

2014 to 2020 European Structural and Investment Funds Growth Programme

Call for Proposals

European Regional Development Fund

Priority Axis 9: Technical Assistance Smart Specialisation

Managing Authority:	Ministry of Housing, Communities and Local Government
ESI Fund:	European Regional Development Fund
Priority Axis:	Priority Axis 9: Technical Assistance
Call Reference:	OC00R18P 0781
LEP Area Indicative Fund Allocation:	£500,000
Call Open:	Wednesday 29 August 2018
Call Closes:	23:59 on Friday 12 October 2018

Contents

1. Introduction
2. Call Context
3. Scope of the Call
 - 3.1 Scope
4. Required Outputs (and results) under this call
5. Application Process & Prioritisation Methodology
6. General Information
 - 6.1 National Eligibility**
 - 6.2 Eligible Applicants**
 - 6.3 Contribution Rates & Match Funding**
 - 6.4 Project Timescales**
 - 6.5 Project Extensions**
 - 6.6 Cross Cutting Themes / Horizontal Principles**
 - 6.7 Additionality, duplication and displacement**
 - 6.8 State Aid & Revenue Generation**
 - 6.9 Procurement**
7. Support
8. Key Documents
9. Document Checklist
10. Document Submission

1. Introduction

The 2014 to 2020 European Structural and Investment Funds bring the European Regional Development Fund, European Social Fund and part of the European Agricultural Fund for Rural Development together into a single European Union Structural Investment Funds Growth Programme for England supporting the key growth priorities of innovation, research and development, support for small and medium enterprises, low carbon, skills, employment, and social inclusion.

The Government has confirmed that it will guarantee funding for ERDF projects that are contracted by the end of 2020.

All contracted ERDF projects must be completed by the end of the programme period, 31 December 2023. Each application for ERDF will be required to demonstrate that it delivers good value for money and domestic strategic priorities.

The Funds are managed by the Ministry of Housing, Communities and Local Government for European Regional Development Fund, Department for Work and Pensions for European Social Fund and the Department for Environment, Food and Rural Affairs for European Agricultural Fund for Rural Development. These Departments are the managing authorities for each Fund. In London, the Greater London Authority acts as an Intermediate Body for the European Regional Development Fund and European Social Fund programmes. In some other areas, Intermediate Bodies are being designated by the Ministry of Housing, Communities and Local Government and the Department for Work and Pensions to perform the following tasks:

- Input into project calls in respect of local development needs (with reference to ESI Funds strategies); and
- Assessment of applications against certain selection criteria in relation to fit with local priorities in respect of the European Regional Development Fund and European Social Fund.

The managing authorities and intermediate bodies work closely with local partners on ESI Funds sub-committees in each local enterprise partnership area. Partners on these sub-committees 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 (or intermediate bodies where designated) in the development of project calls that reflect operational programme and local development needs as well as match funding opportunities; and

- Advice on local economic growth conditions and opportunities within the context of the operational programme and the local European Structural and Investment Funds Strategy to aid the managing authorities' (or Intermediate bodies where designated) assessments at outline and full application stage.

This call is published by the Ministry of Housing, Communities and Local Government and invites outline applications in respect of the European Regional Development Fund for England 2014 to 2020 only.

2. Call Context

On behalf of the national Growth Programme Board, the Ministry of Housing, Communities and Local Government (the managing authority) invite applications seeking European Regional Development support under:

Priority Axis 9 Technical Assistance

There are no investment priorities within the Technical Assistance strand of the ERDF programme.

The **European Regional Development Fund operational programme for England 2014 to 2020** sets out how the fund supports economic growth and job creation (ERDF). Priority Axis 9 of the operational programme aims to ensure that activities which fall within the scope of the programme are delivered efficiently and effectively and facilitate access to the ERDF programme.

Smart Specialisation seeks to ensure that the proposed actions are based upon sound evidence that properly reflects the comparative advantages of the physical and human assets of particular places in the global economy. It emphasises the need to ensure that activities are fully integrated in the local economy and its supply and value chains. It helps to build connections of ideas, finance and trade with similar activities elsewhere. It promotes also the use of enabling technologies that can transfer and add value between related sectors. This is the governments preferred approach as seen in the industrial strategy under "ideas".

