2014 to 2020 European Structural and Investment Funds Growth Programme

Call for Proposals – Online Applications 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:	**1.4: Active Inclusion**
Call Reference:	**Get into work – OC28S19P1449**
LEP Area:	**Sheffield City Region**
Call Opens:	**01 July 2019**
Call Closes:	**Midnight 23 September 2019**
Application Process	**Applications for funding must be completed and submitted using the ECLAIMS IT system.** **Applications submitted via any other method will not be accepted.** **Please do not use ECLAIMS to access or apply against ERDF calls published on GOV.UK – the online application process is only applicable to specified ESF open calls.**

Contents

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: 1.4 Active Inclusion** 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 of the ESF regulation (see Appendix A). This will be in addition to the requirement to report on the 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: 1.4 - 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.

Specific Objective	Results that the Member States seek to achieve with Union support
To support people with multiple and complex barriers to participation to address these underlying issues and to move closer to or into the labour market.	The additional support for this investment priority will help people who are distant from the labour market and require intensive support in addressing their multiple, profound and complex barriers to participation in the labour market. 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.
To engage marginalised individuals and support them to re-engage with education, training, or in employment.	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. The main result that will be achieved is that more participants will be in education, training or employment upon leaving.

1.2 Local Development Need

Projects must deliver activity which directly contributes to the objectives of Priority Axis 1, Investment Priority 1.4 of the Operational Programme, and which meets the **local development need** expressed in the text and table below.

Local Priorities:

The Sheffield City Region (SCR) is seeking to help disadvantaged communities access the support and skills available to find a job that meets their needs and potential.

This will be enabled through targeted support developed through thorough knowledge and experience of the general barrier to work of the cohort in additional to their individual needs.

The Sheffield City Region has a diverse economy comprising a dynamic core city, important towns and market towns, and a significant rural economy. The City Region encompasses more than 1.8 million people (over 1.1 million aged 16-64) and approximately 700,000 jobs. 76.6% of people are in employment. It has strengths in advanced manufacturing, creative, digital, logistics, tech, retail and business services.

The digital sector in the City Region is growing. We aim to build on the Region's strengths to create 'a connected City Region, where digital technology and innovation drive economic growth and better outcomes for all'.

This requires building digital capability for all. This means attracting and retaining talent, increasing (and enhancing) the digital skills pipeline and ensuring that the digital curriculum (at all levels) is relevant to rapidly changing business needs. It also means combating the factors that keep people and some businesses excluded from the digital economy and from the benefits of participating in an increasingly digitised world.

Analysis of key indicators demonstrates:

- GVA per employee is 25% below the national average and mean earnings are 17% below the national average.
- Despite lower skills levels than average for England, underemployment is high (12% of all employees and occurs in 41% of businesses), this includes the graduates from our universities in addition to the wider labour market.
- Employers invest less in training than average, for example, 38% of establishments have not trained anyone in their workforce in the last 12 months.
- A shortfall of 66,000 jobs in higher skilled occupations relative to the size of the employment base.

Productivity in the SCR is circa 75% of the national average. One of the key determinants of low productivity is high proportion of the workforce in low skilled

occupations and the low proportions of the workforce in higher skills occupations in each sector.

Certain population groups remain disengaged from the labour market (e.g. ethnic minorities and female participation is lower in some areas within SCR). The proportion of refugees who were employed at 8 months after received the right to work was 34% and 49% at 21 months (Home Office, 2010). This remained well below the UK average of 80 per cent employment at the time. More than one-half of new refugees in employment felt that they were overqualified for their jobs.

Population forecasts reveal there is a significant number of areas experiencing a decrease in population, particularly in areas peripheral to urban areas. The proportion of young professionals is low and concentrated in very small areas in urban centers. The population is also predicted to age resulting in significant replacement demand in the region, particularly in some of our more technical sector such as engineering/manufacturing and construction.

According to UKCES Employer Skills Survey 2017, the number of companies reporting having skills gaps is 16%, higher than the average in England of 13%, with 6% reporting they are struggling to fill vacancies and 31% are hard to fill. This is in addition to lower than national averages for the number of residents qualified to Level 3 and above (51.6% compared to 56.9) and above average figures for the number with no qualifications (8.9%, 8.0% Great Britain average).

