



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

<b>Managing Authority</b>	Department for Work and Pensions (DWP)
<b>ESI Fund</b>	European Social Fund
<b>Priority Axis:</b>	Priority Axis 1: Inclusive Labour Markets
<b>Investment Priority:</b>	1.2: Sustainable Integration of Young People into the Labour Market. 1.4: Active Inclusion
<b>Call Reference:</b>	Supported Employment Initiatives – OC22S19P1342
<b>LEP Area:</b>	Liverpool City Region
<b>Call Opens:</b>	20 March 2019
<b>Call Closes:</b>	5 June 2019
<b>Document Submission:</b>	Completed Full Applications must be submitted to ✉: <a href="mailto:2014-2020.esfapplications@dwp.gsi.gov.uk">2014-2020.esfapplications@dwp.gsi.gov.uk</a>

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# 1. Call Context

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

The Government has confirmed that it will guarantee funding for ESF projects that are contracted by the end of 2020. Whatever the outcome of the EU negotiations, this guarantee will stand. This ensures that UK organisations, such as charities, businesses and universities, will continue to receive funding over a project's lifetime if they successfully bid into EU-funded programmes before the end of 2020, even in the event of a no-deal. Details of the guarantee can be found at the following [website link](#).

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

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 1.2 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.

<b>Specific Objective</b>	<b>Results that the Member States seek to achieve with Union support</b>
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 compete effectively in the labour market;	The additional support from this investment priority will help young NEETs (in areas that do not qualify for the Youth Employment 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.

**Investment Priority: 1.4** - Active inclusion, including with a view to promoting equal opportunities and active participation, and improving employability

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.

<b>Specific Objective</b>	<b>Results that the Member States seek to achieve with Union support</b>
To support people with multiple and complex barriers to participation to address these underlying issues and to move	The additional support for this investment priority will help people who are distant from the labour market and require intensive support in

<p>closer to or into the labour market.</p>	<p>addressing their multiple, profound and complex barriers to participation in the labour market.</p> <p>The main result will be that people address their complex needs and therefore are better able to engage in labour market activity. There are output targets for disadvantaged sub-groups and result targets for movement into work and increased labour market activity.</p>
<p>To engage marginalised individuals and support them to re-engage with education, training, or in employment.</p>	<p>The additional support from this investment priority will help participants to move into employment, education or training. They will have a range of barriers and will be distant from the labour market or education/training. They will require intensive, tailored support.</p> <p>The main result that will be achieved is that more participants will be in education, training or employment upon leaving.</p>

## 1.2 Local Development Need

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

### Local Priorities:

- Liverpool City Region has an employment rate gap to national rates, which is higher in the City Region than in most other economic areas: this is evidenced in the Skills Strategy 2018-2023 and Skills Investment Statement 2019/20. There is a smaller proportion of people with a disability in work in the City Region than nationally. When employed, disabled people receive, on average, lower pay.<sup>1</sup> There are more males in work than females in the City Region: the gap on females in work has widened in the last year. The Gender Pay Gap is significant in the City Region: male mean weekly earnings £604.7, female £410.6. There are fewer black and minority ethnic people in work than overall, and the gap is wider in the City Region than nationally, although this has narrowed. The Race Pay Gap is complex, but broadly, BAME people earn less than their white counterparts do<sup>2</sup>.

<sup>1</sup> <https://www.equalityhumanrights.com/sites/default/files/research-report-107-the-disability-pay-gap.pdf>

<sup>2</sup> <https://www.equalityhumanrights.com/sites/default/files/research-report-108-the-ethnicity-pay-gap.pdf>

Employment Rate (NOMIS June 2018)	Liverpool City Region	England	Gap 2018	Gap 2017
Overall	71.2%	75.0%	3.8%	5.5%
People with a disability	45.1%	53.7%	8.6%	10.8%
Males	75.0%	79.7%	4.7%	6.6%
Females	67.5%	70.4%	2.9%	4.4%
Black and minority ethnic people	60.8%	65.5%	4.7%	6.4%

- The unemployment rate within the City Region remains higher than national levels, and this gap has increased in recent months. There are more males and slightly fewer females registered as unemployed in the City Region than national rates, and a slightly lower rate of black and minority ethnic residents than nationally.

