



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 1: Inclusive Labour Markets

Managing Authority	Department for Work and Pensions (DWP)
ESI Fund	European Social Fund
Priority Axis:	Priority Axis 1: Inclusive Labour Markets
Investment Priority:	1.2 Sustainable Integration of Young People into the Labour Market
Call Reference:	Youth Pledge for Young People in the New Anglia LEP Area (OC24S18P1217)
LEP Area:	New Anglia
Call Opens:	21st November 2018
Call Closes:	13th February 2019
Document Submission	Completed Full Applications must be submitted to ✉: 2014-2020.esfapplications@dwp.gsi.gov.uk

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1. Call Context

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

European Structural and Investment Funds are managed by the 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 assessments 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 1 of the Operational Programme: Inclusive Labour Markets** and **Investment Priority: 1.2 Sustainable Integration into the Labour Market of Young People** as set out in the Operational Programme.

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

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

All ESF applicants will need to be aware of the requirement to collect and report data on all participants as per Annex 1 (see Appendix A). This will be as well as the requirement of reporting on output and result indicators referred to in section 3 of the call for proposal.

1.1 National Context

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

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

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

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

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

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

1.2 Local Development Need

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

Local Economic Context:

The New Anglia ESIF strategy <https://newanglia.co.uk/wp-content/uploads/2017/11/New-Anglia-LEP-EU-Investment-Strategy-version-April-2016-FINAL-v2-20160413.pdf>, Skills Manifesto (<http://www.newanglia.co.uk/skills/>) and Strategic Economic Plan (<http://www.newanglia.co.uk/our-priorities/>) collectively represent an ambitious skills programme that will address the current under supply

of people with the right level and type of skills in the workforce and tackle the high levels of youth unemployment.

This new approach aims to:

- Place employers and the needs of the economy at the centre of decision making
- Combine the strengths of a national and local approach
- Focus on both the supply and demand side of the skills system
- Stimulate significantly increased employer investment in skills
- Achieve better value for money from the current public investment
- Secure a long term solution to tackling the blight of youth unemployment

Unemployment is known to have a negative impact on people no matter what their age, but it has a particularly negative impact on young people. When people are unemployed at a young age, the evidence suggests

- They are more likely to be unemployed and welfare dependant in later life;
- They are likely to be paid less in later life;
- They are more likely to suffer mental and physical health problems, both now and in the future; and
- They are more likely to get involved in anti-social activity.

In the New Anglia LEP Area, long term unemployment and numbers of young people who are NEET are high with persistent concentrations in Norwich, Ipswich, Great Yarmouth, Lowestoft and King's Lynn. When young people do secure employment it is often short term or part-time, low skilled, low paid work and does not lead to a sustainable future for them and their families.

Across the New Anglia area, there is a high number of 16 and 17 year old people who are classed as 'NEET' and 'unknown' – 8.3% of the total age group population in Norfolk and 8.4% in Suffolk, nationally this figure is 7%.

New Anglia also suffers from a high level of young people receiving a benefit from the government. A total of just over 12,000 people under the age of 25 are recorded as receiving at least one benefit from UK Government, with a large amount of those (5,400 / 44%) having claimed for more than 2 years.¹

Although the figures of benefit claimants aged under 25 have decreased in both Norfolk and Suffolk over the last few years, there are still around 7,000 young people in Norfolk and 5,000 young people in Suffolk who are claiming a benefit, with the highest concentrations in Norwich, Great Yarmouth, King's Lynn, Ipswich and Lowestoft.² This represents a significant proportion of young people failing to achieve their full economic and life potential. Over a quarter of these young people have been claiming benefits for over 5 years (25.7%).

