help 15-29 year old NEETs in YEI areas to acquire the basic skills necessary to enable them to progress into an apprenticeship, traineeship or other employment.</p> <p>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.</p>
<p>To provide additional work experience and pre-employment training opportunities to unemployed 15-29 year old NEETS in YEI areas, with a particular focus on those aged over 18</p>	<p>The additional support from this investment priority will help unemployed 15-29 year olds and particularly those aged 18-29 in YEI areas to transition into training or sustainable employment (or self-employment).</p> <p>The main result that will be achieved is that more participants will enter traineeships, apprenticeships or sustainable employment (including self-employment) on leaving.</p>
<p>To support 15-29 year old lone parents who are NEET in YEI areas to overcome the barriers they face in participating in the labour market (including childcare).</p>	<p>The additional support from this investment priority will help 15-29 year old lone parents who are NEET in YEI areas 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.</p> <p>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.</p>

## 1.2 Local Development Need

Projects must deliver activity which directly contributes to the objectives of Priority Axis 1, Investment Priority 1.3 of the Operational Programme, and which meets the **local development need** expressed in the text and table below.

### Call outline

Tackling youth unemployment continues to be priority for the UK Government.

The Black Country is one of the eleven areas in England eligible for Youth Employment Initiative funding.

Most young people (YP) continue in education or training when they leave school, and make a successful transition to either further or higher education or employment. But there is still a group who either 'drop out' or struggle to make the transition to the labour market at age 18-19. As a result, the proportion of young people NEET in England rises sharply at age 18. Nationally, 4.4% are NEET at age 16.

The YEI will support additional and more intensive provision that meets the needs of individuals and local labour markets. It will not support activities that duplicate or replace existing provision.

The Black Country has seen a considerable reduction in the number of individuals identified as NEET, however, 4670 YP are claiming out of work benefits, with 1930 classed as NEET (Dec 2015). The number of NEETs across the sub-region varies across the local authorities. Walsall has seen a reduction from 7% NEET to 4%, Wolverhampton, previously at 7% has now reduced to 4.1%, whereas Dudley has been consistently below national average with a reduction from 5.1% to 4.2%. The proportion of Black Country NEETs is now below the national average of 4.4% in each Local Authority area as a result of improvements locally. The sub-region has seen a large increase in the number of 'not knowns' over the past 12 months, which has doubled to 8.1%, compared to an England average of 6.6%.

The Black Country Strategy Targets in terms of employment have been established based on evidence from the Black Country Performance Management Framework. This includes a target of 'no 16-18 year olds NEET' by 2033 and an overall increase in qualifications amongst young people.

### Local Priorities:

- Pre-16 – Feedback from local business / employers shows that young people are poorly prepared for the world of work and lack basic employability skills and motivation.

- *The NEET Cohort 16-24* - The 'traditional' NEET group of 16-18 year olds has reduced in number across the Black Country in recent years, whilst the numbers of unknown have increased. This residual group are the more challenging cohort requiring on-going individual support and individually tailored supported provision.
- The 19-24 year old NEET group are larger in number and do not benefit from the same individual support mechanisms or provision as the younger cohort. Work piloted locally through Walsall MBC Walsall Works, suggests that many in this age range are just as needy as the 16-18 year olds and there is a clear need to adapt strategies accordingly.

Therefore this call aims to address these shortfalls and is seeking applications which will enhance the current provision that is working to reduce the number of NEET individuals, and to provide additional, targeted support for those individuals aged between 15 and 24 who are NEET. In addition, we expect individuals aged between 25-29 to be covered.

The Black Country Local Enterprise Partnership is seeking applications to deliver bespoke provision to address the needs set out in the specification. Applicants need to consider and apply against 1 or both strands of activity however this is not restrictive and proposals focussed on additional strands will also be considered, whilst ensuring there is no duplication of activity with existing mainstream or YEI projects within the LEP area. Projects to include, personalised and bespoke advice and support which could include travel support, advice and guidance.

### **Strand 1 –Sport and Employment**

Sport is one of the Black Country LEP's key Enabling Sectors. The Black Country Sport and Sector Skills Plan 2016 (<http://www.activeblackcountry.co.uk/upload/Ross/Sport%20and%20Physical%20activity%20Sector%20Skills%20Plan.pdf>) sets out how sport and physical activity can be used as a vehicle to bring people closer to the job market and communities closer together.