The Guide to Research and Innovation Strategies for Smart Specialisation (RIS 3) published by the EC's RIS3 Platform sets out a number of practical steps to designing a national/regional RIS3, namely:

1. The analysis of the national/regional context and potential for innovation;
2. The set-up of sound and inclusive governance structure;
3. The production of a shared vision about the future of the country/region;
4. The selection of a limited number of priorities for national/regional development;
5. The establishment of suitable policy mixes and
6. The integration of monitoring and evaluation mechanisms.

Read more about the context and approach on the [Smart Specialisation Platform](#).

The Development of a Smart Specialisation approach was an ex ante conditionality for the use of ESIF to support activities in Priority Axis 1, research and innovation. Smart Specialisation supports; complements and informs existing policies, structures and funding programmes. Within England policies for innovation are developed at the national level in partnership with businesses and research institutions based across the country. LEPs meanwhile bring together business and civic leaders to set economic strategy at the local level and are empowered to take the decisions that will allow their area to prosper and support innovation.

Different aspects of the Smart Specialisation approach need to be delivered at both national and local levels. Measures to increase levels of private sector investment can be taken forward at the national level through for example, the taxation system but LEPs have an important role to play in stimulating involvement and participation from local firms.

Collaborative leadership for innovation is needed at both these levels. Other elements of Smart Specialisation can only best be delivered at the local level. These include:

- Strengthening of local innovation “ecosystem(s)” and building local capabilities;
- Supporting local supply chains to invest and collaborate;
- Catalysing and leveraging the differing opportunities of social innovation; and
- Branding and positioning places as credible centres of Smart Specialisation.

LEP and Mayoral Combined Authority areas are all different to each other. Some are bigger in population than some Member States; others are relatively small, with fewer opportunities to invest in innovation. Some parts of England will be able to demonstrate significant existing strengths and new opportunities for growth in the context of the global economy. Other parts of England will have local opportunities and the Smart Specialisation concept can be applied in those places to a depth that reflects this different relative scale. We have seen new alliances between areas, such as the Northern Powerhouse, Midlands Engine and those arising from shared strengths identified through mechanisms such as Science & Innovation Audits (SIAs).

To ensure that effective investment decisions are made LEPs, Combined Authorities and other alliances will need access to appropriate knowledge and expertise which may arise from data and studies on any scale and geography, from a City or LEP area, sub-regional or regional, sector-specific studies, to UK or EU wide and even

global studies. The objective is to base analysis of the national/regional context and potential for innovation upon the best information that is practically available.

Important guiding principles for the selection of ERDF operations within Priority Axis 1; includes:

- A close fit with the aims and objective the 2017 Industrial Strategy “building a Britain fit for the future” (or any later publication that amends or supersedes that);
- A close fit with the policy priorities set out in “[Smart Specialisation in England](#)”; taking into account guidance on project selection from the Managing Authority. Elements that in the document refer to outdated policies should be discounted and relevant elements of the current industrial Strategy be considered in their place;
- An understanding of evolving national science, innovation and research strategies, including ensuring that national science, research and innovation capabilities impact on local growth;
- Sound evidence, developed by a partnership of businesses, the research base and public sector organisations, of the existing strengths and future potential of sectors and technologies prioritised for support within a local area;
- Evidence that these partners working collaboratively have shown the leadership required to prioritise investments in a genuinely limited number of sectors and technologies ensuring that investments are made with sufficient scale and depth to create significant impact on prioritised sectors and technologies;
- Priority will be given to investments that align with and contribute to achieving the objectives of, the Industrial Strategy’s Grand Challenges, which aim to put the UK at the forefront of the industries of the future, ensuring that the UK takes advantage of major global changes, improving people’s lives and the country’s productivity and
- Good arrangements are in place to monitor and evaluate the impact of investments and on-going systems are in place to review priorities.

This call responds to the needs as defined in the National ESIF Operational Programme for ERDF, in particular to support local and national actors in understanding and applying the guiding principles set out above and in making better informed Smart Specialisation Investment decisions for projects within Priority Axis 1: Research and Innovation.

