



**Department
for Work &
Pensions**



European Union
European
Social Fund

2014 to 2020 European Structural and Investment Funds Growth Programme

Call for Proposals European Social Fund

Priority Axis 2: Skills for Growth

Managing Authority	Department for Work and Pensions (DWP)
ESI Fund	European Social Fund
Priority Axis:	Priority Axis 2 : Skills for Growth
Investment Priority	2.1: Enhancing equal access to lifelong learning
Call Reference:	Skills for Growth – OC20S18P1227
LEP Area:	Leeds City Region
Call Opens:	20th November 2018
Call Closes:	12th February 2019
Document Submission	Completed Full Applications must be submitted to ✉: 2014-2020.ESFAPPLICATIONS@DWP.GSI.GOV.UK

Contents

1. Call Context
 - 1.1 National Context
 - 1.2 Local Development Need
 - 1.3 Scope of Activity
2. Call Requirements
3. Required Deliverables
4. General Information
 - 4.1 Compliance and Eligibility
 - 4.2 Intervention Rate & Match Funding
 - 4.3 Applicants
 - 4.4 Cross Cutting Themes
 - 4.5 State Aid
 - 4.6 Funding Agreement
 - 4.7 Procurement
 - 4.8 Retrospection
5. Application Process & Prioritisation Methodology
6. Support
7. Key Documents
8. Document Checklist
9. Document Submission
10. Timescales
11. Appendix A – Common output indicators

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 Ministry of Housing, 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 appraisal at 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 2 of the Operational Programme: Skills for Growth and Investment Priority: 2.1 Enhancing equal access to lifelong learning 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 proposals sets out the requirements for any applicants to consider before applying. Applications against this call will be appraised as part of a one-stage appraisal process and successful applicants will enter into a funding agreement with the DWP. Further information is given in sections 4 to 10.

Applicants are advised to familiarise themselves with the detail of the Operational Programme, local European Structural and Investment Funds Strategy and the relevant documentation listed in sections 5 through to 8 **prior to** submitting a Full Application.

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 support skills for growth. It will support activities through:

Investment priority: 2.1 - Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences

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 address the basic skills needs of employed people, particularly in SMEs and micro businesses.	The additional support from this investment priority will help employed people to gain basic skills. It will also improve the capacity of SMEs and micro businesses and support business growth. We have set an output target for the number of participants without basic skills and a result target for participants gaining basic skills.
To increase the skills levels of employed people from the existing level to the next level up, to encourage progression in employment.	The additional support from this investment priority will help employed people to progress at work through achieving higher skills, and it will drive growth in their organisation by improving productivity. We have set result targets for participants gaining qualifications or units – separate targets for level 2 and level 3.
To increase the number of people with technical and job specific skills, particularly at level 3 and above and into higher and advanced level apprenticeships, to support business growth.	The main result that will be achieved is that more participants will have gained a qualification or a unit of qualification. This investment priority will also support business growth through the development of a more highly skilled workforce. We have set a result target for participants gaining qualifications or units at level 3 or above.
To increase the skills levels of employed women to encourage progression in employment and help address the gender employment and wage gap.	The additional support from this investment priority will support women in raising the level of their skills, helping them to progress in employment or self-employment and achieve higher earnings. There is a result target about progression in work. This investment priority will also contribute to supporting business growth

	through the development of a more highly skilled workforce.
--	---

1.2 Local Development Need

Projects must deliver activity which directly contributes to the objectives of Priority Axis 2, Investment Priority 2.1 of the Operational Programme, and which meets the **local development need** expressed in the text and table below.

Call outline

Leeds City Region is the biggest city region economy in the country, with an annual output of £66.5bn representing 5% of the English total. It hosts 126,000 businesses, 3 million residents and a workforce of 1.4m. Nine Higher Education institutions and 14 Further Education Colleges are based in the City Region, which is home to a student population of around 230,000.

Despite the City Region's undoubted economic strengths and assets, it is not realising its full potential. The decline of heavy industry has left a legacy of pockets of serious deprivation and an economy that is less productive than those in many other parts of the country.

The revised vision for the City Region is to be a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone. This revised vision places a greater emphasis on "good growth", where a radical uplift in growth, productivity and business success goes hand in hand with quality jobs that connect all people and places to opportunity and improved quality of life. Achieving the vision will mean that the Leeds City Region economy becomes stronger, more dynamic and resilient, and will be on course to consistently improve performance compared to national averages and international competitors over time.

