



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:	1.1: Access to Employment for Jobseekers and Inactive People.
Call Reference:	Health and Wellbeing for Unemployed and Inactive People (OC05S18P1252)
LEP Area:	Cornwall and Isles of Scilly
Call Opens:	19 th December 2018
Call Closes:	13 th March 2018
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.

The Government has confirmed that it will guarantee funding for ESF projects signed before the UK's departure from the EU, even when these projects continue after the UK has left the EU.

Funding for projects will be honoured by the government, if they meet good value for money and are in line with domestic strategic priorities. Each government department will take responsibility for the allocation of money to projects in line with these conditions and the wider rules on public spending. The full detail of the announcement can be found at the following [website link](#).

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 of each Full Application.

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: 1.1 Access to Employment for Jobseekers and Inactive 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 appraised 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. It will support activities through:

Investment priority: 1.1 - Access to employment for job seekers and inactive people, including the long term unemployed and people far from the labour market, also through local employment initiatives and support for labour mobility

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 improve the employability of long-term unemployed people, so that they can compete effectively in the labour market.	This specific objective is focused on those who are long-term unemployed and who are less likely to move back into work than people who have been unemployed for less time. The additional support from this investment priority will help long-term unemployed people to tackle their barriers to work and move into sustainable employment. The main result target focuses on moving participants into employment (including self-employment) on leaving. There will be a quantified result target set for this result indicator in each category of region.
To provide individuals from groups which face particular labour market disadvantage with additional support so that they can compete effectively in the labour market.	This objective is focused on those who are unemployed but have more than one major barrier to progressing into employment (including self-employment) and sustaining employment. This client group will be more challenging to help and will often require intensive ongoing support to address complex barriers, which will be reflected in the targets. Support will be tailored to individual needs. Participants will include individuals who are over 50, lone parents, disabled or have health problems, from ethnic minorities or who lack basic skills. The main result targets focus on moving participants into employment or into education/training or getting them involved in active jobsearch. Output targets will

	ensure we are reaching appropriate numbers of participants from these groups.
To encourage inactive people to participate in the labour market and to improve their employability.	This objective is focused on individuals who are distant from the labour market and who need additional support to give them the skills and/or confidence to enable them to move towards employment (including self-employment). Participants will include individuals who are lone parents, disabled or who have health problems, are over 50 or who are from ethnic minorities. The priority will be on those who are receiving inactive benefits. The main result that will be achieved is that inactive participants will engage more in the labour market. A specific output target will ensure we are targeting inactive people, and we have result targets to measure movement into work and increases in activity.
To address the basic skills needs of unemployed and inactive people so that they can compete effectively in the labour market.	This objective is focused on individuals who lack the basic skills required by employers, such as IT, literacy and numeracy. Participants will have the opportunity to gain basic skills relevant to labour market needs or to enable them to progress towards gaining further skills. The main result will be that those without basic skills will be helped to gain them. This will enable them to play a fuller part in the labour market. There is an output target for participants without basic skills and a result target for participants gaining basic skills.
To provide support for women at a disadvantage in the labour market, and particularly those who are currently inactive, to contribute to our efforts to reduce the gender employment gap.	The additional support from this investment priority will help more unemployed and inactive women to complete effectively in the labour market. It will be focused on engaging and providing additional support to women who have barriers to entering the labour market, including language, skills, age and caring responsibilities. Participants could include older women wishing to return to work after caring for children, lone parents or women from ethnic minorities who have never worked. The main result that will be achieved is that more participants will be in sustainable employment (including self-employment) or engaged in active job search on leaving. There is a stretching output target for female participation and a result target for participants with childcare needs receiving childcare support.

1.2 Local Development Need

Projects must deliver activity which directly contributes to the objectives of Priority Axis 1, Investment Priority 1.1 of the Operational Programme, and which meets the **local development need** expressed in the text and table below.

Local Priorities:

Employment, education and skills are major factors in promoting social inclusion and combating poverty. The Employment and Skills Board of the LEP and the 'Inclusion Partnership' (Inclusion Cornwall) lead the work to tackle the key issues of a low wage, high living cost economy. The partnerships seek to use the economy as a driver to address social innovation, promote equality and equity, encourage participation and improve employability. This will help enable people in Cornwall and the Isles of Scilly (C&IoS) to look forward to a more inclusive society, with an innovative approach to problem solving, providing individuals and families with a better balance between income and cost.