Unemployment Rate for 16-64 year olds (June 2018)	Liverpool City Region	England	Gap 2018	Gap 2017
Overall	4.2%	4.3%	0.1%	0.1%
People with a disability	9.7%	8.4%	1.3%	2.0%
Males	4.8%	4.3%	0.5%	0.8%
Females	3.6%	4.3%	-0.7%	0.6%
Black and minority ethnic people	6.0%	7.4%	-1.4%	0.5%

- In addition, there are residents who are assessed as inactive and in receipt of sickness related benefits in the City Region:

Category (June 2018)	Liverpool City Region	England
Number of residents assessed as inactive (NOMIS June 2018)	246,000	7,414,500
Rate of residents assessed as inactive (NOMIS June 2018)	25.7%	21.4%
Number of residents in receipt of ESA (Stat Xplore, May 2018)	88,122	1,836,724
Rate of residents in receipt of ESA (Stat Xplore, May 2018)	9.0%	5.3%

- There has been a reduction in the rate locally in recent years, but this is still significantly higher than the national rate: reducing the ESA rate to national levels would see 36,800 fewer people in receipt of this benefit.
- The ESA and Incapacity Benefits claimant rate is nearly 10% compared to a national average of 6.1%. (NOMIS 2018).
- Approximately 71% of working age residents in the Liverpool City Region are in employment: this remains lower than the national average (NOMIS 2018).
- The employment rate for women in the City Region is closer to 67%, with women facing particular challenges in the quality of employment. (NOMIS 2018).

- The employment rate for young people in the City Region is closer to 45%, with younger residents facing specific challenges in finding employment. (NOMIS 2018).
- Employment levels vary amongst young people, with some significantly less likely to be in (or able to compete for) sustainable employment than others. There remains a challenge to ensure that all Liverpool City Region residents can develop the skills and attributes they need to realise their economic potential.
- The unemployment rate for the general population in the City Region is 4.2%, whilst the unemployment rate for ethnic minorities is 6%.

## Call Outline

- This Call seeks proposals for projects to the value of approximately £2.5m, designed to provide support to and increase the employability of people with learning difficulties and disabilities (including bespoke support for both males and females). This should focus on supported internships, which are designed to provide meaningful and paid work experience for people and help them gain the skills they need to secure work.
- Project proposals should reflect how they will support people with learning difficulties and disabilities; these are expected to include:
  - people without English, Maths, IT qualifications at Level 2;
  - people from black and ethnic minority backgrounds;
  - people returning to the labour market following parental or caring responsibilities; and
  - people with experience of the care system.

To support people with learning difficulties and disabilities, applications are welcome from specialist organisations that can provide progression to employment from internships. Applicants should themselves be committed to achieving 'disability confident'.
- Learners with complex educational needs receive support through an Education, Health and Care (EHC) plan. For people with an EHC plan up to age 25, proposals for employment and skills support must be undertaken with Local Authorities. People with an EHC plan aged 25 and over, or those who were formerly acknowledged as having an Education and Health Care plan, who are resident in Liverpool City Region, may be supported in learning by the devolved Adult Education Budget (AEB). In these cases, applicants should consider with local Colleges, Local Authority learning providers and independent training providers as well as the Combined Authority as the funder how ESF could add value to the current delivery available.
- This specification will not duplicate learning provision funded by the devolved Adult Education Budget (AEB) in Liverpool City Region. Learners aged 19 and over resident in Liverpool City Region have a legal entitlement to fully funded English and maths skills, a first level 2 and first level 3 qualification for those aged between 19 and 23. Applicants should consider how their proposals could add value to current AEB devolved provision for Liverpool City Region residents through referrals to AEB funded provision. The successful applicant will have established relationships with local FE Colleges, Local Authority community learning providers and independent training providers where appropriate for the



purpose or learner referrals to mainstream AEB funded provision and ensuring existing provision is not duplicated.

