2014 to 2020 European Structural and Investment Funds Growth Programme

Call for Proposals – Online Applications European Social Fund

Priority Axis 2: Skills for Growth

Managing Authority	**Department for Work and Pensions (DWP)**
ESI Fund	**European Social Fund**
Priority Axis:	**Priority Axis 2: Skills for Growth**
Investment Priority:	**2.2: Improving the labour market relevance of education and training systems.**
Call Reference:	**Developing an Apprenticeship Skills Hub and a Skills Support Hub – OC10S19P1490**
LEP Area:	**Enterprise M3 LEP**
Call Opens:	**30 July 2019**
Call Closes:	**Midnight – 22 October 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 2 of the Operational Programme: Skills for Growth** and **Investment Priority: 2.2 Improving the labour market relevance of education and training systems** as set out in the ESF 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 support skills for growth. It will support activities through:

Investment Priority 2.2 - Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality, including through mechanisms for skills anticipation, adaptation of curricula and the establishment and development of work based learning systems, including dual learning systems and apprenticeship schemes

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 promote improvements in the labour market relevance of skills provision through active engagement with relevant institutions and employers, particularly SMEs and Micro businesses.	The additional support from this investment priority will enable the design of skills provision which will help individuals gain skills and qualifications relevant to the needs of the labour market

1.2 Local Development Need

Projects must deliver activity which directly contributes to the objectives of Priority Axis 2, Investment Priority 2.2 of the Operational Programme, and which meets the **local development need** expressed in the text below.

1.3 Local Priorities

Since the launch of the European Structural Investment Fund (ESIF) 2014-2020 programme the Enterprise M3 (EM3) area has enjoyed a period of sustained growth. The area has a high percentage of working-age population (81%) in employment, and the EM3 LEP area contains a highly skilled workforce- 47% of the workforce are qualified to Level 4 and above. (see https://www.nomisweb.co.uk/reports/lmp/lep/1925185544/report.aspx).

Enterprise M3 LEP has a strong concentration of high growth sectors. The Enterprise M3's Strategic Economic Plan sets out ambitious plans for 4% average annual growth. See Enterprise M3 SEP. The 2018 Technation report listed Basingstoke and Guildford/ Aldershot among 16 UK towns identified as digital suburbs- towns which show a higher proportion of digital tech business density and employment than the national average.

Stretching from the hinterland of London to Winchester covering mid to north Hampshire and South West Surrey, the Enterprise M3 LEP area brings together business leaders from 13 district authorities across two counties. It has four major interconnected urban centres known as 'Growth' towns: Woking, Guildford, Farnborough and Basingstoke and five 'Step-up' towns: Staines-upon-Thames, Camberley, Whitehill and Bordon, Aldershot and Andover.

Enterprise M3 is developing a local industrial strategy (LIS). A document on the LEP website 'Developing our Approach' sets out the detailed work being undertaken for the LIS and includes the specific focus for the element covering people and skills.

Data from the Office of National Statistics (Nomis) evidences that over 79,000 micro, small or medium businesses are located in the Enterprise M3 area. (see Business Size Numbers Enterprise M3 2018   Thus it is essential that the skills needs of this section of our economy are understood and addressed.

Enterprise M3 has set up a Skills and Talent Action Group to help address skills supply and skills provision challenges. It is working together with stakeholders and partners to address local skills supply and skills demand discrepancies. In its short time of meeting, the group has identified a clear need in the region for better co-ordination, communication and dialogue about the skills challenges faced in the SME sector. Supporting SMEs to develop capacity in their workforce planning (particularly in priority sectors and industries with skills shortages) is thus a key priority.

2. Call Outline

Through this call, the Managing Authority is seeking **projects** that seek to improve the labour market relevance of skills provision, through offering bespoke and coordinated brokerage and hub services. Proposals are sought for projects which will identify, support, enhance and develop the skills provision within SMEs and micro business.

There are two strands within this call- an **apprenticeship skills hub** and a **generic skills hub.** Applicants may apply for one or both of these strands.

In promoting and developing the capacity of SME skills growth, these support services should consider not only the needs of the SME sector, but how services can address the needs of those who face particular disadvantage in accessing the skills opportunities offered by the SME sector.

