



Department
for Work &
Pensions



European Union
European
Social Fund

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:	1.2 Sustainable Integration of Young People into the Labour Market
Call Reference:	Intensive Support for Young People with Additional Needs who are not in Education, Employment or Training – OC08S19P1515
LEP Area:	D2N2 LEP Area
Call Opens:	4 September 2019
Call Closes:	Midnight - 27 November 2019
Application Process:	<p>Applications for funding must be completed and submitted using the ECLAIMS IT system.</p> <p>Applications submitted via any other method will not be accepted.</p> <p>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.</p> <p>Please note: the ECLAIMS system can only be accessed from within the UK.</p>

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1. Call Context

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

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

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

European Structural and Investment Funds are managed by the Ministry of Housing, Communities and Local Government (ERDF), Department for Work and Pensions (ESF) and the Department for Environment Food and Rural Affairs (EAFRD). In London, the Greater London Authority acts as an Intermediate Body for the European Regional Development Fund and European Social Fund programmes. Unless stated otherwise, the term "Managing Authority" will apply to all these organisations. These Departments are the Managing Authorities for each Fund. The Managing Authorities work closely with local partners who provide:

- Practical advice and information to the Managing Authorities to assist in the preparation of local plans that contribute towards Operational Programme priorities and targets;
- Local intelligence to the Managing Authorities in the development of project calls (decided by the Managing Authorities) that reflect Operational Programme and local development needs as well as match funding opportunities;
- Advice on local economic growth conditions and opportunities within the context of Operational Programmes and the local ESIF Strategy to aid the Managing Authority's appraisal of each Full Application.

This call is issued by the Department for Work and Pensions (DWP) to commission ESF Funded projects that will support the **Priority Axis 1 of the Operational Programme: Inclusive Labour Markets** and **Investment Priority: 1.2 Sustainable Integration into the Labour Market of Young People** as set out in the Operational Programme.

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

This call for proposal sets out the requirements for any applicants to consider before applying. Applications against this call will be 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 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. The Operational Programme identifies the need to address high levels of youth unemployment in specific areas of England this will be delivered through the following Investment priority:

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

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

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

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

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

1.2 Local Development Need

Local Priorities:

The focus of this call will be to support those young people aged 16 to 24 who are NEET or at risk of becoming NEET with additional needs or those from vulnerable groups e.g. carers, care leavers, young offenders, those with Learning Difficulties and Disabilities (LDD), at risk of gang involvement and from traveller communities with a focus on mental health and wellbeing support.

As such this programme will support Key Action 4 of the revised D2N2 Strategic Economic Plan Vision 2030 (<http://www.d2n2lep.org/SEP>) Careers Inspiration for our Future Workforce by inspiring young people to make well informed choices about their education, training and careers in the future economy.

Local Economic Context

The revised D2N2 Strategic Economic Plan Vision 2030 (<http://www.d2n2lep.org/SEP>) sets out the vision that by 2030 D2N2 will have a transformed high value economy, one which is prosperous, healthy and inclusive and amongst the most productive in Europe.

A challenge for D2N2 employers is demographic change associated with the ageing population. It will have significant implications for the labour market as in D2N2, the working age population will rise by just 1% between 2014 and 2039, growing efficiency pressures over time. By the end of 2030 the population over 64 years of age in D2N2 will have increased by 25%. With the numbers of young people joining the labour market reducing, it is increasingly important that those able to work have the support, skills and aspirations to enable them to do so.

Employers are vital to ensuring shared prosperity and opportunity. Our ambition is to engage employers in a win:win inclusion scenario, where disadvantaged people benefit from economic opportunities and employers are supported to address their skills and workforce challenges. We will directly support employers to make the changes needed whilst creating a local narrative which encourages, supports and values the skills and contribution of everyone to our local economy.

Young People Not in Employment Education or Training (NEET) in D2N2 LEP Area

The latest ONS data for 2017 highlights the number and proportion of young people who are classified as NEET across the D2N2 LEP Area, as per the table below: -

Area	Total number of 16- and 17-year olds known to local authority	Males	Females	Proportion of which known as NEET
Derby	5580	2910	2670	5.00%
Derbyshire	15200	7650	7410	2.70%
Nottingham	6410	3200	3050	5.50%
Nottinghamshire	16080	8110	7750	1.40%

The State of the Nation 2017: Social Mobility in Great Britain also assesses the education, employability and housing prospects of young people living in England's 324 LA's. The index highlights where people from disadvantaged backgrounds are most and least likely to make social progress

This report shows that the East Midlands is the worst region of the country for social mobility with half of the local authority areas social mobility cold spots. D2N2 LEP has a high proportion of cold spots where social mobility is deemed an issue and the report identified the following areas as being social mobility priority areas: -

- Ashfield and Mansfield
- North East Derbyshire, Bolsover and Chesterfield
- Derby and Nottingham
- Erewash and South Derbyshire
- Newark and Sherwood

Educational attainment at 16, identified by the CBI as a key driver of regional productivity, is an area of marked under-performance in some parts of the D2N2 area.