- For Liverpool City Region residents aged 19 and over people without IT qualifications at Level 1, applicants will have established relationships with local FE Colleges, Local Authority community learning providers and independent training providers to ensure referrals to devolved AEB funded provision ready for a new fully funded legal entitlement for IT learning from 1 August 2020 in order to make referrals for those learners with a legal entitlement to this provision to devolved AEB providers wherever possible. When proposing to deliver IT skills required in the workplace, applicants should demonstrate their understanding of the skills employers are increasingly requiring as a pre-requisite for employment and seek to establish new routes into employment with IT skills as an underpinning foundation. Wherever possible this delivery should incorporate and not duplicate local devolved Adult Education Budget (AEB) funded provision.
- Proposals must be strongly evidenced based and applicants must demonstrate a strong track record of delivery of outputs and results. There should be a consistent measure of job readiness, which will need to be agreed with the City Region.
- The aim of this call is to support participants' progression into and within the labour market, allowing them to achieve equality of opportunity. Projects must deliver additional, innovative and more intensive provision that meets the needs of people with learning difficulties and disabilities who may also have other potential barriers, and the needs of local labour markets.
- Liverpool City Region is committed to Social Value, as set out in the Social Value Act of 2012. This proposal must evidence how it supports social, economic, and environmental Social Value.

## 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: <https://www.liverpoollep.org/wp-content/uploads/2015/04/Final-ESIF-Strategy-4-February-2016-to-DCLG.pdf>

### 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 and 1.4 Active inclusion** of the European Social Fund Operational Programme and responds to the local development need set out in the Liverpool City

Region Local Enterprise Partnership Area European Structural and Investment Funds Strategy.

This call aims to address the identified shortfalls listed in section 1.2 Local Development Need above.

## 2. Call Requirements

All applications are competitive.

<p><b>Indicative Fund Allocation:</b></p>	<p>Indicatively, through this call the Managing Authority expects to allocate approximately <b>£2.5m ESF</b></p> <p><b>IP 1.2 – Approximately £1.5m</b></p> <p>Approximately 90% - £1,350,000 allocated to the Transition Region</p> <p>Approximately 10%- £150,000 allocated to the More Developed Region</p> <p><b>IP 1.4 – Approximately £1m</b></p> <p>Approximately 90% - £900,000 allocated to the Transition Region</p> <p>Approximately 10%- £100,000 allocated to the More Developed Region</p> <p>The Managing Authority reserves the right to decrease or increase the indicative allocation, or support more or fewer projects subject to the volume and quality of proposals received.</p>
<p><b>Minimum application level</b></p>	<p>European Social Fund investment is intended to make a significant impact on local growth. Applications are expected to demonstrate appropriate scale and impact. The Managing Authority does not intend to allocate less than <b>£625,000 of European Social Funding to any single project.</b></p> <p><b>Applications requesting an ESF amount below the ‘Minimum Application Level’ will be rejected.</b></p> <p>It is important to ensure a range of activity is supported as detailed in the call and also the need for coherence. Therefore, the MA favours a small number of projects being delivered.</p>

	<p>The minimum project size for both ESF &amp; match funding, is dependent on the intervention rate determined by CoR 60% Transition Region &amp; 50% More Developed Region.</p> <p>As Liverpool City Region LEP area spans two CoR, Transition and More Developed applicants will need to provide separate financial and indicator tables with the appropriate intervention rates for each CoR.</p> <p>As the call spans two Investment Priorities, applicants will need to provide separate financial and indicator tables per Investment Priority.</p>
<b>Duration of project</b>	<p>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.</p> <p>All ESF Projects must be completed by 31<sup>st</sup> December 2023. Project costs cannot be incurred beyond this date.</p>
<b>Geographical Scope</b>	<p>All interventions should be focused on activity and beneficiaries within the Liverpool City Region Local Enterprise Partnership area.</p>
<b>Specific call requirements</b>	<p>This is a call for ESF activity.</p>
<b>Call Deadlines</b>	<p>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.</p>
<b>Application selection</b>	<p>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.</p>
<b>Applicant proposals</b>	<p>These can only contain activities which are eligible for ESF.</p>
<b>Eligible match funding</b>	<p>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.</p> <p>The intervention rate in the Liverpool City Region LEP Area is 50% in the More Developed areas and 60% in the Transition areas, so 50% of match funding must be provided in the More Developed areas and 40% of match funding must be provided in the Transition areas.</p>

<b>Procurement</b>	All procurement must be undertaken in line with EU regulations.
<b>State Aid law</b>	Applicants must demonstrate compliance with State Aid law.
<b>Audit/ Compliance</b>	All expenditure and activities will be subject to rigorous audit and non-compliance may lead to financial penalty.
<b>Calls listing multiple activity)</b>	The applicant is required to list each activity they plan to deliver, supported by a clear breakdown of costs. Expected outputs and results per activity should be provided.