The original Leeds City Region Strategic Economic Plan (SEP) was agreed in 2014, and has been updated to reflect the new focus on good growth and to account for economic change since the initial publication. The following thematic priorities were set out in the revised SEP:

- PRIORITY 1: Growing Businesses
- PRIORITY 2: Skilled People, Better Jobs
- PRIORITY 3: Clean Energy and Environmental Resilience
- PRIORITY 4: Infrastructure for Growth

Challenges and opportunities in Leeds City Region:

This call seeks proposals to support the existing Leeds City Region workforce to provide skills development for those **employed individuals and graduates**, covered by the key priority groups below, to up-skill them and support business productivity.

Applicants should address **at least one** of the following target groups/areas in their proposals:-

1. Leadership and Management for Women

Managers represent a key part of the workforce in the Leeds City Region, accounting for employment of more than 100,000 or 7% of the total, but the Leeds City Region faces major challenges around management skills. There is a widespread prevalence of skills gaps among the management workforce. Skills gaps occur when workers lack the full proficiency required to meet business objectives. Almost 20% of employers who have some kind of skill gap indicate that this affects their managers. The skills that most commonly need improving (based on national level data from the survey) include: strategic management, managing and motivating staff, setting objectives for staff and persuading influencing.

Labour market projections (source: Working Futures) indicate a strong level of future recruitment need for managers in the local economy, which means that a large number of people will need to be developed in future to fill management roles. Employment in management jobs is expected to see a rate of net growth over the next decade of four times the average for all occupations, with a net addition of around 15,000 jobs. This will be supplemented by high replacement demands of around 35,000, partly driven by the high average age of managers.

Managers tend to be less well-qualified than workers in other higher skilled occupations. Barely a half of managers across Yorkshire and the Humber are qualified at a higher level (level 4+) compared with more than four-fifths of workers in professional roles (source: Labour Force Survey. Currently only 30% of managers in the Leeds City Region are women (source: Annual Population Survey, 2017).

In addition, the Leeds City Region economy is dominated by SMEs with many women in leadership and management roles, but not necessarily with the training to support them. With SME managers often taking on multiple roles, there is also a risk of simply “getting by” rather than developing to meet the challenges fully with a consequent impact on productivity and profitability.

The benefits of investing in leadership and management training are widely acknowledged and include:

- enhanced business performance and improved business productivity – (including improved sales turnover and increased profits);
- engaged, more motivated managers and leaders;
- increased retention rates;
- lower recruitment costs; and
- measurable, tangible return on investment

As set out in the Call Outline section below, projects are therefore sought which will support female participants within SMEs to develop the Leadership and Management Skills to support business growth and facilitate progression into management positions and business continuity where there are skills shortages.

2. Black and Minority Ethnic (BME) Participants in work or graduates

The Leeds City Region has a sizeable ethnic minority population. The ethnic minority population of working age of the City Region is around 270,000 or 15% of the total

working age population, compared with a national average of 16%. But the proportion is much higher in some of the districts within the Leeds City Region. As a whole, people from ethnic minority communities perform less well in the labour market.

More than half (51%) of the ethnic minority population is classified as Pakistani / Bangladeshi, with 12% Indian, 12% Black or Black British, 9% mixed ethnic group, with the remaining 1 % falling into other ethnic groups. This pattern is distinctive compared with the national picture, within which only 2% of the ethnic minority population is Pakistani / Bangladeshi and the other groups account for higher proportions.

This population is heavily concentrated in three districts: Bradford (37% of total), Leeds (28%) and Kirklees (21%). Therefore, these three districts account for 85% of the total ethnic minority population of the City Region. The ethnic minority population accounts for 31%, 15% and 21% respectively of the total population in each of the three districts.

The districts of Bradford and Leeds have the fourth and fifth highest ethnic minority populations in the UK outside London. At LEP Area level, Leeds City Region has the third largest ethnic minority population outside London, behind Birmingham and Manchester.

Economic position:

There is a strong strategic rationale for addressing ethnic minority disadvantage in the labour market. People from ethnic minorities are:

- More likely to be poor and in persistent poverty.
- More likely to receive income related benefits and tax credits.
- More likely to live in areas of deprivation - especially Black, Pakistani and Bangladeshi people.