Projects should focus on supporting SMEs across a range of industry sectors but should pay particular attention to the challenges identified in the EM3 Strategic Economic Plan. Proposals should demonstrate alignment with local priorities

including SMEs operating in priority sectors including- aerospace and defence, creative and digital, life sciences and animal health, 5G technology applications, and low carbon.

Preference will be given to proposals that ensure that all businesses across the EM3 area, whether in urban or rural locations have an opportunity to be involved. Proposals are also encouraged to consider the use of technology to support communications and coordination of these employer focused services, and how data to evidence needs will be gathered and monitored.

Collaborative bids will be welcomed, which bring together organisations with different skills and expertise to deliver integrated services.

Applicants will need to demonstrate that employers are at the heart of their approach and that employers will be involved in the governance of the projects. Specifically, it is expected that projects will work with the Enterprise M3 LEP, Enterprise M3 Growth Hub and other employer facing services as part of any project governance arrangements.

There are two Strands to this call, applicants can apply for either or both lots:

Strand 1:

Apprenticeship Support Service/ Hub

The aim of the service will be to offer a bespoke service to businesses in the EM3 area interested in finding out more about apprenticeships, helping to maximise the levy and thus increase the number of businesses in the region who employ apprentices.
Applicants will need to develop and promote apprenticeship opportunities and the recruitment of people at all ages and levels. Overcoming stereotypes and myths of apprenticeship opportunities should form a key part of the service.

The apprenticeship skills hub will work with levy paying employers who have local control over their levy to help them maximise their funds and to help provide new apprenticeship and workplace opportunities across the Enterprise M3 region for the benefit of SMEs and the wider economy.

Projects should provide a range of employer engagement activities aimed at enabling SMEs to offer apprenticeships opportunities. Activities could be wide ranging, but could include:

- Providing one to one information, guidance and support to businesses which haven't offered apprenticeships before.
- Re-engagement with businesses who have offered apprenticeship opportunities in the past, but no longer do so for various reasons.
- Support with the recruitment of apprentices, possibly through an Apprenticeship Training Agency or local provider brokerage service.
- Long-term mentoring and support for businesses, to guide both the apprentice, and the wider employer, through a qualification.

- Advice and guidance on providing opportunities for disadvantaged and vulnerable groups within the labour market to access apprenticeships.
- Liaison with large employers to identify opportunities for accessing unused levy funds and recirculating funds into the EM3 economy
- Production of a database and online support service to help SMEs access the levy transfer system.

Applicants will need to demonstrate a proven track record in delivering activity related to apprenticeships, including details of engagement with local partner organisations and businesses involved in the delivery or employment of apprentices.

Strand 2:

General Skills Support Service/ Hub

This element is primarily about improving partnerships and systems, and providing brokerage. Services should help build capacity in SMEs to enable them to improve their talent pipeline and communications about their skills needs with relevant organisations.

Businesses will be supported to navigate the complex and fast-moving education landscape across local, regional and national networks- including local apprenticeship provider networks, local schools, existing FE and Sixth Form providers, universities, the Careers and Enterprise Company Enterprise Adviser Network, HE providers, the National Apprenticeship Service, National Careers Service and the Enterprise M3 Growth Hub. Applicants are encouraged to develop innovative approaches to demonstrate collaboration on brokerage opportunities to ensure that SME's see a 'one conversation' approach to supporting their identified talent pipeline and workforce needs. The service should proactively encourage collaboration and engagement between universities, colleges, schools, training providers and employers to achieve this.

Proposals must demonstrate an understanding of the existing skills provision landscape and business support networks already on offer across the EM3 LEP area, to ensure that there is no duplication with existing efforts.

Activities could be wide ranging, but could include:

- Support for collaborative projects, placements, internships or other activities with SMEs that enable students and graduates to gain industry-relevant experience and skills.
- Building capacity in SMEs to provide project/placement/ internship opportunities and enhance the contribution of advanced skills to SME growth, including programmes to specifically engage the most disadvantaged groups or those who face particular local disadvantages in utilising advanced skills.
- Brokering opportunities to encourage and increase work experience, work placements, (including new 3-month T Level placements), traineeships, and graduate placements particularly through wider employer engagement and involving supply chains.