ESF cannot be used to duplicate existing activities or activities that do not address market failure. ESF can only be used to achieve additional activity or bring forward activity more quickly. Applicants must be able to demonstrate that proposals are additional to activity that would have occurred anyway or enables activity to be brought forward and delivered more quickly than otherwise would be the case in response to opportunity or demand.

### 3. Deliverables required under this Call:

Applications will be expected to achieve the minimum indicative level of Programme Deliverables by contributing to the following Investment Priority. The definitions of which can be accessed at the [ESF Operational Programme](#).

<b>Investment Priority</b>	<b>1.2 Sustainable Integration Of Young People Into The Labour Market</b>
<b>Specific Objectives</b>	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
<b>Indicative Actions</b>	<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 for all young people who are NEET (Not in Employment, Education and Training) or at risk of becoming NEET include:</p> <ul style="list-style-type: none"> <li>• literacy, numeracy, ICT and employability provision to ensure that individuals have the basic skills needed in all jobs and to help them prepare for apprenticeships and progress through other routes to gaining higher skills. This provision should not displace fully funded legal entitlement provision for English and maths provided by Education and Skills Funding Agency study programmes for 16-19 year olds and devolved AEB for Liverpool City Region residents aged 19 and over and ICT skills that will be fully funded through a legal entitlement to training from 1 August 2020;</li> </ul>

	<ul style="list-style-type: none"> <li>• support which complements other skills provision, such as crosscutting and 21<sup>st</sup> century skills, including team working, effective communication, problem solving, critical thinking and self-direction;</li> <li>• training and vocational qualifications to equip young people for specific jobs. This provision should not displace fully funded legal entitlement provision for English and maths provided by Education and Skills Funding Agency study programmes for 16-19 year olds.;</li> <li>• support for young women to enter non-traditional sectors (e.g. construction) which addresses barriers to entry e.g. to apply for apprenticeships;</li> <li>• community and informal learning to engage young people who have struggled at school and encourage them to access more formal learning;</li> <li>• intermediate labour market activity to provide a structured and supportive environment where young people can gain work experience;</li> <li>• using self-employment as a route out of worklessness, including providing advice and support for self-employment.</li> </ul>
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<b>Investment Priority</b>	<b>1.4 Active Inclusion.</b>
<b>Specific Objectives</b>	Active inclusion, including with a view to promoting equal opportunities and active participation, and improving employability
<b>Indicative Actions</b>	<p>ESF will not support activities that duplicate or replace existing support within national programmes, but may be used to support additional activities or target groups, including provision co-designed with local partners.</p> <p>Examples of activities that may be supported include:</p> <ul style="list-style-type: none"> <li>• basic skills and ESOL training, including additional support with basic skills in preparation for apprenticeships. This provision should not displace devolved Adult Education Budget (AEB) funded ESOL for Liverpool City Region residents for those aged 19 and over;</li> <li>• support for those who need pre-traineeship and pre-Work Programme assistance, to prepare them for the next step with referrals to mainstream learning including Education and Skills Funding Agency study programmes for 16-19 year olds;</li> <li>• support complementing other skills provision, such as crosscutting and 21st century skills, including team working, effective communication, problem solving, critical thinking and self-direction;</li> <li>• money management support and advice and financial literacy programmes in order to address deep seated debt issues which make moving from benefit into work more challenging;</li> </ul>

	<ul style="list-style-type: none"> <li>• digital and internet literacy courses to aid job searching, access to benefits and progress in work;</li> <li>• volunteering and training opportunities (as a pathway back to work) for marginalised individuals / groups / communities to help them access jobs in low carbon sectors or land drainage flood risk management or work that supports property level protection against flooding;</li> <li>• local 'Community Grant' type activity to support small scale voluntary sector activity which can be crucial to reaching out to these groups;</li> <li>• first contact engagement activities (for example, arranging events in places that people feel comfortable to visit);</li> <li>• local networks and groups to support people to get a job or access learning (for example, Job Clubs or Learning Champion type activity) to provide people with a safe environment and peer support;</li> <li>• softer skills development (for example, assertiveness, anger management and motivation);</li> <li>• volunteering, which is recognised in general terms as a good way to re-engage those furthest from the labour market.</li> </ul> <p>The investment priority may also encourage Social Investment models (e.g. social impact bonds) by providing outcome funding that enables payment by results programmes to be established to support the Government's agenda on Social Justice and encourage innovative delivery models within local communities. The focus would be on disadvantaged individuals and families, e.g. in areas such as employment, training, drug addiction and other issues which are usually part of the cycle of deprivation.</p> <p>To complement other thematic objectives, the investment priority may support activities that are designed to promote social inclusion whilst also tackling environmental issues such as environmental protection, waste recycling, energy efficiency, and renewable energy. These activities are relevant across all types of territory.</p>
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## IP 1.2 Results Table Transition and More Developed