In Leeds City Region 51% of Pakistani and Bangladeshi people live in the 10% most deprived neighbourhoods nationally, based on the 2015 Index of Multiple Deprivation.

Labour market position:

The Leeds City Region faces a challenge of continuing ethnic minority disadvantage in the labour market compared with the White British majority group. In the Leeds City Region there is a 20 percentage point gap between the employment rate of White British people (77%) and people from ethnic minorities (57%). This employment rate gap is much wider than the 12 percentage point gap seen at national level (77% versus 65%). Leeds City Region has the fifth lowest ethnic minority employment rate of the 38 LEP areas. Closing the local employment rate gap to match the level for the white group would mean an additional 50,000 people from ethnic minorities in jobs across the City Region.

Rates of self-employment are higher for the ethnic minority population, at 14% compared with an overall average of 12%. The rate of self-employment is particularly high for the Pakistani / Bangladeshi group, at 20%.

Occupational mix:

There is also a need for support to enable ethnic minority workers to progress in the workplace and fulfil their potential. People from ethnic minority groups are more likely to be employed in lower paid, lower skilled occupations and less likely to be in better paid higher skilled and intermediate occupations. Eg. across Yorkshire and the Humber 13% of ethnic minority workers are employed in sales and customer service roles compared with 8% of White British workers; while only 12% are employed in professional occupations compared with 18% of White British workers.

Among low-paid workers ethnic minorities especially face multiple problems in achieving career progression. General difficulties include unequal access to opportunities for development; unclear information about training opportunities; and stereotyping. Additional barriers for ethnic minority staff are low self-confidence and language skills, a lack of ethnic minority role models in leadership positions and a lack of organisational understanding of ethnic minority communities. This is resulting in persistent in-work poverty, and a disproportionate number of ethnic minorities in low-paid work.

<https://www.jrf.org.uk/report/work-poverty-ethnicity-and-workplace-cultures>

Black, Asian and minority ethnic (BAME) workers are a third more likely than white workers to be under-employed with fewer hours of employment than they would like, according to the Trades Union Congress. The report highlights that the higher under-employment rate for BAME workers risks being a waste of talent and highlights the need for employers to tackle discrimination in the workplace. The report used official figures to analyse how BAME workers were being affected by underemployment a measure of those in employment who work shorter hours than they would like. It highlights that in the first quarter of 2016, BAME workers had an under-employment rate of 15.3%, compared with 11.5% for white workers. The research shows that if BAME workers had the same rate as white workers, more than 110,000 would be lifted out of under-employment.

Projects are therefore sought to support BME individuals in employment and BME Graduates in the Leeds City Region, as set out in the Call Outline section below.

3. Over 50s in work

People are now living longer, healthier lives and have the opportunity to think differently about working as they get older. There are older people in employment than ever before, but many people over 50 are at risk of leaving the workforce early, and not necessarily because they want to. Staying in work and taking control of when and how people retire can benefit income, health and wellbeing.

The employment rate deficit for the over-50s is relatively modest in the Leeds City Region, although the number of unemployed / inactive people in this group is substantial. There are approximately 560,000 people aged 50-64 in the Leeds City Region (excluding Barnsley), 29% of the total population of working age. This proportion reflects the national average (30%) but conceals differences at district level. In Leeds, a smaller proportion (25%) of the population falls into this age band whereas in Calderdale the figure rises to 39%.

At 71% the national average employment rate for people aged 50-64 is the same as the Leeds City Region and the gap with the overall employment rate with people aged 25-49 is similar to the national average, at around 12 percentage points.

There is variation in employment rates for this age group between districts, largely reflecting variations in the overall employment rate. The rate in Wakefield is only 67 % (a 7 point gap with the overall rate for people aged 16-64) while in Calderdale and Harrogate it is 75% and 80% respectively.

Over the course of the last decade there has been a narrowing of the gap between the employment rate of people aged 50-64 and the overall working age rate. This ties in with [national evidence](#) which points to a long term trend towards increased participation in employment by older people over the last 30 years. (*Source for statistics: Annual Population Survey, October 2016 – September 2017*)

Barriers to employment:

Over 50s living in low to middle income households (LMIs) are less likely to be in work than those living in higher income households. However, they face greater financial pressures to remain in work in order to keep saving for later life.