The aspiration is to offer new, sustainable delivery methodologies in the health, social care, welfare and education sectors reaching people from local disadvantaged and minority groups. The aim is to provide opportunities to develop models and activities that will engage individuals, help build relationships and confidence and co-design solutions leading towards employment.

Key Statistics impacting upon health related issues and improving employability

Low Earnings and Debt are key issues and in 2016 median gross annual earnings for all employees in C&IoS equalled £17,873, 77% of the UK average (£23,099).

This is both a reflection of the micro SME dominated economy and the low skills levels of the workforce. The average household in C&IoS has higher costs compared to the national average, including water and sewerage, energy, fuel, transport and housing. High household costs with low average earnings leads to issues of debt and financial instability, with high levels of deprivation in some areas.

There are particular issues facing the Isles of Scilly. The geographic isolation of the islands directly affects the economic, social and environmental needs of communities and businesses. Whilst the islands enjoy high levels of employment (with high levels of self-employment), individuals frequently have multiple jobs.

Despite common perceptions, there are high levels of poverty, including within households in employment. Work by Experian identified that 26% (59,000) of households in Cornwall are 'at risk of poverty'. This places Cornwall in the worst 5% areas in the UK. Low pay is associated with in-work poverty, replacing unemployment as one of the major drivers of poverty.

- Taken from a CAB Press Release publicising their 2015/2016 Annual Report the number of people seeking help and advice in Cornwall and the Isles of Scilly for problems ranging from debt to benefits and pensions to housing has risen by 19% to 19,000 between 2014-15 and 2015-16.
- Recent work has identified that parental employment is the single biggest determinant of family income and children in out of work families are at a high risk of poverty. Child poverty levels remain static, with approximately 18% of all children and young people aged 0 to 19 in Cornwall considered to be in

poverty, and the EU investment will help meet the challenge this poses to the C&IoS society and economy.

- 40% of employees resident in Cornwall fall below the 'Low Pay Threshold'. When combined with higher than average living costs (particularly housing), the impact of low pay can be significant.
- All of the above, but not exclusively, can contribute to stress and mental health related illnesses.
- Statistics (Nomis April 16 – March 17) identify that 28.3% of those aged 16-64 in Cornwall are identified as being economically inactive and long term sick. This is a much higher figure than those for the South West (20.7%) and GB (22.1%). Employment Support Allowance (ESA) and Incapacity Benefit (IB) recipients represent 6.7% of the 16-64 population in Cornwall compared with 5.5% in the South West and 6.1% in GB.

Sources of evidence and a range of background information (please note this list is only indicative of the type of information available) can be found at:

- www.cornwall.gov.uk Joint Strategic Needs Assessment including infographics and statistics; also Economy Monthly Monitoring Update and Together for Families in Cornwall

- [C&IoS Employment and Skills Strategy and Evidence Base](#)
- [C&IoS ITI Strategy](#)
- <http://inclusioncornwall.co.uk/strategy/>
- www.gov.uk Improving Lives Helping Workless Families
- <https://www.cornwall.gov.uk/health-and-social-care/public-health-cornwall/joint-strategic-needs-assessment-jsna>
- http://www.southerntrust.hscni.net/images/Sick_of_Being_Unemployed.pdf

Call Outline

This call seeks applications to develop collaborative and innovative solutions that will address the underlying key challenges of breaking the cycle of ill health and/or reliance on benefits that can lead to issues such as low earnings, household income issues, long term unemployment, poverty and debt. These are underlying societal issues that have affected C&IoS for a long period of time but each impacts on the ability of individuals to progress and therefore the economy to grow. Clear links between long term unemployment and ill health have been long recognised.

Applications are sought to work with unemployed and inactive people, especially those who are in receipt of health related benefits and provide support to help break the cycle of service reliance, and successfully return to employment.

Applications are welcomed from partnerships engaging with existing services such as health related services, the VCSE etc, clearly adding value to this existing provision.

Applications are also welcome that target specific groups of unemployed and inactive people, such as carers, those with mental health issues etc, providing specialised support for those seeking to return to, or enter the workforce.

It is anticipated that effective employer engagement and ongoing support will be key to the success of projects.