Poor attainment reduces the flow of higher skilled people into the market, and with marked under-performance in many parts of D2N2, we have too many young people not realising their potential.

Employer feedback highlights issues with 'work-readiness', employability skills and lack of awareness of job and careers opportunities. Poor or a lack of careers advice limits career aspirations, particularly for those living in areas of deprivation and who often don't have role models to aspire to.

Too few of our young people have meaningful experiences with employers. Research from the Education and Employers Taskforce shows young people who have four or more timely encounters with employers are 86% less likely to be NEET (Not in Education, Employment, or Training) and that they will earn up to 22% more during their career.

Our immediate priority in working with young people is to work with businesses and partners to raise the aspirations of the future workforce, by enhancing their careers advice and developing employability skills.

D2N2 has procured a NEET programme which operates across Derby, Derbyshire and Nottinghamshire (D2N1) using the ESFA opt arrangements. Nottingham City has a bespoke Youth Engagement Initiative which supports those identified as NEET or at risk of NEET living in the city. However there still remains a cohort of hard to reach NEET young people across D2N2 who require a more personalised and intensive approach to support them back into the workplace. This call is designed to put in place added value and complementary services to existing NEET provision for those hard to reach young people.

The latest national Labour Force Survey (LFS)

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/781544/NEET_statistics_annual_brief_2018_statistical_commentary.pdf) show that, in the period October to December 2018 (quarter four), 40.8% of young people NEET were unemployed and actively looking for work. However, some individuals may not be able to, or choose not to, participate and are recorded as inactive in the labour market, due to, for example, caring responsibilities or significant health problems. 59.2% of those NEET in the latest LFS estimates were recorded as inactive for health reasons, home/family reasons or for other reasons.

The D2N2 Core Delivery Principles.

The D2N2 ESIF subcommittee have agreed a set of Core Delivery Principles (<http://www.d2n2ta.org/european-structural-and-investment-funds/d2n2-esif-strategy-core-delivery-principles>) that define how it considers a good ESF project should operate. In particular, D2N2 wants to get maximum benefit for the economy from its ESF through fewer, larger projects of impact and scale with funded projects offering complementary and co-ordinated support. Therefore, we would encourage applications with a high impact for the economy, perhaps encompassing a number of activities or clearly aligned with other complimentary delivery. D2N2 LEP would wish to see employers from across the D2N2 area, in urban and rural areas benefit from access to services identified in this call specification.

D2N2 Technical Assistance Service

The D2N2 Technical Assistance Service is available to provide support to potential applicants. More information and contact details can be found on the D2N2 TA website at <https://www.d2n2ta.org/>

Call outline

The focus of this call will be to bring added support to those young people with additional needs or those from vulnerable groups e.g. carers, care leavers, young offenders, those with Learning Difficulties and Disabilities (LDD), at risk of gang involvement and from traveller communities. It will also have a strong focus on mental health and wellbeing support.

To support both alignment with existing provision and to develop coordinated referral pathways for learners each unitary or upper tier local authority (Derby and Nottingham City Councils and Derbyshire and Nottinghamshire County Councils) have appointed Stakeholder Managers to bring added value to ESF and mainstream

programmes. The successful applicant will be required to work closely with Stakeholder Managers in each local authority area to develop coordinated referral pathways and avoid duplication with other existing or future programmes.

Examples of activities that may be supported include:

- Increasing the uptake for both traineeships and apprenticeships through dedicated marketing or outreach work and supporting individuals to remain on projects and programmes (e.g. mentoring, paying trainees' day to day transport costs,).
- Providing education, training and careers guidance (particularly to women) to inform on local job options, business developments and local skills shortages.
- Brokering opportunities with employers to take on young people who are NEET (including those with complex barriers) and support for employers to take on young NEET people.
- Impartial careers advice and guidance to support transitions from education and training.
- Mentoring / peer mentoring and/or group work approaches to coaching.
- In-work employment support for job retention and progression.
- Money management support including digital and internet literacy courses.
- Volunteering and training opportunities.
- Improved identification and tracking of NEETs, those at risk of becoming NEET and marginalised 15-18-year olds.
- Extending the reach of services through improved LMI reporting, to support and improve Careers Education Information Advice Guidance provision – including outreach activities.
- Personalised case-loaded approach to support young people, including coaching and mentoring.
- Improved employability skills provision.
- Measures to assist young people secure skills support and accredited training.
- Supported work experience, placements and internships, to form a “work anchor” (encompassing both paid and structured volunteering opportunities) that develop the skills and track record of individuals and to act as “demonstration/trial” environments for recruiting partner employers linked to job matching and after care support.
- Involvement in direct experiences of the workplace and/or other learning environments.
- Enterprise skills as a credible route out of unemployment, including advice, support and guidance, and financial incentives for self-employment, business start-up, social enterprise and freelance activity (particularly in sectors such as IT and creative). This will build on and extend the geographical spread of existing provision in the GBSLEP area.
- A focus on tackling in a holistic manner the multiple barriers and complex needs of individuals, particularly those from marginalised and vulnerable/target groups including Care Leavers, members of gangs, homeless young people, young lone parents, Young Offenders (and those at risk of offending), young people with

Special Educational Needs and Disability (SEND), and young people with learning difficulties/disabilities.