¹ Data taken from Nomis, 8th November 2016

² Data taken from NOMIS, 14th September 2016

Benefits claimants in New Anglia under the age of 25:

Benefit	Total	up to 6 months	6 months up to 1 year	1 year and up to 2 years	2 years and up to 5 years	5 years and over
Any benefits	12,330	3,450	1,510	1,970	2,230	3,170
Carers allowance (CA) only	470	140	120	120	90	~
Disability living allowance (DLA) only	1,800	~	20	50	190	1,540
Incapacity benefit (IB) or ESA only	3,670	1,070	590	980	900	120
Income support (IS)/pension credit (PC) only	2,660	780	470	600	730	80
Job seekers allowance (JSA) only	1,860	1,420	240	140	70	~
IB/ESA and DLA	1,350	~	~	~	130	1,220
IS/PC and CA	290	40	60	70	100	30

~ represents numbers that are too small to feature on NOMIS.³

The barriers to employment young people face are well documented – lack of understanding of the local economy, employers and the opportunities available to them; the ability to access these opportunities at the right time due to lack of knowledge, resources, or connections; lack of confidence and employment skills, including a fear of the unknown/failure; the complex and fragmented mosaic of support services; practical barriers such as transport and unstable accommodation; and health conditions or disabilities, learning difficulties or special education needs.

The vision in New Anglia is to ensure all young people from Norfolk and Suffolk follow a journey that best suits their talents, from education to career, and that every young person is earning or learning to enable them to make the best possible transition from education to employment.

The Youth Pledge in New Anglia (<http://www.newanglia.co.uk/skills/>) sets out the commitment that **“Every young person in Norfolk and Suffolk will get the personal support they need to get an apprenticeship, training, work experience or job within 3 months of leaving education or employment.”**

There are 7 guiding principles for activities surrounding the Youth Pledge in New Anglia:

- The Youth Pledge will offer a service to improve life chances and social mobility for young people aged 16 – 24 and ensure they have access to a robust quality service.
- All young people will have equal access to the service despite location, rurality and their barriers. The Youth Pledge will offer a supportive service to all young people when they need it.

³ Data taken from NOMIS, 8th November 2016

- Through the Youth Pledge young people will have access to a coach who stays with them throughout their journey into a career, whom they can access both face to face and remotely (on-line). This coaching support will be tailored to the individual and the level of coaching varied dependant on need/requirements.
- The Youth Pledge will offer young people experience of the world of work, it will give young people the opportunity to experience real jobs and gain the skills they need to make a successful transition into work.
- Young People will be given the support they need to achieve a sustainable outcome which leads to a future career; whether this is through a work placement, apprenticeship or post 16 education. They will be given the skills they need to succeed within the world of work.
- A pipeline of job opportunities will be established and employer engagement will be achieved through the Youth Pledge Marque (<http://www.newanglia.co.uk/new-anglia-youth-pledge-marque/>). The Youth Pledge Marque will be awarded to employers who either increase the number of apprenticeship positions within their organisation, add to the number of work placements offered on a yearly basis or become an Enterprise Adviser. A separate ESF Call seeking to address this principle has been released simultaneously under Investment Priority 2.2.
- The Youth Pledge will create a value driven universal offer which is accessible as well as affordable. The service will join up all of the relevant support services and ensure that a young person can receive all of the support they need from one service.

The Youth Pledge principles are already being delivered in various ways across Suffolk with examples of delivery in Greater Ipswich and Lowestoft through the MyGo service, and other examples such as Talent Match being delivered by Community Action Suffolk. In Norfolk there is a strong and developing neighbourhood and community based range of youth support delivery including Talent Match and Norwich for Jobs alongside other services currently available for young people.

Call Outline:

Through this call the Managing Authority is seeking projects to address the gaps in delivery of the Youth Pledge principles and is seeking applications which will help young people achieve the maximum benefits from the Youth Pledge offer across Norfolk and Suffolk.