Key barriers include:

- Age discrimination - still prevalent in the UK and many employers see the over-50s as less suited to their vacancies.
- Limited access to flexible working opportunities - many older workers say they would work for longer if they could work flexibly. However phased retirement opportunities (progressively reducing hours, or moving into other forms of flexible work before full retirement) remain limited and restricted to highly skilled, high value workers.
- Risk of automation. Research suggests that up to 30% of UK jobs could potentially be at high risk of automation by the early 2030s,
- Poor health and caring responsibilities. Better access to flexible working opportunities will be critical to tackling both barriers, but women and those on low to middle incomes who most need flexibility are least likely to benefit from it.
- Lack of adequate financial incentives to remain in work e.g. barriers to partial pension draw down to facilitate gradual retirement; lack of financial incentives for employers to take on older workers.
- Poor health – a significant proportion of over-50s who take early retirement do so because of ill-health.
- Caring responsibilities - One in seven over-50s in the UK provides informal care and informal caring is associated with an increased likelihood of stopping work or moving to a part-time role.

This call seeks projects who can develop targeted approaches to fully support the needs of older employed workers, as set out in the Call Outline section below.

(Sources - Cory, G. (2012) Unfinished Business: Barriers and opportunities for older workers. Resolution Foundation, London and Deborah Smeaton, S., Vegeris, S., Sahin-Dikmen, M. (2009) Older workers: employment preferences, barriers and solutions. Equality and Human Rights Commission, London).

4. Employed Migrants

There is provision for unemployed migrants in the Leeds City Region as part of the ESF Building Better Opportunities programme. However there is a need to also support employed migrants to stay in and progress in work.

Migrant workers form a significant part of the local workforce but are largely confined to lower skilled jobs, which often do not make full use of their skills. Maximising the potential of these workers by addressing barriers to their progression would contribute to the productivity of local firms as well as supporting the progression of individual migrant workers.

Based on figures from the Annual Population Survey, for the period January to December 2017, 153,000 people in employment in Yorkshire and the Humber are EU migrants (6% of the total) with a further 156,000 originating from non-EU countries.

The occupational groups with the highest level of employment among EU migrants are classified as lower-skilled elementary occupations. For example, EU migrants account for more than 40% of workers in process plant roles (such as packers, bottlers etc). They also have a high prevalence in storage occupations, service roles (such as kitchen assistants and bar staff) and cleaning occupations. Semi-skilled operative occupations also have a significant level of EU migrant employment.

Only around a quarter of EU migrant workers in Yorkshire and the Humber are employed in higher skilled management, professional and associate professional occupations, much lower than the UK average of 35%.

One of the key barriers that constrains migrant workers from making the most of the wider range of vocational skills that they hold is a deficit of English language skills. This is a particular barrier in customer-facing sectors like retail and social care, in which effective communication skills are essential.

In addition, many migrant workers hold relevant qualifications (for work in the social care sector, for example) but these have typically been obtained in their home country and are not widely recognised by UK employers. This means that they are not able to perform “qualified” roles in their chosen sector. *(Source: Green, A., Atfield, G., Staniewicz, T., Baldauf, B. and Adam, D. (2014) Determinants of the Composition of the Workforce in Low Skilled Sectors of the UK Economy: Social Care and Retail Sectors. Migration Advisory Committee, London).*

In addition, evidence from the existing Connecting Opportunities ESIF project in the Leeds City Region, which supports new migrants to develop their skills in order to find work and be part of the local community, shows that many migrant workers wish to develop their skills and progress their career but face particular barriers.

Examples include:

- Workers employed through an agency but want a more sustainable position
- Migrant workers who want the opportunity to improve their English language skills
- Workers whose shift patterns mean they are never available to attend ESOL or other classes.
- High skilled people in low skilled work struggling to get back into their area of expertise.

In addition, in some cases where migrants are employed through employment agencies, they can face additional issues or barriers to progression such as lack of sick or holiday pay. (Source: *Migration Yorkshire (2017) Roma experiences as living and working in South Yorkshire* www.migrationyorkshire.org.uk/userfiles/file/projects/roma-syorks/syr-2-romaexperiences-2017.pdf)

Migrants often also work in entry level jobs, despite being qualified to a degree level but due to lack of English are unable to use their qualifications (Source: *MAC report, 2014* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/333083/MAC-Migrants_in_low-skilled_work_Full_report_2014.pdf)

Local priorities

Through this call the Managing Authority is seeking projects to deliver a range of activities to support the following 4 key priority groups:-