Technical Assistance funding is available to specifically support the administration and delivery of the ERDF Operational Programme, ensuring that the activities which fall within the scope of the ERDF Programme are managed, monitored and evaluated in line with the Common Provision Regulation, ERDF regulations and the Commission’s delegated and implanting regulations.

The [Technical Assistance Guidance](#) for ERDF supports the achievements of the Technical Assistance outputs and results as set out in Priority Axis 9 of the [ERDF Operational Programme](#).

Any application for funding will be required to clearly demonstrate that it provides good value for money and supports domestic strategic priorities. Applications must meet the requirement of, and make meaningful contribution to, the delivery of the relevant priority Axis of the ERDF Operational Programme.

In addition, applications will be expected to meet identified local development needs, as expressed in the scope of this call and as set out in the local enterprise partnership areas European Structural and Investment Funds strategy.

Applicants should note that this project must build upon the work undertaken during Phase 1, delivered 2015-18, adopting the data and analyses framework for LEP profiles, hosting these and other publications until they are superseded or no longer required. Please see current website <http://smartspecialisationhub.org/>

Applicants are advised to familiarise themselves with the detail of the operational programme and the relevant LEP area European Structural Investment Funds strategy and the relevant documentation listed in sections 5 and 8 **prior to** submitting an outline application.

3. Scope of the Call

3.1 Scope

This call invites outline applications which support the delivery of Priority Axis 9 of the European Regional Development Fund programme and respond to the local development need set out in the local enterprise partnership area, European Structural and Investment Funds strategy.

<p>Indicative fund allocation:</p>	<p>Indicatively through this call the managing authority expects to allocate up to £500,000</p> <p>The managing authority reserves the right to invite to full application (and subsequently approve) projects that have a cumulative value that is higher or lower than this indicative allocation, subject to the volume and quality of proposals received.</p>
<p>Minimum application level</p>	<p>There is no minimum application value for this Technical Assistance call.</p>
<p>Duration of project activity</p>	<p>Projects should plan to deliver activity for a maximum of three years. The Managing Authority does however reserve the right to vary the maximum duration upwards or</p>

	downwards.
Geographical Scope	The England European Regional Development Fund operates on a national basis. All eligible European Regional Development Fund expenditure must benefit the programme in England.
Specific Call Requirements	<p>The objective of Technical Assistance is to support the efficient and compliant management and implementation of European Regional Development Fund Programme, as well as support robust governance, accountability and partnership engagement. This will help to ensure that the delivery of European Structural and Investment Funds projects, comply with applicable law.</p> <p>The activity that is eligible for support is set out in the Technical Assistance Guidance.</p> <p>The specific objectives to be addressed through this Technical Assistance call are:</p> <ul style="list-style-type: none"> • To provide the National Growth Boards Priority Axis 1 sub-committee with advice and assurance on proposed investments for Priority Axis 1 to ensure that plans from LEP areas avoid duplication and missed opportunities to collaborate and represent an efficient use of ESIF. • To facilitate access to the programme and communicate the impact that the European Structural and Investment Funds have, including by providing robust support to the Priority Axis 1 sub-committee and high quality advice and information to local and national partners involved in the design and delivery of projects within Priority Axis 1. This would include an overview of the relative strengths of different areas and clusters revealed by its analysis and visualisation of data and the priorities chosen by different areas. • To promote the principles of Smart Specification as beneficial to the development of all place-based strategies for science and innovation driven growth, and so to encourage, inform and facilitate LEP strategies and ensure alignment where possible with other local and national strategies. • This project activity must build upon the work undertaken during phase 1 delivered during 2015-

18; adopting the data and analyses framework for LEP profiles, hosting these and other publications until they are superseded or no longer required. [See current website](#).

Limits of scope:

- The applicant will be required to analyse all relevant existing information identifying gaps and proposing solutions for identifying those gaps;
- The applicant's role will be to inform and facilitate local strategy-making and to share information and best practise from a variety of relevant sources;
- The applicant will engage with LEPs and other organisations such as Combined Authorities encouraging collaboration and complementarity with activities being delivered by Innovate UK and the Knowledge Transfer Network (KTN).