The digital sector in the City Region is growing. We aim to build on the Region's strengths to create 'a connected City Region, where digital technology and innovation drive economic growth and better outcomes for all'. Almost 90% of new jobs require digital skills to some degree, with 72% of employers stating that they are unwilling to interview candidates who do not have basic IT skills (House of Commons Science and Technology Committee, 2016). We need to ensure that all our residents have the digital skills to access suitable jobs for them.

 In 2018,10% of the adult UK population who are described as 'internet non-users (ONS, 2018) SCR, its nine local authorities, universities, colleges, and health partners have a complex set of provision, local organisation networks and governance in place of relevance to skills and employments that this support will need to link into and align provision to be effective in our area. 6 Local Integration Boards have been established to strengthen and align skills and employment provision we expect this programme to work in an integrated way with existing provision and through those boards.

Strategic economic plan 2015-2025: https://sheffieldcityregion.org.uk/wp-content/uploads/2018/01/Strategic-Economic-Plan-2015-2025.pdf

Applicants should demonstrate:

- Strong knowledge of the local labour market and the needs of local businesses.
- An excellent understanding of the benefits to businesses of investing in the development of their under-employed workforce.

- Experience of working with people in low paid work, those working few hours and under-employed people.
- How activities complement existing provision, thereby adding value. How the provider will integrate with the Local integration board/s to support the local agenda and feedback on progress. To create a more balanced, integrated and less confusing provision to end users, all projects funded through this Call would be expected to explicitly undertake to working collaboratively with other local providers to minimise fragmentation in delivery and identify the best overall solution for participants.
- Providers will be aware of local provision that will be most suitable and signpost/refer appropriately.

Successful providers should:

- Make it clear in their application which target group(s) will be covered by their project;
- Demonstrate a strong track record of working with the target group(s), understanding their needs;
- Collaborate with other providers in the locality and those that work with the client group. The Provider must develop a strong working relationship with the Local Integration Boards in the areas they are delivering activity within;.
- Work in conjunction with other LEP and ESIF ESF programmes and activity to reduce the number of repeat approaches to participants
- Ensure the programme maximises mainstream provision and provides by working in partnership with other new and/or existing providers.
- Demonstrate excellent partnerships and referral mechanisms with other skills, training and specialist providers

Alignment:

All activities must complement existing provision, thereby adding value. Providers will work with the Local integration board/s to support the local agenda and feedback on progress.

To create a more balanced, integrated and less confusing provision to end users, all projects funded through this Call would be expected to explicitly undertake to working collaboratively with other local providers to minimise fragmentation in delivery and identify the best overall solution for participants. Providers will be aware of local provision that will be most suitable and signpost/refer appropriately.

Call Outline

Through this call the Managing Authority is seeking project(s) to address inequalities in the labour market for groups. It will deliver activities based in disadvantaged communities that will raise awareness and prepare people for jobs in the digital sector.

It is expected that there will be a key focus on economically inactive or unemployed individuals from disadvantaged backgrounds. and a clear portfolio of individually

tailored provision delivered in community settings where appropriate. Priority groups for this call are:

- Refugees and migrants
- Roma and Traveler communities
- Care leavers
- Ex-offenders (provider/s will be expected to work alongside adding value to existing HMPP's provision)
- Lone Parents
- Women, particularly of ethnic origin, including those with child or elder care responsibilities and who often face multiple disadvantages
- People with disabilities, particularly people with a mild learning disability or learning difficulty

There are 3 strands within this call, applicants can apply for individual, multiple or all strands. Applications should address at least one of the target areas.

Each project should demonstrate

- How it will engage with its target communities and how it will reach members of those communities that don't traditionally engage with education and skills provision.
- How employers will be used within the project to enhance activities. We encourage applications that engage with employers to recognise the potential of individuals and how they would benefit their organisation.
- How activities and support will be appropriately tailored to individuals.

The 3 strands within this call are:

Strand 1 Developing Digital Confidence

Digital exclusion activities will target those in disadvantaged communities. It will meet the specific needs of the cohort through flexible learning and raising confidence, progression people where appropriate onto further learning.

Activities will be designed specifically to meet the needs of the individuals to use technology in daily life and to build confidence and engagement in using digital skills. It should address some or all of the following:

- Community events using technology to engage and inspire disadvantaged groups around digital skills.
- Flexible support based around individual needs, e.g., using email, applying online for jobs
- Careers advice and guidance on how digital skills can support self-employment.