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- Designing and producing high-quality Labour Market Information about local opportunities, utilising technology to inspire young people on emerging employment opportunities.
- Developing an online portal to act as a 'one stop shop' on all skills issues relevant to SMEs and micro businesses in the EM3 area.

Applicants should note that this is a complementary service to the Apprenticeship Skills Hub issued under this call. Applicants are encouraged to collaborate and consider opportunities for integration of activity.

Activities should be focused on support to SME organisations as the primary target audience, however applicants should also provide information on the total number of participants expected to benefit from the project as a consequence of the ESF project support to SME organisations. This information should be recorded in the additional IP2.2 Annex template available on GOV.UK and then uploaded into ECLAIMS as a supporting document as part of their online Full Application. Performance of the ESF Project(s) will then include monitoring against the individual participant target (ESF Output Target O1) as well as the relevant SME Output and Result targets.

Consortia/Partnership Applications

Applications are encouraged from consortia or other similar types of partnership arrangements. In each such case the application must be completed and submitted in the ECLAIMS IT system by the lead organisation on behalf of the partnership/consortia. The lead applicant must have the financial capacity to meet the required Due Diligence criteria and, if ESF funding is awarded, this organisation will then become the lead Grant Recipient, accountable for delivery of the overall ESF Project.

Details of the local ESIF Strategy can be found at: [Enterprise M3 ESIF Strategy](#).

1.3 Scope of activity

This call invites Full Applications which support the delivery of Priority Axis 2, **Investment Priority 2.2 Improving the labour market relevance of education and training systems** of the European Social Fund Operational Programme and responds to the local development need set out in the Enterprise M3 Local Enterprise Partnership Area European Structural and Investment Funds Strategy.

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

2. Call Requirements

All applications are competitive.

Indicative Fund Allocation:	Indicatively, through this call the Managing Authority expects to allocate approximately **£1,526,729 ESF.** The Managing Authority reserves the right to decrease or increase the indicative allocation, or support more or fewer projects subject to the volume and quality of proposals received.
Minimum application level	European Social Fund investment is intended to make a significant impact on local growth. Applications are expected to demonstrate appropriate scale and impact. The Managing Authority is seeking and will give preference to applications over **£381,682**. However, in exceptional cases we will consider applications of not less than **£200,000 of ESF to any single project**. **Applications requesting an ESF amount below the 'Minimum Application Level' will be rejected.** 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.
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 Enterprise M3 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.

50% of match funding must be provided. |
Procurement	All procurement must be undertaken in line with EU regulations.
State Aid law	Applicants must demonstrate compliance with State Aid law.
Audit/ Compliance	All expenditure and activities will be subject to rigorous audit and non-compliance may lead to financial penalty.

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

3. Deliverables required under this Call:

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

Investment Priority	2.2 Improving the labour market relevance of education and training systems
Specific Objectives	To promote improvements in the labour market relevance of skills provision through active engagement with relevant institutions and employers, particularly SMEs and micro businesses.
Indicative Actions	ESF will not support activities that duplicate or replace existing support within national programmes, but may be used to support additional activities, including provision co-designed with local partners. Examples of activities that may be supported include: • promoting apprenticeships (including at advanced levels) by developing a supportive environment for employer engagemen;t • brokering opportunities to encourage and increase work experience, work placements, traineeships, apprenticeships, and graduate placements particularly through wider employer engagement and involving supply chains; • support for collaborative projects, placements, internships or other activities with SMEs that enable students and graduates to gain industry-relevant experience and skills; • building capacity in SMEs to provide project/placement/ internship opportunities and enhance the contribution of advanced skills to SME growth, including programmes to specifically engage the most disadvantaged groups or those who face particular local disadvantages in utilising advanced skills.

Results Table

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

ID	Result Indicator	Minimum Target value for this call
R9	Small and Medium Enterprises successfully completing projects (which increase employer engagement; and/or the number of people progressing into or within skills provision)	75%

Outputs Table

NOTE: ESF applicants applying for funding under Investment Priority 2.2 must Provide Output target figures for "CO23 Number of supported micro, Small and Medium-sized Enterprises (including cooperative enterprises, enterprises of the social economy)" and also for "O1 - Total Number of Participants".