Example Activities:

The examples set out below given an indication of the type of activities supporting Smart Specialisation and the Research and Innovation Priority Axis which the successful applicant would need to deliver:

Development of knowledge and information:

- Source, develop, interpret, visualise and disseminate the data and evidence of local sectoral, science, research, innovation or technological comparative advantage necessary for the development of robust project proposals by potential European Structural and Investment Fund applicants;
- Establish and maintain online data and evidence resources bringing together and providing access to robust evidence on the relative strengths, weaknesses and performance of the UK Research and Innovation infrastructure at national and local levels;
- Promote and spread good practise in the design and development of Smart Specialisation compliant projects to Local Enterprise Partnerships and potential project partners through, for example, one-to-one support, workshops and seminars;

- Actions to encourage adoption of a rigorous Smart Specialisation approach, particularly in those local areas that might benefit from a more strategic approach to innovation, leadership and management;
- Ongoing analysis of how European Structural and Investment Fund investments supports the aims of Smart Specialisation England and in turn local growth:

the [Industrial Strategy](#) and [other national innovation related policies](#).
- Where appropriate providing the European Structural and Investment Fund Programme Monitoring Committee and its research and innovation sub-committee (and local growth teams) with advice on the technical strength of proposed projects to inform investment decisions;
- Ongoing analysis and reporting on progress of the England Smart Specialisation Strategy. Assessment of the impacts of projects and of developing strengths to inform future investment decisions.

Co-ordination and Synergies:

- Ensure that potential European Structural and Investment Fund applicants have access to information on partnering opportunities within their field both in the local area and nationally. This might include brokerage and facilitation of potential collaborations, a diary of relevant events, a directory of centres and individuals with expertise in areas of interest to potential Smart Specialisation project partners;
- Development of networks, bringing together experts in particular fields or technologies from local areas to minimise the risk of duplication of projects in different Local Enterprise Partnership area/ Combined Authority and ensure efficient use of the available European Structural and Investment Funds.
- Working with key partners (such as the Enterprise Europe Network, Horizon 2020 National Contact Points and Knowledge Transfer Networks to actively support the alignment of European Structural and

	<p>Investment Fund projects and strategies with other funding opportunities including Horizon 2020 or Local Growth Funds to create synergies;</p> <ul style="list-style-type: none"> • Build effective partnerships between Local Enterprise Partnerships/Combined Authorities (or other groups working on spatial strategies for innovation on their behalf, or with their backing) and their local Universities, local Catapult centres, RTO's and other elements of the research and innovation infrastructure to build evidence based proposals, and utilise these research and innovation assets; • Work to encourage collaboration between LEP area programmes, the local research base, and “best of class” Universities, Catapult centres and other RTO's outside the immediate LEP geography in a way that builds local innovation. • Working with national stakeholders e.g. MHCLG, BEIS, UKRI (including Innovate UK) to ensure that LEPs, Combined Authorities and other spatial collaborations are able to use the data, analysis and visualisations produced to effectively inform and support local growth policies and priorities. <p>Promote and Publicise Funds in relation to the Smart Specialisation agenda from a national perspective.</p> <p>Publicity is an integral part of the programming strategy and the Managing Authority will ensure that the opportunities and benefits of the funds are communicated to the wider public through its communication strategy. To help deliver this strategy TA can be used to support Programme information and publicity and in relation to smart specialisation this will be through:</p> <ul style="list-style-type: none"> • Establishing and maintaining channels for communications on Smart Specialisation issues and publicity including new or enhanced websites, bespoke newsletters, case studies of good practice and information to support the creation of innovative collaborations across and within the LEP areas; • Working and co-ordinating with other advice sources, such as the Enterprise Europe Networks, Horizon 2020 , National Contact Points and the Knowledge Transfer Networks, to ensure that knowledge and
--	---