Strand 2 Reaching your potential

Working with traveller and Roma communities, BAME women, migrants and refugees, this project will support this group to better understand the employment landscape in the UK and develop a clear individualised career pathway and address and specific issues such as qualification conversion and English Language issues. Activities may include:

- Support with form filling and job applications.
- Targeted ESOL support
- Supporting individuals to understand recruitment practices, for example, working with agencies
- NARIC qualification conversion
- Careers advice on guidance in areas where there are local labour market gaps
- Employment rights
- Addressing cultural barriers to employment

Projects should foster an asset-based approach focussing on the skills and potential of the individual.

This service will provide advice and support to help individuals who may have complex lifestyles, to overcome obstacles to achieve a routeway into good sustained employment and progression responses should articulate how a measurable routeway will be agreed and progressed with programme participants and how the service will co-ordinate support from other services in order to address the progression needs of the participant.

Strand 3 Thrive and Work

The Managing Authority is looking for a bespoke service to provide tailored support to unemployed individuals who have a common mental and or physical health issue and/or disability to find and keep paid work. It will feature a rapid place then train employment support intervention rapidly moving participants into meaningful employment engagement (as a minimum attending job interviews) within a 3-month period of initial engagement and providing ongoing support in work to sustain their employment and grow their confidence.

Feedback from key stakeholders state a clear need for provision to be responsive, on site or near key contact points for target communities. Provision within this call will need to demonstrate that it is highly responsive to referring agencies and individuals in need, able to provide on the spot support where need acting to mitigate issues faced with challenging waiting times for key support services.

Activities around working with mental and physical health conditions will work closely with health providers and other service providers. It will provide employability support and improve soft skills such as confidence building and communication to help people into work. A period of in work support will ensure that beneficiaries are settled in work and able to sustain work.

This service will:

- aim to get people into competitive employment
- aim to find jobs consistent with people's preferences
- will work quickly – a place then train model of rapid activation and job search within 12 weeks of commencement on programme alongside delivery of work, health and wider support needs
- will be co-located with other support services (e.g. primary and secondary care, JobCentre Plus, local authority provision)
- will develop relationships with employers based upon a person's work preferences
- will evidence individualised support for the person and their employer
- offer an integrated, personalised programme of support to reduce obstacles to work maximising all suitable, available provision from the market place in their area.

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: *ESIF Strategy refresh:* https://sheffieldcityregion.org.uk/wp-content/uploads/2018/01/SCR-ESIF-REFRESH-Feb-2016-Final-v3-1.pdf

1.3 Scope of activity

This call invites Full Applications which support the delivery of Priority Axis 1, **Investment Priority: 1.4 Active Inclusion** of the European Social Fund Operational Programme and responds to the local development need set out in the Sheffield City Region Local Enterprise Partnership Area European Structural and Investment Funds Strategy.

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

2. Call Requirements

All applications are competitive.

Indicative Fund Allocation:	Indicatively, through this call the Managing Authority expects to allocate approximately **£9,317,563 ESF** **If applicable:** **Approximately 80% - £7,429,631 allocated to the Transition Region.**

	Approximately 20%- £1,887,932 allocated to the More Developed Region. 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. For the More Developed Area the Managing Authority is seeking and will give preference to applications over **£471,983**. However, in exceptional cases we will consider applications of not less than £**200,000.** For the Transition Area the Managing Authority is seeking and will give preference to applications over **£1,857,407.** However, in exceptional cases we will consider applications of not less than **£200,000.** **Applications requesting an ESF amount below the 'Minimum Application Level' will be rejected** The minimum project size for both ESF & match funding, is dependent on the intervention rate determined by Category of Region (CoR) 60% Transition Region & 50% More Developed Region. As Sheffield City Region LEP area spans two CoR, Transition and More Developed applicants will need to make it clear in their online Full Application how much of their requested project funding applies to each CoR and ensure that output and result figures are recorded for both CoR.
Duration of project approvals	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 31st December 2023. Project costs cannot be incurred beyond this date. NOTE: Delivery of activities and associated costs can be incurred up to and including 31st December 2023, with the full and final claim expected no later than February 2024
Geographical Scope	All interventions should be focused on activity and beneficiaries within the Sheffield City Region Local Enterprise Partnership area.