Applicants should explain how they will contribute to the development of a truly Integrated Employment Service across New Anglia that will offer coherent and co-ordinated services to young people and deliver a “no wrong door” programme for young people most at risk of long term unemployment in the New Anglia LEP Area. In addition, projects should seek to enhance the provision of information, advice and

guidance available for all young people in New Anglia, to increase the cultural capital of those between the ages of 16-25 and to enable social mobility within New Anglia by supporting that age group in to education or employment.

Projects should seek to target those young people who are furthest from the labour market or who have other significant barriers to work such as young people, including young people who are NEET, lack basic skills and/or who may have a disability. Projects should also seek to directly engage with 16-24 year olds who are least likely to engage with provision due to emotional and health issues.

Activities:

Examples of project activities include: -

- a personalised and flexible service tailored to the requirements of young people;
- appropriately qualified and supported caseworkers as the foundation of the provision;
- enhanced caseworker support to young people that will help them identify and achieve their goals and, importantly, seek to help them access education and employment;
- bringing together support organisations, coordinating local provision for a cohesive approach and therefore avoiding duplication, which meets the needs of all the young people this call aims to reach;
- ensuring young people under the age of 18 progress in to education or employment which meets with Raising the Participation Age (RPA) requirements.

This list is not exhaustive and applicants should seek to outline any other elements they believe will be beneficial to young people on their journey to employment.

Alignment:

A key element of projects supported under this Call will be the development of joint working arrangements across the delivery sector and effective collaboration with mainstream organisations such as Jobcentre Plus. Developing such a collaboration will offer significant benefits to the young people and also ensure there is no duplication of services. Projects should ensure that professional guidance services across the county are consistent and that capacity and capability building is ongoing.

This call is also one of two complementary calls under the European Social Fund seeking projects in the New Anglia LEP area. The complementary ESF call linked to this one focuses on supporting the delivery of the Youth Pledge for Employers in the New Anglia LEP Area. Projects that seek to deliver integrated activity under both Investment Priorities will be of particular interest though this is not considered to be

essential. The complementary Call is listed under Investment Priority 2.2 –Improving the Labour Market relevance of education and training systems.

Applicants should explain how they will aim to work with the successful applicant under the Investment Priority 2.2 call, to ensure young people are actively supported to access the employment and training opportunities created with SME employers under that complimentary call.

Geography:

Applicants should aim to work with young people in the areas of greatest need in the New Anglia LEP Area and will need to explain the main barriers and issues surrounding their specific geographical area(s).

However, applicants can develop a project which delivers a service across a wider area and details should be included in the application, again with supporting evidence of barriers and issues faced by young people in their chosen geography.

Consortia/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

LEP Area Assistance:

Norfolk and Suffolk County Councils have budgets that may be able to provide some match funding to projects applying under this Call as well as other opportunities for working in partnership. Potential applicants are therefore urged to contact the County Councils at an early stage to discuss their proposals in more detail and to determine whether match funding and other partnership benefits may be available.

The contact for Norfolk County Council is Jan Feeney, Employment and Skills Manager (jan.feeney@norfolk.gov.uk)

The contact for Suffolk County Council is Michael Gray, Skills and Employment Manager (Michael.gray@suffolk.gov.uk)

The New Anglia LEP area also has ESF Facilitators to support any applicant in developing their applications. They can be contacted by emailing Natasha.Waller@newanglia.co.uk

1.3 Scope of activity

This call invites Full Applications which support the delivery of Priority Axis 1, **Investment Priority 1.2 Sustainable Integration of Young People into the Labour Market** of the European Social Fund Operational Programme and

responds to the local development need set out in the New Anglia 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:	Indicatively, through this call the Managing Authority expects to allocate approximately £1,200,000 ESF . The Managing Authority reserves the right to increase or decrease the indicative allocation, or support more or fewer projects subject to the volume and quality of proposals received.
Minimum application level	European Social Fund investment is intended to make a significant impact on local growth. Applications are expected to demonstrate appropriate scale and impact. The Managing Authority does not intend to allocate less than £500,000 of European Social Funding to any single project . Applications requesting an ESF amount below the 'Minimum Application Level' will be rejected.
Duration of project	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 New Anglia Local Enterprise Partnership area.
Specific call requirements	This is a call for ESF activity.
Call Deadlines	For this specific call, applications will be assessed following closure of the call. Applications received after the published call close date will not be considered.
Application selection	All applications will be scored in line with the ESF scoring criteria, but the MA reserve the right to offer