	<p>understanding of the opportunities presented by ESIF and the potential synergies with other national and European programmes, such as Horizon 2020, are communicated effectively;</p> <ul style="list-style-type: none"> • Use of promotional events such as seminars, conferences and road shows to support the dissemination of good practice in Smart Specialisation, publicise partnering opportunities and showcase ERDF achievements. <p>Please note: Value for Money and alignment with Domestic Priorities will form a key part of the assessment and appraisal of all applications. Therefore proposals should clearly articulate and demonstrate how activities align with domestic strategic priorities and offer good value for money.</p>
Call deadlines	<p>For this specific call, applications will be assessed after the close of the single deadline.</p> <p>Applications received after the published call close date will not be considered. All applications will be assessed following closure of the call.</p>

4. Required Outputs under this Call

Applicants will need to be able to demonstrate how the eligible activity, funded by the European Regional Development Fund will achieve the programme – level outputs for Priority Axis 9. See Annex A for details of outputs specific to this particular call.

The Managing Authority expects the level of outputs proposed within outline applications to be realistic and achievable and to deliver good value for money. The application should clearly state the methodology used to determine the levels of outputs proposed and the strategic impact of what’s being proposed.

Projects will only be supported if they demonstrate good value for money. An important consideration when assessing value for money is the level of European Regional Development Fund outputs that the project would deliver.

The Managing Authority has set a specific range of output targets for this call please see **Annex A**.

Applicants will need to explain how they will collect and record a fully evidenced audit trail for all contracted outputs (guidance will be provided).

5. Application Process & Prioritisation Methodology

There are two stages to the European Regional Development Fund application process;

- (i) Outline Application and, if successful
- (ii) Full Application.

Acceptance of an Outline Application to progress to full application stage does not in any way indicate or constitute an offer of European Regional Development Fund grant .

Applicants must fully complete the [Outline Application](#) which will be assessed by the Managing Authority against all of the national [Selection Criteria](#) except where an intermediate body has been designated to assess against some of the selection criteria. Where an intermediate body has been designated to undertake delegated tasks, the intermediate body will undertake the assessment against the selection criteria in relation to fit with local priorities.

Outline Applications will be assessed in two stages, Gateway assessment and Core assessment.

The Gateway assessment is undertaken by the managing authorities and considers:

- Applicant eligibility;
- Activity and expenditure eligibility; and
- Fit with the National Operational Programme and the local development need set out in section 2.

Applications that fail the Gateway assessment undertaken by the managing authority will be rejected. Applications which pass the Gateway assessment will then be assessed by the managing authority in relation to all Core assessment criteria.

In areas where an intermediate body has been designated, the following will apply:

The intermediate body will assess the application against the following Core assessment criteria:

- Local Strategic Fit

The managing authority will assess the application against the following Core assessment criteria:

- National Strategic Fit
- Value for money
- Management and control
- Deliverability
- Compliance
 - Procurement

- State Aid
- Publicity requirements
- Cross cutting themes
 - Environmental sustainability
 - Equal Opportunities

The intermediate body will also provide advice to the managing authority to assist the managing authority to make its assessment against the following Core selection criteria:

- Value for money
- Deliverability

Having assessed projects against these criteria the relevant local enterprise partnership area European Structural and Investment Funds sub-committee will advise the Managing Authority on the contribution to local economic growth conditions and opportunities within the context of the Operational Programme and local European Structural and Investment Fund Strategy to aid the managing authority's assessments (at outline and full application stage).

Having concluded their assessments the Managing Authority will prioritise the applications they wish to proceed based on their assessment against their respective selection criteria. Only projects that the managing authority and the intermediate body each agree should, proceed, based on their respective core selection criteria, will be invited to submit a full application. Subsequently only those full applications that the Managing Authority agrees should proceed, based on their respective selection criteria, will be approved.

Please note that the managing authority's decision is final and there are no appeals. If you wish to complain about the calls and application process, please follow the procedure set out [here](#).

National Technical Assistance Applications (European Regional Development Fund).

The outline application will be a national application (i.e. covers the whole of England) therefore the Technical Assistance Advisory group will be asked to provide an opinion to aid its assessment. The Technical Assistance Advisory group will liaise with all of the Growth Delivery Teams to ensure that the proposal is not duplicating any existing activities and adds value. The relevant sub-committee of the Growth Programme Board (Programme Monitoring Committee) may also be asked for an opinion. If the Managing Authority decides to invite the Applicant to submit a full application, this will be formally appraised by the relevant Managing Authority and if successful a formal offer of grant will be made.