Applicants should ensure alignment with the 2014-2020 Community Led Local Development (CLLD) activity and the Big Lottery Building Better Opportunities Programme as well as the first round of Future Peninsula which resulted in four successful projects; Living Well to Work, Family Learning, Food for Change and Smart Tenants. The DWP funded Reed in Partnership 'Workroutes' is also live. This is not a definitive list and applicants should consider new and emerging ESF funded programmes as well as mainstream delivery, for example by working with specialist (Jobcentre Plus (JCP) advisers. Working in partnership will help ensure the projects complement, add value to and do not duplicate, other activity.

Purpose: *To deliver specific interventions, recognizing individual needs, that will support participants. These should include new approaches for C&IoS to engage, build trust and confidence, deliver soft and basic, including job related, skills to enable progression into sustainable employment.*

Tackling the systemic and endemic issues facing Cornwall and the Isles of Scilly is key to long term success. This Call focuses on securing a range of support for individuals, wherever they may live in Cornwall and the Isles of Scilly, that may include:

- Support into sustainable employment for unemployed and inactive people, especially those who are in receipt of health related benefits and/or have experienced multiple barriers to work, and provide support to help break the cycle of service reliance, if relevant.
- the co-design, development and delivery of innovative solutions including relevant pre-employment focussed training and skills
- projects that must engage users, and their support agents if relevant to implement delivery solutions based upon identified needs, for example through co-design
- alternative and sustainable delivery models e.g. support individuals facing a range of barriers, how 1:1 support can be utilised to deal with a range of issues e.g. supporting individuals, initially in their own home, as a route to progression
- introducing a range of activities to engage and build relationships
- engaging with and supporting employers, as well as participants, post-employment

Key suggested areas for consideration for engagement, and solution finding are:

- Inclusion of individuals with learning difficulties and disabilities (Public Health England statistics: 2014/15 940 people aged 18-64 with learning disabilities were receiving long term support from the LA; in 2013/14 1825 people aged 18-64 with learning disabilities were known to the LA)
- People experiencing physical disabilities that can affect access to sustainable work
- Intergenerational issues (please see links to Improving Lives Helping Workless Families above)
- Individuals who have experienced sexual violence or domestic abuse

- People experiencing mental health issues (2,330 people per 100,000 of the C&IoS population receiving a mental health service in 2013-14 compared with 870 in Devon, 140 in Dorset and 395 in Somerset.)
- 50+ age group (1,380 people ie 1.2% of the out-of-work benefit recipients, are aged 50+. NOMIS)
- Care Leavers. Care leavers who are NEET are significantly more likely to have mental health problems which require admission, be in prison, commit suicide, become street homeless and perpetuate the cycle by having children who come into care. Getting into EET is the most significant way of this being averted. There is an issue of providing different services to care leavers now and also in the longer term maintaining young people in EET post 21 when many of them for many reasons have less contact with the social work service.
- Health and Wellbeing: Links between ill health and long term unemployment have been recognised for some time resulting in a range of issues such as low self-confidence, loss of skills, isolation etc. The Health and Wellbeing Strategy for Cornwall (www.cornwall.gov.uk/health-and-social-care/health-and-wellbeing-board/the-health-and-wellbeing-strategy) sets out the priorities to be addressed in order to improve residents' health and wellbeing. It focuses on three long term outcomes which are: helping people live longer, healthier lives; improving the quality of people's lives and fairer life chances for all
- Carers: 10,000 people are identified as 'Looking after Family/Home (ONS Annual Population Survey). Additionally 9070 are identified as being in receipt of benefits (Lone Parents plus Carers)

We would invite applications from organisations that can offer an evidence based approach to meet health and wellbeing issues over and above those identified above, relevant to the Cornwall and Isles of Scilly area, offering alternative and innovative delivery methods throughout. Applicants may consider e.g. working with specific cohorts, innovative co-designed models, etc.

Additionally, applicants should consider how they can work in partnership with other health focussed services and support agencies adding value to their delivery models.

As well as providing relevant support for individuals where they live in C&IoS applicants must also be able to demonstrate how they have consulted with Council of the Isles of Scilly's Learning and Development team and consequently demonstrate how they will overcome logistical and financial challenges in order to deliver high quality opportunities to a) small cohorts on the Isles of Scilly and/or b) ensure funding is available so that individuals can access opportunities on the mainland. If you are not proposing to deliver on the Isles of Scilly please provide your reasons why.