	funding to projects where they complement other activity or provide 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. At application stage the applicant will need to provide information to demonstrate that the operation will have the required level of match funding in place at the point of formal approval.
Operational completion	Operations must be completed no later than 3 years and 6 months after the proposed project 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.

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	1.2 Sustainable Integration Of Young People Into The Labour Market
Specific Objectives	Sustainable integration into the labour market of young people (ESF), in particular those not in employment, education or training, including young people at risk of social exclusion and young people from marginalised communities, including through the implementation of the Youth Guarantee
Indicative Actions	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>Examples of actions for all young people who are NEET or at risk of becoming NEET include:</p> <ul style="list-style-type: none"> • literacy, numeracy, ICT and employability provision to ensure that individuals have the basic skills needed in all jobs and to help them prepare for apprenticeships and progress through other routes to gaining higher skills; • support which complements other skills provision, such as crosscutting and 21st century skills, including team working, effective communication, problem solving, critical thinking and self-direction; • training and vocational qualifications to equip young people for specific jobs; • support for young women to enter non-traditional sectors (e.g. construction) which addresses barriers to entry e.g. to apply for apprenticeships; • community and informal learning to engage young people who have struggled at school and encourage them to access more formal learning; • intermediate labour market activity to provide a structured and supportive environment where young people can gain work experience; • using self-employment as a route out of worklessness, including providing advice and support for self-employment.
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Results Table

ID	Result Indicator	Minimum Target value for this call
R3	Participants gaining basic skills	5%
R5	Participants (below 25 years of age) in employment, including self-employment, or education/ training upon leaving	43% More Developed
ESF-CR06	Participants in employment, including self-employment, 6 months after leaving	34% More Developed

Outputs table –

ID	Output Indicator	Total Minimum target value for this call	Men minimum target value	Women minimum target value
O2	Participants (below 25 years of age) who are unemployed or inactive	1600 (previous 1350)	880	720
ESF –CO01	Unemployed, including long-term unemployed	530	-	-
ESF – CO03	Inactive	1070	-	-
O5	Participants from ethnic minorities	64	-	-
ESF - CO16	Participants with disabilities	214	-	-
O6	Participants without basic skills	450		
ESF - CO14	Participants who live in a single adult household with dependent children	60	-	-

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 New Anglia LEP area. All operations will be required to collect data and report progress against the deliverables with each claim. Where an operation underperforms against their deliverables they may be subject to a performance penalty.

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

4. General Information

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

4.1 Compliance and Eligibility

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

ensure that the rules and guidance are adhered to both at application stage and following approval.

European Structural Investment Funds (ESIF) are governed by European regulations and national rules. Applicants are advised to familiarise themselves with the relevant documentation listed in the 'key documents' section prior to submitting 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 XX%. 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.⁴ 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

⁴ 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."

61 refers to monitoring revenues generated after completion of the project, and Article 65(8) how to deal with differences in the forecast and actual revenues at the end of the operation. The details of this will be tested at the full application stage.

4.6 Funding Agreement

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

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

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

4.7 Procurement

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

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

- Strategic fit;
- Value for money;
- Management & control;
- Deliverability;
- Procurement / tendering; and
- State Aid compliance.

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

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

Non-public sector Applicants 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; and
- National ESF Eligibility Rules.

8. Document Checklist

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

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 (this could be 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@dwpgsi.gov.uk

10. Timescales

Launch of Call advertised on GOV.UK	21 st November 2018
Deadline for submission of Full Application	13 th February 2019

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