- a) Leadership and Management for Women**
- b) Black and Minority Ethnic (BME) individuals in employment and/or BME Graduates;**
- c) Individuals aged over 50 and in employment;**
- d) Employed Migrants**

All proposals are expected to deliver skills provision as part of the offer which offers both accredited and non-accredited skills training which is innovative, responsive to local skills needs. Provision will normally be accredited but where suitable accredited provision does not exist, bespoke packages may be delivered (applicants will need to evidence qualifications delivered are full or units of level 2 or 3, as identified on the learning aims hub, to meet required outputs)

a) Leadership and Management for Women

Projects are sought to support female participants within SMEs to develop Leadership and Management Skills. This is to support business growth, facilitate progression into management positions and support business continuity where there are skills shortages.

Activities should concentrate on business productivity, skills needs and succession planning. Every business is different and training needs to be flexible to respond to these differing circumstances. Support should also be tailored and relevant to support women-owned and BAME owned businesses and to female and BAME employees.

It is also anticipated that the Leadership and Management skills provision will have a particular emphasis on future workforce planning and ensuring participation in the business from those from disadvantaged groups.

Activities undertaken by projects must primarily focus on support to individual participants and may include:

- Leadership and Management training to SMEs with under 250 staff
- Support with business leadership and inclusive recruitment processes
- Succession leadership and management training for SMEs across the area, and particularly proposals that include up-skilling training for women to progress in the labour market.
- that focus on: demonstrating lifelong learning for all age groups in formal, and informal settings; upgrading the knowledge, skills and competencies of the workforce; and promote flexible learning across the area with emphasis being placed on women to help address the gender employment and wage gap and also with particular reference to promoting learning opportunities for higher level skills in local SMEs
- Support with further access to learning and training opportunities for staff, both qualification driven and non-qualification driven

b) Black and Minority Ethnic (BME) Participants in work or graduates

Projects are sought to support employed BME participants and/or BME graduates to address ethnic minority disadvantage in the Leeds City Region labour market.

Interventions:

Activities undertaken by projects must primarily focus on support to individual participants. Activities must also be flexible and responsive to address individual needs and should address some or all of the following;

- Work with employers to look at discriminatory recruitment practices - progression opportunities can be limited because of informal workplace practices, including workplace favouritism, stereotyping (including type-casting in certain roles) and under-recognition of skills and experience.”
- Personalised one to one support and learning programmes (to include mentoring, key worker/advocate model tailored support to meet individual need with a minimum of weekly contact
- Support for SNMEs in sectors where employment of people from BAME communities is particularly low, such as construction and engineering
- Reducing cultural employment barriers linked to social and economic isolation, relevant to the particular individual ethnic groups.
- Flexible delivery to ensure equality and diversity and to meet the needs of the different groups i.e. age, gender, culture, religion
- One to one intensive support to include careers information advice and guidance, including advice on transferable skills, tailored employability support, advice on childcare, peer mentors/role models/inspirational leaders to share their experiences
- Conversational English, English language skills for the workplace including Health and Safety and workplace vocabulary
- Changing mindset, raising confidence, motivation, aspirations, self-worth, empowering participants to become independent outside of the family environment
- Labour market information to identify local job opportunities, sectors recruiting, skills needs and up skilling/training opportunities

- Support via Naric to obtain a “statement of Comparability” to detail how qualifications achieved in own country relate to UK qualifications and certificates
- In work support including workplace training and up-skilling
- Opportunity for family participation to overcome cultural and religious barriers
- Address barriers to progression including childcare where this is a particular issue for this group, that there is sometimes reluctance to use formal childcare (including free provision). There are also sometimes cultural expectations that can make work more difficult. These women also experienced particular employer discrimination, for example, being asked about intentions regarding marriage and children.

c) Individuals aged over 50 and in employment

Projects are sought to tackle the deep seated barriers to stay or regain work as required, for individuals aged over 50 and already in employment, especially those at risk of automation or have recently become unemployed. Projects should make best use of available resources; reduce duplication by integrating national and local employment and other support services; and enable people to access sustainable work and progress.