Target forecasts for CO23 must be recorded directly into the 'Deliverables' screen in ECLAIMS.

However, the target figure for "O1 Total Participants" should instead be recorded in the separate IP2.2 Annex, which is available on GOV.UK and which should then be uploaded as a mandatory supporting document in ECLAIMS as part of the Full Application.

When recording your quarterly profile figures for the CO23 Output in ECLAIMS, please ensure you select the CO23 Output Result drop-down entry with the correct, relevant Category of Region suffix i.e. L = Less Developed, T= Transition, MD = More Developed.

ID	Output Indicator	Minimum Target value for this call
CO23	Number of supported micro, Small and Medium-sized Enterprises (including cooperative enterprises, enterprises of the social economy)	180
O1	Total number of participants	There is no target value for this call however applicants will be expected to provide a total number of participants the project is aiming to support in both the application and associated IP2.2 Annex.

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 Enterprise M3 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.

In addition, applicants applying for ESF funds under I.P 2.2 will be expected to complete a short annex, along with the standard application Full Application form. This is to ensure that full consideration is being given to the 'Value for Money' (VFM). The Annex for ESF IP 2.2 funding calls can be located on the European Growth Funding website pages.

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 (depending on category of region). This means ESF can contribute up to 50% of the total eligible project costs, subject to State Aid regulations. The remaining 50% or more must come from other eligible sources. For all full applications, the applicant will need to provide information to demonstrate that the operation is likely to have the required level of match funding in place at the point of formal approval.

ESF is not paid in advance and expenditure must be defrayed prior to the submission of any claims. Applicants may be asked to demonstrate how they are able to cash flow the operation.

4.3   Applicants

Applicants must be legally constituted at the point of signing a Funding Agreement, and be able to enter into a legally binding Funding Agreement. The Applicant will be the organisation that, if the application is successful, enters into a contract for ESF and therefore carries the liability for ensuring that the terms of the ESF Funding Agreement are met by them and to all delivery partners. If there is more than one organisation applying for the funds, a lead organisation must be selected to become the Applicant. It is this organisation that carries the responsibility and liability for carrying out a compliant project.

The Managing Authority will consider the Applicant's track record, both positive and negative. If the Applicant has been involved in the delivery of previous European grants and any irregularities with this (these) grant(s) have been identified, the Managing Authority will look into these and expect to see how and what steps have been taken to ensure that these have been addressed to mitigate the risk of further irregularities in the future. It is acknowledged that some organisations will be new to ESIF funding and will not have a track record.

4.4   Cross Cutting Themes

All applications received under this Call should demonstrate how the Cross Cutting Themes have been addressed in the project design and development. Cross cutting themes for ESF are 'gender equality and equal opportunities' and 'sustainable development'.

For ESF, the project applicants will be required to deliver their services in-line with the Public Sector Equality Duty (as defined in the Equality Act 2010). All projects must have a gender and equal opportunities policy and implementation plan which will be submitted at full application stage and in-line with Managing Authority guidance. Project applicants will also be required to answer a number of ESF-specific equality questions which will be set out in both the Full Application 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.

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."

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.
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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 you Full Application information in ECLAIMS, 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.
- Annex for ESF IP 2.2.

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);
11. Fully completed [Annex for ESF IP 2.2](#);

Optional Supporting Documents

12. **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);
13. **Sample Timesheet** applicable if you or your Delivery Partners have members of staff working part of their time on your ESF Project;
14. **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;
15. **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);
16. **Draft SLA with Delivery Partners** applicable if your ESF Project will have one or more Delivery Partners;
17. **Independent state aid advice** applicable only if you have obtained independent advice to support your quoted ESF project State Aid position;

18. **Proof of Irrecoverable VAT** applicable only if you have Irrecoverable VAT which is relevant to your ESF Project
19. **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	30 July 2019
Deadline for submission of Full Application via the ECLAIMS IT System	Midnight 22 October 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 indicators for ESF investments

Common output indicators for entities are:

number of projects fully or partially implemented by social partners or non-governmental organisations
number of projects dedicated at sustainable participation and progress of women in employment
number of projects targeting public administrations or public services at national, regional or local level
number of supported micro, Small and Medium-sized Enterprises (including cooperative enterprises, enterprises of the social economy)