- Mental health, anxiety, depression interventions, including support for young people with emotional, confidence, behavioural and social difficulties.
- Brokering opportunities with employers and matching young people to vacancies, particularly in the LEP growth sectors and sectors with significant job replacement.
- Bespoke programmes such as sector specific pre-apprenticeship programmes aligned to growth and providing support not available elsewhere (e.g. driving qualifications, kit and equipment, matching young people to employers).
- Addressing additional barriers and support - such as transport costs, childcare costs, support to secure accommodation.
- Re-engagement and transition support and assisting participants with their personal and social skills.
- Increasing young people's exposure to industry including via traineeships, forthcoming T-Levels and apprenticeships.
- Capturing learning and good practice that leads to sustainable interventions and measures to reduce the number of NEET residents.

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: <http://www.d2n2lep.org/SEP>

1.3 Scope of activity

This call invites Full Applications which support the delivery of Priority Axis 1, **Investment Priority 1.2 Sustainable Integration of Young People into the Labour Market** of the European Social Fund Operational Programme and responds to the local development need set out in the D2N2 Local Enterprise Partnership Area European Structural and Investment Funds Strategy.

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

2. Call Requirements

All applications are competitive

<p>Indicative Fund Allocation:</p>	<p>Indicatively, through this call the Managing Authority expects to allocate approximately £494,784 ESF.</p> <p>The Managing Authority reserves the right to decrease or increase the indicative allocation, or support more or fewer projects subject to the volume and quality of proposals received.</p>
<p>Minimum application level</p>	<p>European Social Fund investment is intended to make a significant impact on local growth. Applications are expected to demonstrate appropriate scale and impact.</p> <p>The Managing Authority does not intend to allocate less than £150,000 of ESF to any single project.</p> <p>Applications requesting an ESF amount below the 'Minimum Application Level' will be rejected.</p>
<p>Duration of project approvals</p>	<p>Projects must be completed no later than 3 years and 6 months after the proposed project start date; however, the Managing Authority reserves the right to vary the maximum duration in exceptional circumstances.</p> <p>All ESF Projects must be completed by 31st December 2023. Project costs cannot be incurred beyond this date.</p> <p>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.</p>
<p>Geographical Scope</p>	<p>All interventions should be focused on activity and beneficiaries within the D2N2 Local Enterprise Partnership area.</p>
<p>Specific call requirements</p>	<p>This is a call for ESF activity.</p>
<p>Call Deadlines</p>	<p>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.</p> <p>If you encounter any technical difficulties completing or submitting your Full Application via</p>

	<p>ECLAIMS, please send an email to E.CLAIMSSUPPORT@DWP.GOV.UK .</p> <p>Technical support is available Monday to Friday, from 8am to 6pm.</p> <p>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.</p> <p>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 .</p> <p>The Managing Authority reserves the right to reject applications which are incomplete or not submitted in a timely and compliant way.</p>
Application selection	All applications will be scored in line with the ESF scoring criteria, but the MA reserve the right to offer ESF funding where a project complements other activity or provides niche activity to target groups within the ESF Operational Programme.
Applicant proposals	These can only contain activities which are eligible for ESF.
Eligible match funding	Applicants will need to have eligible match funding for the balance of costs, which must be from a source other than the European Union. The applicant will need to provide information to demonstrate that the operation is likely to have the required level of match funding in place at the point of formal approval.
Procurement	All procurement must be undertaken in line with EU regulations.
State Aid law	Applicants must demonstrate compliance with State Aid law.
Audit/ Compliance	All expenditure and activities will be subject to rigorous audit and non-compliance may lead to financial penalty.

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

3. Deliverables required under this Call:

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

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

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.

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

Outputs Table

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

ID	Output Indicator	Total Minimum target value for this call
O2	Participants	732
O2	Participants (Male)	384
O2	Participants (Female)	348
ESF –CO01	Unemployed, including long-term unemployed	442
ESF – CO03	Inactive	290
O5	Participants from ethnic minorities	112
ESF - CO16	Participants with disabilities	135
O6	Participants without basic skills	175
ESF - CO14	Participants who live in a single adult household with dependent children	59

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 D2N2 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 50%. (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.

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.

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."

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	4 September 2019
Deadline for submission of Full Application via the ECLAIMS IT System	Midnight 27 November 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