Interventions:

Activities undertaken by projects must primarily focus on support to individual participants. Activities must also be flexible and responsive to address individual needs and should address some or all of the following;

- Personalised one to one support and learning programmes (to include mentoring, key worker/advocate model tailored support)
- Engagement with employers to change the perceptions of older workers/ageism – looking at innovative ways to combat discriminatory employment practices
- Changing mind-set – “too old to work”, benefits of working, identification of transferable skills, awareness of which sectors will offer the most job opportunities, retraining opportunities;
- One to one intensive support to include careers information advice and guidance, including advice on self-employment, transferable skills, tailored employability support;
- Improving confidence, aspiration, motivation and increasing resilience
- Support for individuals who may have some caring responsibilities or who are returning to the labour market after caring
- In work support including workplace training and up skilling, well-being in work
- Knowledge of labour market information to raise awareness of the impact of automation on the job market and the industries/occupations that are forecast to decline and how best to address and support.

d) Employed Migrants

Projects are sought to provide support for migrants who are employed and who:

- are on zero hour contracts or are at risk of potentially exploitative situations such as cash in hand work. (*When considering ESF output and result targets for their*

project, applicants must note the reference on Page 34 of the ESF Outputs and Results Indicator Definitions Guidance published on GOV.UK [here](#) re: individuals on zero hours contracts);

- are employed with minimal or irregular hours and who may wish to secure a more sustainable position;
- are looking for career progression either inside or outside of their current employment;
- may be constrained by work shift patterns to allow them to attend for example ESOL or other skills/training classes;
- are highly skilled people in low skilled work struggling to get back into their area of expertise;
- want support to improve their existing employment situation e.g personal support, employee relations support.

In line with Investment Priority 2.1, activities undertaken by projects must primarily focus on support to individual participants.

Additional requirements:

Successful providers should:

- Make it clear in their application which target group(s) and strands of activities from the call will be covered by their project;
- Set out the proportion of project delivery, funding, outputs and results expected per strand, if their project is expecting to deliver against more than one strand;
- Demonstrate a strong track record of working with the target group(s), understanding their needs
- Demonstrate strong knowledge of the Leeds City Region labour market and the (current and future) needs of local business
- Collaboration with other providers already working with the target group to add value and not duplicate provision.
- Work in conjunction with other LEP and ESIF ESF programmes and activity to reduce the number of repeat approaches to participants
- Ensure the programme maximises mainstream provision and provides by working in partnership with other new and/or existing providers.
- Demonstrate excellent partnerships and referral mechanisms with other skills, training and specialist providers

Alignment:

All activities must complement and avoid duplication with other provision, thereby adding value. Successful candidates will be required to ensure that ESF provision will clearly add value and not duplicate any provision that can be arranged locally through existing mainstream institutions.

As part of avoiding duplication - as well as to create a more balanced, integrated and less confusing provision to end users, avoiding proliferation in the market place - all projects funded through this Call would be expected to explicitly undertake to working collaboratively with other local providers to minimise fragmentation in delivery and identify the best overall solution for participants.

Consortium/Partnership Applications:

Applications are encouraged from consortia or other similar types of partnership arrangements. In each such case the application must be submitted by a lead organisation on behalf of the partnership/consortia and the lead applicant must have the financial capacity to meet the required Due Diligence criteria.

Leeds City Region Local ESIF Strategy

Details of the local ESIF Strategy can be found at: <http://www.the-lep.com/LEP/media/New/ESIF%20docs/Leeds-City-Region-ESIF-FINAL.pdf>

1.3 Scope of activity

This call invites Full Applications which support the delivery of Priority Axis 2, **Investment Priority 2.1 Enhancing equal access to lifelong learning** of the European Social Fund Operational Programme and responds to the local development need set out in the Leeds City Region 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.

Indicative Fund Allocation:	<p>Indicatively, through this call the Managing Authority expects to allocate approximately £10,000,000 ESF</p> <p>The Managing Authority reserves the right to decrease or increase the indicative allocation, or support more or fewer projects subject to the volume and quality of proposals received.</p>
Minimum application level	<p>European Social Fund investment is intended to make a significant impact on local growth. Applications are expected to demonstrate appropriate scale and impact.</p> <p>The Managing Authority does not intend to allocate less than £2,000,000 of European Social Funding to any single project.</p> <p>Applications requesting an ESF amount below the 'Minimum Application Level' will be rejected</p> <p>In order to ensure that a range of activity is supported, it is envisaged that multiple projects will be funded.</p>