6. General Information

6.1 National Eligibility Rules

When developing an application, applicants should refer to [National Eligibility Rules](#) setting out the requirements of the 2014 to 2020 European Regional Development Programme. It is the responsibility of the applicant to ensure that the National eligibility Rules are adhered to both at application stage and following approval. Failure to do so can lead to financial penalties leading to recovery of up to 100% of the grant value. If in doubt on any of the requirements, applicants are strongly advised to seek specialist advice.

European Regional Development Fund eligibility rules apply to **all** project spend within the eligible costs, including match funding.

The European Regional Development Fund is governed by European regulations and national rules. Applicants are advised to familiarise themselves with the relevant documentation, (section 8 Key Document refers) prior to submitting an outline application. If successful at full application stage applicants will enter into a [Funding agreement](#) and must abide by the standard terms and conditions contained therein. Once a Funding agreement has been issued it should be signed and returned within 30 days, unless otherwise agreed with the managing authority. Applicants are therefore strongly advised to read these terms and conditions to ensure that they are able to enter into such an agreement prior to responding to the call.

6.2 Eligible applicants

Section 4 of the [National Eligibility Rules](#) sets out who is eligible to apply. Financial due Diligence checks will be undertaken on non-public sector applicants that are successful at outline application stage. Checks will be carried out following notification of a successful outline application and may exclude applicants from further consideration. These checks will include assessment of the applicant's financial standing including the ability to deal with cost overruns, the ability to cash flow a project in arrears and absorb a financial irregularity. Applicants must be legally constituted at the point of signing a funding agreement. If the application is approved the applicant organisation will enter into a legally binding Funding agreement and therefore will carry the liability for ensuring that the terms and conditions of the funding agreement are met.

If there is more than one organisation applying for the funds, a lead organisation must be selected to become the applicant (and grant recipient) with the remaining organisation(s) acting as delivery. In this situation the applicant would be responsible and liable for the delivery partner(s) and ensuring the project is operating compliantly.

During the application process 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 have been identified, the managing authority will expect to see what steps have been taken to ensure that the risk of further irregularities in the future is mitigated. It is acknowledged that some organisations will be new to European Structural and Investment Funds funding and will not have a track record.

6.3 Contribution rate and match funding

European Regional Development Fund investments must not be used to replace existing funding sources. European Regional Development Fund investments must enable activity to take place that would not otherwise happen or to increase the scope, scale or intensity of activity. The level of European Regional Development Fund awarded will be the minimum in order for the project to proceed.

For projects operating on a national basis the average intervention rate to be used for ERDF is 50%.

The remaining 50% or more must come from other eligible sources as specified under section 6 of the National Eligibility Rules. During the application process applicants will need to satisfy the managing authority that they have, or are able to put in place eligible match funding for the balance of costs. Other EU funds cannot be used as a source of match funding.

European Regional Development Fund investments are limited by State Aid regulations and where the award of these funds would constitute State Aid the grant rate may fall below the 50% maximum.

European Regional Development Funds are paid quarterly in arrears and expenditure must be defrayed prior to the submission of any grant claims. Applicants may be asked to demonstrate how they are able to cash flow the operation. The funding for eligible staff costs can be included as match funding but only where the employing organisation is the Applicant or a delivery partner included in the funding agreement. The use of unpaid work or a valuation of staff time, as a contribution in kind is not allowed to count as match funding match funding for European Regional Development Fund Technical Assistance projects.

6.4 Project timescales

European Regional Development Fund funding will normally be approved for three years; however the Managing Authority reserves the right to extend the contract term in exceptional circumstances.

Projects approved this call will normally be expected to:

- Submit a detailed and complete full application within three months of formal selection at outline stage. Projects which fail to meet this deadline may be deselected.

- Commence delivery (defraying European Regional Development Fund eligible costs) within three months of formal approval. Projects which fail to meet this deadline may be deselected; and
- Be financially closed by June 2023.