Specific call requirements	This is a call for ESF activity.
Call Deadlines	For this specific call, applications will be appraised following closure of the call. Applications submitted to the Managing Authority via the ECLAIMS IT system after midnight on the published call close date will not be considered.

If you encounter any technical difficulties completing or submitting your Full Application via ECLAIMS, please send an email to E.CLAIMSSUPPORT@DWP.GOV.UK .

Technical support is available Monday to Friday, from 8am to 6pm.

It is your responsibility to submit your application in good time to allow time to resolve any technical issues. Except in the unlikely event that there is a general failure of the system in the final hours, we will not normally extend the deadline for technical issues.

If you do not already have ECLAIMS access, to avoid any unnecessary delays in submission of your Full Application, it is recommended that you submit new ECLAIMS access requests as early in the application process as possible by sending an email to E.CLAIMSSUPPORT@DWP.GOV.UK .

The Managing Authority reserves the right to reject applications which are incomplete or not submitted in a timely and compliant way. |
| 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.

The intervention rate in the Sheffield 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.
Procurement	All procurement must be undertaken in line with EU regulations.
State Aid law	Applicants must demonstrate compliance with State Aid law.
Audit/ Compliance	All expenditure and activities will be subject to rigorous audit and non-compliance may lead to financial penalty.
Calls listing multiple activity (delete if not appropriate)	The applicant is required to list each activity they plan to deliver, supported by a clear breakdown of costs. Expected outputs and results per activity should be provided.

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

3. Deliverables required under this Call:

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

Investment Priority	**1.4 Active Inclusion.**
Specific Objectives	Active inclusion, including with a view to promoting equal opportunities and active participation, and improving employability
Indicative Actions	ESF will not support activities that duplicate or replace existing support within national programmes, but may be used to support additional activities or target groups, including provision co-designed with local partners. Examples of activities that may be supported include: • basic skills and ESOL training, including additional support with basic skills in preparation for apprenticeships; • support for those who need pre-traineeship and pre-Work Programme assistance, to prepare them for the next step; • support complementing other skills provision, such as crosscutting and 21st century skills, including team working, effective communication, problem solving, critical thinking and self-direction;

- 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;
- digital and internet literacy courses to aid job searching, access to benefits and progress in work;
- 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;
- local 'Community Grant' type activity to support small scale voluntary sector activity which can be crucial to reaching out to these groups;
- first contact engagement activities (for example, arranging events in places that people feel comfortable to visit);
- 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;
- softer skills development (for example, assertiveness, anger management and motivation);
- volunteering, which is recognised in general terms as a good way to re-engage those furthest from the labour market.

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.

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.

Results Table

NOTE: When recording your quarterly profile figures for each Results in ECLAIMS, please ensure you select the Result with the correct, relevant Category of Region suffix i.e. L = Less Developed, T = Transition, MD = More Developed.

Results - Sheffield City Region (More Developed Area)

ID	Result Indicator	Minimum Target value for this call
ESF-CR02	Participants in education or training on leaving	17% More Developed
ESF-CR06	Participants in employment, including self-employment, 6 months after leaving	22% More Developed
R1	Unemployed participants into employment (including self-employment) on leaving	14% More Developed
R2	Inactive participants into employment, or job search on leaving	27% More Developed
R4	Participants with childcare needs receiving childcare support	36% More Developed

Results - Sheffield City Region (Transition Area)

ID	Result Indicator	Minimum Target value for this call
ESF-CR02	Participants in education or training on leaving	17% Transition
ESF-CR06	Participants in employment, including self-employment, 6 months after leaving	22% Transition
R1	Unemployed participants into employment (including self-employment) on leaving	14% Transition
R2	Inactive participants into employment, or job search on leaving	27% Transition
R4	Participants with childcare needs receiving childcare support	36% Transition

Outputs Table

NOTE: When recording your quarterly profile figures for each Output in ECLAIMS, please ensure you select the Output with the correct, relevant Category of Region suffix i.e. L = Less Developed, T = Transition, MD = More Developed.