Duration of project approvals	Projects should be for a maximum of three years and six months in duration; however the Managing Authority reserves the right to vary the maximum duration in exceptional circumstances.
Geographical Scope	All interventions should be focused on activity and beneficiaries within the Leeds City Region Local Enterprise Partnership area.
Specific call requirements	This is a call for ESF activity.
Call Deadlines	For this specific call, applications will be appraised following closure of the call. Applications received after the published call close date will not be considered.
Application selection	All applications will be scored in line with the ESF scoring criteria, but the MA reserve the right to offer ESF funding where a project complements other activity or provides niche activity to target groups within the OP.
Applicant proposals	These can only contain activities which are eligible for ESF.
Eligible match funding	Applicants will need to have eligible match funding for the balance of costs, which must be from a source other than the European Union. The applicant will need to provide information to demonstrate that the operation has match funding in place.
Operational completion	Operations must be completed no later than 3 years and 6 months after the proposed start date.
Procurement	All procurement must be undertaken in line with EU regulations.
State Aid law	Applicants must demonstrate compliance with State Aid law.
Audit/ Compliance	All expenditure and activities will be subject to rigorous audit and non-compliance may lead to financial penalty.
Calls listing multiple activity	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](#).

Investment Priority	2.1 Enhancing equal access to lifelong learning
Specific Objectives	Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences.
Indicative Actions	<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 activities that may be supported include:</p> <ul style="list-style-type: none"> • skills shortages or needs in particular sectors or local areas which are not currently being addressed by employers or individuals; • leadership and management training in Small and Medium size Enterprises (up to 250 employees); • training and support for people at all levels, in particular addressing the needs of disadvantaged groups in and out of the workplace; • access to learning; information about learning and skills; • brokering of opportunities between learners and employers.

Results Table:

ID	Result Indicator	Minimum Target value for this call
R3	Participants gaining basic skills	11%
R6	Participants gaining level 2 or below or a unit of a level 2 or below qualification (excluding basic skills)	25%
R7	Participants gaining level 3 or above or a unit of a	15%

	level 3 or above qualification	
R8	Employed females gaining improved labour market status	35%

Outputs Table:

ID	Output Indicator	Total Minimum target value for this call	Men minimum target value	Women minimum target value
O1	Participants	10,643)	5,215	5,428
O4	Participants over 50 years of age	2,129	-	-
O5	Participants from ethnic minorities	1,703	-	-
ESF - CO16	Participants with disabilities	1,091	-	-
ESF - CO14	Participants who live in a single adult household with dependent children	1,916	-	-
O6	Participants without basic skills	532	-	-

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 Leeds City Region 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 a Full 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 full applications, the applicant will need to provide information to demonstrate that the operation is likely to have the required level of match funding in place at the point of formal approval.

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 Full 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.¹ 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

¹ 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.”

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 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.

5. Application Process & Prioritisation Methodology

There is one stage for the ESF application process - Full Application. Applicants must fully complete the Full Application Form (section 9 refers). Guidance is available on the [European Growth Funding](#) website pages. Acceptance of a Full Application 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 Operational Programme 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 appraisal 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 appraisal 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 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.

If, following the appraisal process, an applicant is not satisfied with the ESF funding decision for their project, they can submit an appeal in writing to the ESF Managing Authority.

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 Full 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

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

7. Key Documents

- Full Application Form
- Full Application Form Guidance
- Financial Annex

- Indicator Annex
- Local Enterprise Partnership area's ESIF strategy
- ESF Eligibility Rules

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)
- Visual representation of the customer journey is required (e.g. a flow chart); and

To enable the Managing Authority to complete the required Financial Due Diligence checks (if private or voluntary and community sector), applicant to provide:

- Three years financial accounts
- Proof of existence - Certificate of Incorporation, Charities Registration , VAT Registration Certificate or alternate form of incorporation documentation;
- Proof of trading - Financial Accounts/Statements for the most recent two years of trading including, as a minimum, Profit and Loss Account and Balance Sheets;
- Completed Financial Viability and Risk Assessment Applicant Template (for applications requesting annualised funding of greater than £1m)

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

9. Document Submission

Completed Full Applications must be submitted to

✉: 2014-2020.esfapplications@dwp.gsi.gov.uk

10. Timescales

Launch of Call advertised on GOV.UK	20 th November 2018
Deadline for submission of Full Application	12 th February 2019

Full Application forms not received by the deadline will not be appraised. Full 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 Full 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

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