6.5 Project extensions

Existing grant recipients whose projects;

1. Have a Technical Assistance funding agreement that ends/has a financial completion date during the period of this call or within **18 months of the closing date of this call:** and
2. Addresses the priorities set out in section 2

May apply for a second phase of delivery – this will be expected to be in the same form as the current project (i.e. genuine continuation of activity) but may reflect improvement/some change to reflect experience of the first phase of the project. The application must be made using the standard outline application form. Where changes to the first phase of the project are significant, these should be presented in a new application. The relevant Growth Delivery Team will apply judgement in considering the significance of any change. Projects may apply to be extended for up to 3 years.

Please note – extensions to existing projects will be assessed against the criteria set out in this call in the same way as “new” projects. There is no guarantee that extensions will be selected. Extension requests relating to projects that end more than 18 months after the closing date of the call or do not meet the requirements set out in this call will be rejected. The applicant’s track record and the performance of existing contracts will be taken into account during the assessment process.

6.6 Cross Cutting Themes/Horizontal Principles

All applications received as a result of this call will be required to demonstrate how the Cross Cutting Themes have been addressed in the project design and development. Cross Cutting Themes for European Regional Development Fund are ‘equality and anti-discrimination’ and ‘sustainable development’. Further information is available in section 11 of the [European Regional Development Fund Operational Programme](#).

6.7 Additionality, duplication and displacement

Additionality is a core principle of European Regional Development Fund funding. Applicants must be able to demonstrate that the activity paid for out of these funds adds value to new or existing activity.

European Regional Development Funds cannot support activities that duplicate existing provision/services.

Applications need to identify and evidence how the beneficiaries will use the service and demonstrate that the project does not displace other activity available in the market place.

6.8 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. 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 under the General Block Exemption Regulation (EU) 651/2014.

Only if this is not possible should Applicants use the De Minimis Regulation or “no aid”. [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 programmes.

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.

6.9 Procurement

All costs delivered by the applicant (grant recipient and/or delivery partner(s)) must be recovered on an actual cost basis. Other costs must be procured in line with National (including [Public Procurement Regulation 2015](#)) and EU regulations.

Procurement will be subject to audit and verification and any irregularity will result in a financial penalty of up to 100% of the grant paid. 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 strongly recommended that applicants seek and follow their own legal advice in respect of procurement requirements. Procurement irregularities remain the most substantive cause of error and clawback of grants.

7 Support

Please note that this is a competitive call and to preserve impartiality the Managing Authority and, where appropriate, the intermediate body are unable to enter into correspondence with applicants over their outline Application. Details of where guidance can be found are contained throughout this call document. In exceptional

circumstances, if there are issues with accessing this guidance, please contact: Sharon.shattock@communities.gov.uk.

Local Growth Team Delivery Teams contacts for the European Regional Development Fund contacts covering Local Enterprise Partnership areas can be viewed in the [Technical Assistance Guidance](#) document.

8 Key Documents

- European Regional Development Fund operational programmes;
- Outline Application Form;
- Outline Application Form Guidance;
- Technical Assistance Guidance;
- Local Enterprise Partnership area's European Structural and Investment Funds Strategy;
- Eligibility Guidance;
- Target Definitions;
- Industrial Strategy

9 Document Checklist

Incomplete applications will be rejected. Please ensure the following information (documents) are submitted.

Outline Stage:

- Fully completed Outline Application;
- Financial Tables – which will need to be split by Category of Region if the project is covering more than one;
- Outputs, Results and Indicators Tables; and
- Three years financial accounts (if private or voluntary and community sector).

10 Document Submission

Completed Outline Applications must be submitted via **email** to the address in Section 7.

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 a Funding agreement.

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

ANNEX A

Technical Assistance Outputs

Code	Indicator Description	Indicator Type
ER/T/O/02	Number of Training Events held by the managing authority or partners.	Output
ER/T/O/03	Number of attendees at training events part funded by Technical Assistance.	Output
ER/T/O/04	Number of dissemination events held.	Output
ER/T/O/05	Number of attendees at dissemination events part funded by Technical Assistance.	Output
ER/T/O/06	Number of evaluations undertaken by applicants.	Output
ER/T/O/10	Number of PMC and sub-committee meetings supported.	Output