Outputs - Sheffield City Region (More Developed Area)

ID	Output Indicator	Total Minimum target value for this call
O1	Participants	952
O1	Participants (Male)	510
O1	Participants (Female)	335
ESF –CO01	Unemployed, including long-term unemployed	425
ESF – CO03	Inactive	420
O4	Participants over 50 years of age	158
O5	Participants from ethnic minorities	155
ESF - CO16	Participants with disabilities	227

Outputs - Sheffield City Region (Transition Area)

ID	Output Indicator	Total Minimum target value for this call
O1	Participants	3400
O1	Participants (Male)	2052
O1	Participants (Female)	1348
ESF –CO01	Unemployed, including long-term unemployed	1668
ESF – CO03	Inactive	1732
O4	Participants over 50 years of age	597
O5	Participants from ethnic minorities	536
ESF - CO16	Participants with disabilities	882

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. The related output and results figures need to be consistent e.g. there should not be more 'Inactive Participant' forecast results than actual Inactive Participants recorded as taking part in the ESF Project in the forecasted output figures.

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 Sheffield 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 8 of this call specification) prior to completing and submitting their Full Application in the ECLAIMS IT system. 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 60%(depending on category of region). This means ESF can contribute up to 60% for Transition and 50% for More Developed of the total eligible project costs, subject to State Aid

regulations. The remaining 40% or more (Transition) or 50% or more (More Developed) 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 screens in the ECLAIMS IT system and the related ESF Online Full Application 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 and in ESF Action Note 019/18: New Assessment Scoring Procedures for Equality and Sustainable Development in ESF.

4.5   State Aid & Revenue Generation

Applicants are required, in the Full Application, to provide a view on how their proposal complies with State Aid law. Applicants must ensure that projects comply with the law on State Aid.[1] Grant funding to any economic undertaking which is state aid can only be awarded if it is compatible aid, in that it complies with the terms of a notified scheme or is covered by the De Minimis Regulation. Guidance for grant recipients, explaining more about State Aid, is available; it is important that Applicants take responsibility for understanding the importance of the State Aid rules and securing their full compliance with them throughout the project, if it is selected into the Programme.

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

Where the Applicant does not perceive that there is any State Aid, it should state whether or not it considers Articles 61 and 65(8) of regulation 1303/2013 to apply. This revenue should be taken into account in calculating eligible expenditure. Article 61 refers to monitoring revenues generated after completion of the project, and 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

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

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 information required in the ECLAIMS IT system (section 9 refers).

The ESF Online Full Application Guidance for Applicants, is available on the European Growth Funding website pages – this document includes step-by-step details of how to record your Full Application information in the ECLAIMS IT system, as well as guidance on the depth and content expectations.

Following the call closing date, applications will first be subject to a Gateway Assessment undertaken by the Managing Authority under the following criteria:

- Applicant eligibility;
- Activity and expenditure eligibility; and

- The fit with the ESF Operational Programme and the call.

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

- Strategic fit;

- Value for money;

- Management and 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. Technical Support

All Full Applications for this call **must** be completed and submitted using only the ECLAIMS IT system. Applications submitted via any other method will not be accepted.

If you encounter any technical difficulties completing or submitting your Full Application via the ECLAIMS IT system, please send an email to: E.CLAIMSSUPPORT@DWP.GOV.UK

It is your responsibility to submit your application in good time to allow time to resolve any technical issues. Except in the unlikely event that there is a general failure of the system in the final hours, we will not normally extend the deadline for technical issues.

Technical support is available Monday to Friday, from 8am to 6pm.

Please retain evidence of your request(s) for any Technical Support, in case there are any issues arising around this element of the application process which may need further investigation.

Please also note that, as this is a competitive call and to preserve impartiality, other than providing Technical Support, 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.

7. Key Reference Documents

When developing your Full Application, it is recommended that you refer to the following documents as a minimum:

- ESF Online Full Application Guidance;
- Local Enterprise Partnership area's ESIF strategy;
- National ESF Eligibility Rules;
- ESF Programme Guidance.

8. Full Application – Supporting Document Checklist

The appraisal will be undertaken on the basis of the Full Application information submitted by the applicant using the ECLAIMS IT system, together with any supporting documents uploaded into ECLAIMS IT system by the applicant at the point of closure of the call.

As a minimum, applicants should upload the following documentation into the ECLAIMS IT system alongside completion of the required Full Application screens/fields in ECLAIMS.

Failure to upload the requested documentation could result in the application being rejected.