The [Culture and Sport Evidence \(CASE\) programme](https://www.gov.uk/guidance/case-programme) (<https://www.gov.uk/guidance/case-programme>), led by the Department for Culture Media and Sport, published evidence on the varied benefits of sport which includes: Young people's participation in sport improves their numeracy scores by 8% on average above non-participants

- Underachieving young people who take part in sport see a 29% increase in basic skills and a 12 to 16% rise in wider transferable skills

It also identifies that returns on investment in sports programmes for at-risk youth are estimated at £7.35 of social benefit for every £1 spent – through financial savings to police, the criminal justice system and the community.

Applicants are encouraged to identify activities, which could harness the use of sports as an engagement and learning tool for NEET's. Delivery could include:

- A menu of sports and physical activities
- Development on non technical and basic skills using sport as a vehicle to engage
- Careers, advice and guidance
- Mentoring
- Sport volunteering and work experience opportunities where appropriate
- Contacts with local employers

## **Strand 2 –Engagement and Progression of High Support Needs**

The Black Country LEP recognises the need to address the poor employment rate for young people with high support needs addressing multiple barriers to their participation in employment, education or training.

Participants classed as having high support needs include:

- Special Educational Needs and Disabilities, including those with social, emotional and mental health issues
- Young people who offend or are at risk of re-offending
- In care and/or care leavers.
- Young people with a history of substance misuse / addiction or gaming addiction.

Applicants are asked to consider activities which target and address the needs of vulnerable participants requiring specialist support. Projects could include access to a wide range of support including non-accredited initial engagement activities, work experience and volunteering, mentoring / role model support, motivational coaching, functional skills and information, advice and guidance. Projects should provide individuals with the confidence and skills to apply for and secure work or learning outcomes, work with employers to manager barriers to recruitment and provide in work/education support.

### **Alignment**

Applicants must demonstrate how they will work closely with other ESF and mainstream providers and projects in the Black Country Region to avoid duplication or displacement and to ensure support to individuals is maximised. Applicants must demonstrate how their project will complement and work with existing Black Country YEI provision including the 'Black Country Impact Project' led by Dudley Metropolitan Borough Council.



Details of the local ESIF Strategy can be found at:

<http://www.blackcountrylep.co.uk/about-us/black-country-plans-for-growth/strategic-european-plan>

Projects must deliver activity which directly contributes to the objectives of Priority Axis 1, Investment Priority 1.3 of the Operational Programme, and which meets the local development need expressed in the text above and tables below.

### 1.3 Scope of activity

This call invites Outline Applications which support the delivery of Priority Axis 1, **Investment Priority 1.3 Sustainable Integration of Young People (YEI) into the Labour Market** of the European Social Fund Operational Programme and responds to the local development need set out in the Black Country 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 £600,000 ESF and approximately £600,000 YEI.</p> <p>Applicants will need to have eligible match funding for the ESF element (excluding YEI) for the balance of costs, which must be from a source other than the European Union.</p> <p>For all applications proof of this match funding will need to be supplied as part of the full application and appraisal process</p> <p><b>100% - £600,000 ESF and £600,000 YEI allocated to the More Developed Region.</b></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>	<p>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 of European Social Funding to any single project</b>. E.g. in a More Developed Region, a project consisting of £50K ESF, £50K YEI and £50K match will meet the minimum project value</p> <p>It is important to ensure a range of activity is supported as detailed in the call and also the need for coherence. Therefore the MA may consider a number of projects being delivered against the priority areas identified.</p>
<b>Duration of project approvals</b>	All YEI project activity must end by 31/7/18
<b>Geographical Scope</b>	<p>All interventions should be focused on activity and beneficiaries within the Black Country Local Enterprise Partnership area.</p> <p>ESF and match must be spent on participants eligible for YEI residing in areas eligible for YEI</p>
<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>	<p>Applicants will need to have eligible match funding for the ESF element (excluding YEI) 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.</p> <p>The intervention rate in the Black Country LEP Area is 50% for the More Developed area therefore 50% of match funding must be provided in all applications.</p>

<b>Operational completion</b>	Operations must be completed no later than 31 August 2018
<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>	Applicants may need to consider the strands of activity identified in the call. All projects must ensure access for disabled young people as a minimum. Engagement through sport. Targeted support for participants with High Support Needs. Travel to work support, advice and guidance.