Strategic Fit

This activity has the following strategic fit with the C&IoS ITI Strategy:

Conditions for Growth Objective 4: To develop communities that are economically and socially resilient, sustainable and inclusive

Conditions for Growth Objective 5: To improve progression into the labour market

The ESF Operational Programme 2014-2020 (Page 42) has identified that ESF will promote employment for all by providing support mechanisms and benefits that incentivise work and reduce worklessness, to ensure that individuals can fulfil their potential within the labour market.

Applicants are strongly encouraged to exceed the cross cutting theme requirements detailed in the Operational Programme. The ITI Board will seek to provide its support to projects that:*

- *demonstrate how the application will embed cross cutting themes good and best practices into the proposed project's activities*
- *make reference to the Inclusion Strategy and the Environmental Growth Strategy outlined in the Cornwall and Isles of Scilly Integrated Territorial Investment Strategy.*

To support applicants, the Programme Facilitation Team, funded by technical assistance, offer free specialist cross cutting themes support for applicants and can be contacted on accesstotheprogramme@cornwalldevelopmentcompany.co.uk

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.

Details of the local ESIF Strategy can be found at: [C&IoS ITI Strategy](#)

1.3 Scope of activity

This call invites Full Applications which support the delivery of Priority Axis 1, **Investment Priority: 1.1 Access to employment for jobseekers and inactive people** of the European Social Fund Operational Programme and responds to the local development need set out in the Cornwall and Isles of Scilly 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 £7,800,000 ESF 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.
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 £1,500,000 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 must be completed no later than 3 years and 6 months after the proposed project start date; however the Managing Authority reserves the right to vary the maximum duration in exceptional circumstances. All ESF Projects must be completed by 31 st December 2023. Project costs cannot be incurred beyond this date.
Geographical Scope	All interventions should be focused on activity and beneficiaries within the Cornwall and Isles of Scilly 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 ESF Operational Programme.
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 is likely to have the required level of match funding in place at the point of formal approval.
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	1.1 Access to employment for jobseekers and inactive people
Specific Objectives	To help those who are disadvantaged but still relatively close to the labour market to tackle their barriers to work, and enter and sustain employment.
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 actions which may be supported for all unemployed and inactive people include:</p> <ul style="list-style-type: none"> • additional and innovative approaches to pre-employment training, to ensure individuals have the core work-related skills that employers require, including preparation for apprenticeships; • support for those who need pre-traineeship and pre Work Programme assistance, to prepare them for the next step. • training for those who need to upgrade their skills or learn new skills (including basic skills and English for non-speakers) to compete in the local labour market and adapt to changes in the economy;

	<ul style="list-style-type: none"> • helping people access or benefit from apprenticeships, including support for women to enter non-traditional sectors which addresses barriers to entry (e.g. construction); • providing access to transport where this is a barrier to taking up a job; • providing advice, guidance and support by plugging gaps in national provision where appropriate, in order to help people make better informed choices, and in particular to take account of the jobs available in the local area; • specific careers advice for women, to help them make informed career choices; • using self-employment as a route out of worklessness, including providing advice and support for self-employment (an attractive option where an individual is struggling to find work with an employer, either because they lack experience or because they face discrimination). <p>Activities which are not specifically applicable should be removed.</p>
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ID	Result Indicator	Minimum Target value for this call
R1	Unemployed participants into employment (including self-employment) on leaving	22% Less Developed
R2	Inactive participants into employment, or job search on leaving	33% Less Developed
R3	Participants gaining basic skills	4% Less Developed
R4	Participants with childcare needs receiving childcare support	36% Less Developed
ESF-CR06	Participants in employment, including self-employment, 6 months after leaving	31% Less Developed

ID	Output Indicator	Total minimum target value for this call	Men minimum target value	Women minimum target value
O1	Participants	5500	2740	2760
ESF –CO01	Unemployed, including long-term unemployed	2900	-	-
ESF – CO03	Inactive	2600	-	-
O4	Participants over 50 years of age	1035	-	-

O5	Participants from ethnic minorities	77	-	-
ESF - CO16	Participants with disabilities	1327	-	-
O6	Participants without basic skills	990		
ESF - CO14	Participants who live in a single adult household with dependent children	520	-	-

Outputs and Results Rationale

Applicants must explain in detail in their Full Application how they have estimated each of the outputs and results for their project, demonstrating clearly how each of the proposed outputs and results directly link to their specific project activities and objectives.