The ESF Online Full Application Guidance explains how documents should be uploaded into ECLAIMS and Annex B of the same guidance explains the naming conventions to be used for each document.

Mandatory Supporting Documents

1. A **visual, high level customer journey** document e.g. flow chart;
2. **Confirmation of match funding** from each funder. Match-funding should be confirmed (with the exception of SME contributions) prior to the issuing of any Funding Agreement;
3. **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);
4. **Equality & Diversity Policy and Implementation Plan** this can be a single, combined document or 2 separate documents. (Applicant is responsible for ensuring that Delivery partners also hold relevant policies);
5. **Sustainability Policy and Implementation Plan** this can be a single, combined document or 2 separate documents. (Applicant is responsible for ensuring that Delivery partners also hold relevant policies);
6. **Job Descriptions** at least 1 per lead applicant and 1 per each Delivery Partner;

7. **Organogram** covering all staff, including any delivery partner and/or match-funded staff posts;
8. **Sample HR letter** as per the requirements set out in the [ESF National Eligibility Rules](#) on GOV.UK;
9. *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);
10. **Anti-Fraud Statement** (a statement on how you will deal with suspected fraud in your organisation and if appropriate, with your sub-contractors).

Optional Supporting Documents

11. **Recruitment Policy** this can be a single, combined document or 2 separate documents. (Applicant is responsible for ensuring that Delivery partners also hold relevant policies);
12. **Sample Timesheet** applicable if you or your Delivery Partners have members of staff working part of their time on your ESF Project;
13. **Procurement policy** applicable if your ESF project is expecting to incur procurement costs from existing or future procurements and you are not intending to use the 40% Flat Rate Indirect Cost option;
14. **Retention Policy** this can be a single, combined document or 2 separate documents. (Applicant is responsible for ensuring that Delivery partners also hold relevant policies);
15. **Draft SLA with Delivery Partners** applicable if your ESF Project will have one or more Delivery Partners;
16. **Independent state aid advice** applicable only if you have obtained independent advice to support your quoted ESF project State Aid position;
17. **Proof of Irrecoverable VAT** applicable only if you have Irrecoverable VAT which is relevant to your ESF Project
18. **Due Diligence Financial Information** applicable if your organisation is a private or voluntary and community sector organisation or a Further Education College, you must upload:

    - Financial accounts for the most recent 3 years;
    - 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).

NOTE: The ECLAIMS IT system can accept most standard Office file formats such as MS Word documents and excel documents in the format xlsx.

However, documents which contain macros cannot be uploaded into the ECLAIMS IT system.

In addition, the ECLAIMS IT system cannot accept tables, graphics or other visuals in the narrative fields within the Full Application screens. If you wish to include this type of information as part of your Full Application, you will need to upload this information as part of a supporting document.

9. Full Application Submission

Completed Full Applications must be submitted to the ESF Managing Authority via the ECLAIMS IT system.

Although the ECLAIMS IT system is designed to be intuitive, it is strongly recommended that you closely follow the steps in the ESF Online Full Application Guidance, published on GOV.UK to give the best chance of you submitting a fully completed, compliant Full Application.

The Managing Authority reserves the right to reject applications which are incomplete or not submitted in a timely and compliant way.

10. Accessing ECLAIMS

If you do not already have access to the ECLAIMS IT system, please send an email to E.CLAIMSSUPPORT@DWP.GOV.UK as soon as possible.

You should complete a form for **each** individual person in your organisation who will be responsible for completing and/or submitting your Full Application.

Each new ECLAIMS user will then receive an email from an organisation called Datamart – this will contain their unique log-in details. The user will need to follow the instructions within the email to change their password in the first instance. They will then be able to access and use the ECLAIMS IT system.

NOTE: To avoid any unnecessary delays in submission of your Full Application, it is recommended that you submit new ECLAIMS IT system access requests as early in the application process as possible.

The ECLAIMS IT system is a web based application available through the following link. It is recommended that you use the Chrome browser to access the ECLAIMS IT system, or if this isn't available, Firefox.

https://ECLAIMS.communities.gov.uk/esif-web/

11. Timescales

Launch of Call advertised on GOV.UK.	01 July 2019
Deadline for submission of Full Application via the ECLAIMS IT System	Midnight 23 September 2019

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 will be notified on the European Growth Funding website pages.

12. 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