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>1.3 Sustainable Integration Of Young People (YEI) Into The Labour Market</b>
<b>Specific Objectives</b>	Sustainable integration into the labour market of young people (YEI), 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>	ESF will not support activities that duplicate or replace existing support within national programmes, but may be used to support

	<p>additional activities or target groups, including provision co-designed with local partners.</p> <p>Examples of actions for all young people who are 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>• training and vocational qualifications to equip young people for specific jobs;</li> <li>• support for young women to enter non-traditional sectors (e.g. construction) which addresses barriers to entry e.g. to apply for apprenticeships;</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>• intermediate labour market activity to provide a structured and supportive environment where young people can gain work experience;</li> <li>• using self-employment as a route out of worklessness, including providing advice and support for self-employment.</li> </ul>
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## Results Table

ID	Result Indicator	Target value for this call
CRO1	Unemployed participants who complete the YEI supported intervention	70%
CRO2	Unemployed participants who receive an offer of employment, continued education, apprenticeship or traineeship upon leaving	48%
CRO3	Unemployed participants who are in education/training, gaining a qualification, or in employment, including self-employment, upon leaving	48%
CRO4	Long-term unemployed participants who complete	60%

	the YEI supported intervention	
CRO5	Long-term unemployed participants who receive an offer of employment, continued education, apprenticeship or traineeship upon leaving	38%
CRO6	Long-term unemployed participants who are in education/training, gaining a qualification, or are in employment, including self-employment, upon leaving	38%
CRO7	Inactive participants not in education or training who complete the YEI supported intervention	60%
CRO8	Inactive participants not in education or training who receive an offer of employment, continued education, apprenticeship or traineeship upon leaving	32%
CRO9	Inactive participants not in education or training who are in education/training, gaining a qualification, or are in employment, including self-employment, upon leaving	32%
CR10	Participants in continued education, training programmes leading to a qualification, an apprenticeship or a traineeship six months after leaving	15%
CR11	Participants in employment six months after leaving	30%
CR12	Participants in self-employment six months after leaving	3%

- Average unit cost £3,000

- £600,000 ESF/£600,000 YEI/£600,000 Match
- 600 participants

### Outputs table

ID	Output Indicator	Total target value for this call	Men target value	Women target value
YEI - O8	Participants (below 25 years of age) who are unemployed OR inactive (not in education or training)	460	220	240
YEI - O3	Participants (aged 25-29) who are unemployed OR inactive (not in education or training)	140	67	73
YEI - O9	Unemployed (including long term unemployed) participants (YEI)	460	220	240
YEI – O10	Long-term unemployed participants (YEI)	140	67	73
YEI – O11	Inactive participants not in education or training (YEI)	140	67	73
O5	Participants from ethnic minorities	200	96	104
YEI – O12	Participants with disabilities (YEI)	180	86	94
YEI – O13	Participants who live in a single adult household with dependent children (YEI)	30	14	16

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 Black Country 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.

ESIFs 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 the funding is used where no other funding can be obtained (the funder of last resort) and the maximum ESF intervention rate for the operation is 66.66% (inclusive of the YEI allocation). This means ESF can contribute up to 66.66% of the total eligible project costs, subject to State Aid regulations. The remaining 33.34% 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.

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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."

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 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.

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

Guidance is available on the [European Growth Funding](#) website pages. 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 may be subject to due financial diligence checks by the Managing Authority. 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

- Full Application Form;
- Full Application Form Guidance;
- Local Enterprise Partnership area's ESIF strategy; and
- Eligibility Guidance.

## 8. Document Checklist

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

Full Application Stage:

- fully completed Full Application (**Section 2.7 and 2.8 are not applicable as this is a "one stage" application process**);
- 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.	2 February 2017
Deadline for submission of Outline Application	1 March 2017

Application forms not received by the deadline will not be assessed. 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 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

### (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

### (2) 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

### (3) 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
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disadvantaged participants in employment, including self-employment, six months after leaving
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For completion by LEP Lead – all fields are mandatory.

Activity	By
Date moderation of call template required	27.1.2017
Date call due to be launched	2.2.2017
Date call due to end	1.3.2017
Date of ESIF to review applications	TBC

Checklist	Y/N
Have you allowed sufficient time for the call to be moderated? Please see calls flowchart for more details on required timescales. If no, please provide rationale	Y
Have you checked the OP to ensure the proposed activity is clearly eligible? Where there are any discrepancies/exemptions please provide a narrative to explain.	Y
Have you checked that the value of the call is affordable for the LEP area?	Y
Have you checked the rationale for the value of the proposed call? Please provide a brief summary/justification	Y
Is the Unit Cost of the call in line with the <a href="#">Unit Costs for ESF</a> paper? If no please provide an explanation/justification.	Y
Do the outputs/results meet the expected targets within the <a href="#">Individual LEP sheets</a> folders? If no please provide an explanation/justification. If the call underperforms against the expected targets please explain how this deficit will be met by the LEP area.	Y
Is there any other information required to explain/justify any other elements of the call? e.g. limited to one part of the LEP area, or minimum application value increased etc. If Yes please provide further information.	N