Applicants must also explain their approach for forecasting each deliverable; including the specific base-lining/research they have undertaken to ensure their projected profiles are realistic and achievable and any assumptions they have made which impact on their forecasts.

Where an applicant is proposing one or more output or result figures below the expected minimum target value for this call, an explanation must also be provided by the applicant in their Full Application.

ESF Outputs and Results Indicator Definitions Guidance is available on GOV.UK [here](#).

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 Cornwall and Isles of Scilly 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 'Document Checklist' 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 80%. This means ESF can contribute up to 80% of the total eligible project costs, subject to State Aid regulations. The remaining 20% 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](#).

Applicants are strongly encouraged to exceed the cross cutting theme requirements detailed in the Operational Programme. The ITI Board will seek to provide its support to projects that:

- demonstrate how the application will embed cross cutting themes good and best practices into the proposed project's activities
- make reference to the Inclusion Strategy and the Environmental Growth Strategy outlined in the Cornwall and Isles of Scilly Integrated Territorial Investment Strategy.

To support applicants, the Access to the Programme Team, funded by technical assistance, offer free specialist cross cutting themes support for applicants and can be contacted on accesstotheprogramme@cornwalldevelopmentcompany.co.uk

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

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

aid can only be awarded if it is compatible aid, in that it complies with the terms of a notified scheme or is covered by the De Minimis Regulation. Guidance for grant recipients, explaining more about State Aid, is available; it is important that Applicants take responsibility for understanding the importance of the State Aid rules and securing their full compliance with them throughout the project, if it is selected into the Programme.

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

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

4.6 Funding Agreement

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

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

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

4.7 Procurement

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

undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market.”

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.

For organisations applying for ESF funds through the Single-Stage Application process, the effective date for incurring eligible ESF expenditure will be the day after the relevant open call closing date. Any expenditure incurred by an ESF Direct Bid project prior to this date is ineligible.

However, any expenditure incurred by an ESF applicant, up to and including the date on which an ESF Funding Agreement is fully executed, will be at the applicant's own risk.

5. Application Process & Prioritisation Methodology

The ESF application process is a single-stage process – Full Application only. Applicants must fully complete the Full Application Form (section 9 refers). Guidance is available on the [European Growth Funding](#) website pages. Applications will be subject to a Gateway Assessment undertaken by the Managing Authority under the following criteria:

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

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

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

The Managing Authority will seek advice from partners when considering applications to ensure its 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. 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 prior to the call closing date. 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@dpw.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.

To support applicants, the Access to the Programme Team, funded by technical assistance, offer free specialist support for applicants and can be contacted on accesstotheprogramme@cornwalldevelopmentcompany.co.uk

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

7. Key Documents

- Full Application Form
- Full Application Form Guidance
- Financial Annex
- Indicator Annex
- Local Enterprise Partnership area's ESIF strategy; and
- National 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:-

1. Fully completed **Full Application Form** (Note that Sections 2.7 and 2.8 of the Full Application Form will not be applicable as this is a “one stage” application process);
2. **Financial tables** (if the application is against more than one Category of Region, a financial table for each Category of Region);

3. **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);
4. A **visual, high level customer journey** document e.g. flow chart;
5. **Confirmation of match funding** from each funder (confirmation must be in place by the point of formal approval);
6. **Detailed Granular budget breakdown** (All costs must be itemised, eligible, appropriate for the project and profiled across the project period. The granular budget should also include all hourly rate figures, per job role, for staff working part-time or part of their time on the ESF Project – calculated using the 1720 hour rate calculation set out in the [ESF Programme Guidance](#) on GOV.UK. This includes match-funded staff roles);
7. **Equality and Diversity Policy and Sustainability Policy** (Applicant is responsible for ensuring that Delivery partners also hold relevant policies);
8. **Independent state aid advice** (if applicable);
9. **Job Descriptions and Organogram** (covering all staff, including any delivery partner and/or match-funded staff posts);
10. **Applicants procurement policy** (if applicable);
11. **Draft SLA with Delivery Partners** (if applicable)
12. **Project level risk register** (this should cover areas such as financial risk, output risks, delivery risks etc. please ensure that the register covers how these risks will be managed and mitigated);
13. **Anti-Fraud Statement** (a statement on how you will deal with suspected fraud in your organisation and if appropriate, with your sub-contractors); 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 FVRA 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.	19 th December 2018
Deadline for submission of Full Application	13 th March 2019

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

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