ID	Result Indicator	Minimum Target value for this call
R3	Participants gaining basic skills	4% (applies to all Categories of Region)
R5	Participants (below 25 years of age) in employment, including self-employment, or education/ training upon leaving	43% Transition & More Developed
ESF-CR06	Participants in employment, including self-employment, 6 months after leaving	34% Transition & More Developed

## IP 1.4 Results Table Transition and More Developed

ID	Result Indicator	Minimum Target value for this call
ESF-CR02	Participants in education or training on leaving	17% Transition & More Developed
ESF-CR06	Participants in employment, including self-employment, 6 months after leaving	22% Transition & More Developed
R1	Unemployed participants into employment (including self-employment) on leaving	14% Transition & More Developed
R2	Inactive participants into employment, or job search on leaving	27% Transition & More Developed

## Output table IP1.2 Transition

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	1310	655	655
ESF –CO01	Unemployed, including long-term unemployed	834		
ESF – CO03	Inactive	476		
O5	Participants from ethnic minorities	199		
ESF - CO16	Participants with disabilities	406		
O6	Participants without basic skills	334		
ESF - CO14	Participants who live in a single adult household with dependent children	130		

### Output table IP1.2 More Developed

<b>ID</b>	<b>Output Indicator</b>	<b>Total Minimum target value for this call</b>	<b>Men minimum target value</b>	<b>Women minimum target value</b>
O2	Participants (below 25 years of age) who are unemployed or inactive	172	86	86
ESF –CO01	Unemployed, including long-term unemployed	118		
ESF – CO03	Inactive	54		
O5	Participants from ethnic minorities	25		
ESF - CO16	Participants with disabilities	33		
O6	Participants without basic skills	41		
ESF - CO14	Participants who live in a single adult household with dependent children	12		

### Output table IP 1.4 Transition

<b>ID</b>	<b>Output Indicator</b>	<b>Total minimum target value for this call</b>	<b>Men minimum target value</b>	<b>Women minimum target value</b>
O1	Participants	466	233	233
ESF –CO01	Unemployed, including long-term unemployed	220		
ESF – CO03	Inactive	246		
O4	Participants over 50 years of age	104		
O5	Participants from ethnic minorities	107		
ESF - CO16	Participants with disabilities	173		



## Output table IP 1.4 More Developed

ID	Output Indicator	Total minimum target value for this call	Men minimum target value	Women minimum target value
O1	Participants	61	30	31
ESF –CO01	Unemployed, including long-term unemployed	30		
ESF – CO03	Inactive	31		
O4	Participants over 50 years of age	14		
O5	Participants from ethnic minorities	10		
ESF - CO16	Participants with disabilities	22		

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

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

## 4. General Information

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

### 4.1 Compliance and Eligibility

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

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 50%. This means ESF can contribute up to 50% of the total eligible project costs, subject to State Aid regulations. The remaining 50% or more must come from other eligible sources. For the Transition area the maximum ESF intervention rate for the operation is 60%. This means ESF can contribute up to 60% of the total eligible project costs in the Transition area, subject to State Aid regulations. The remaining 40% 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.<sup>3</sup> Grant funding to any economic undertaking which is state

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<sup>3</sup> Article 107(1) of the Treaty on the Functioning of the European Union provides that: "Save as otherwise provided in the Treaties, any aid granted by a Member State or through state resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market."

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.

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@dwpgsi.gov.uk](mailto:esf.2014-2020@dwpgsi.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 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](mailto:2014-2020.esfapplications@dwp.gsi.gov.uk)

## 10. Timescales

Launch of Call advertised on GOV.UK.	20 March 2019
Deadline for submission of Full Application	5 June 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