



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:	1.1: Access to Employment for Jobseekers and Inactive People. 1.2: Sustainable Integration of Young People 1.4: Active Inclusion
Call Reference:	Inclusive Labour Markets – North East Region OC25S19P1510
LEP Area:	North East Region
Call Opens:	16 September 2019
Call Closes:	Midnight – 2 December 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>

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1. Call Context

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

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

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

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

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

This call is issued by the Department for Work and Pensions (DWP) to commission ESF Funded projects that will support the **Priority Axis 1 of the Operational Programme: Inclusive Labour Markets** and **Investment Priority: 1.1 Access to Employment for Jobseekers and Inactive People** and **Investment Priority: 1.2 Sustainable Integration into the Labour Market** and **Investment Priority: 1.4 Active Inclusion** as set out in the Operational Programme.

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

This call for proposal sets out the requirements for any applicants to consider before applying. Applications against this call will be appraised as part of a single-stage appraisal process and successful applicants will enter into a funding agreement with the DWP. Further information is given in sections 4 to 10.

All ESF applicants will need to be aware of the requirement to collect and report data on all participants as per Annex 1 of the ESF regulation (see Appendix A). This will be in addition to the requirement to report on the output and result indicators referred to in section 3 of the call for proposal.

1.1 National Context

This priority axis aims to increase participation in the labour market and thereby improve social inclusion and mobility. It will support activities through:

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

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

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

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

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

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, ex-offenders or young people with learning difficulties. They are likely to require more intensive and tailored interventions. The main result that will be achieved is that more participants will be engaged with education or training on leaving, and this will be measured by the result target.
To address the basic skills needs of young NEETS so that they can compete effectively in the labour market;	The additional support from this investment priority will help young NEETs (in areas that do not qualify for the Youth Employment Initiative up to 2018) to acquire the basic skills necessary to enable them to progress into an apprenticeship, traineeship or other employment. The main result that will be achieved is that more participants will have gained basic skills. There is an output target for participants without basic skills and a

	result target for participants gaining basic skills.
To provide additional work experience and pre-employment training opportunities to unemployed 18-24 year olds	The additional support from this investment priority will help unemployed 18-24 year olds (in areas that do not qualify for the Youth Employment Initiative up to 2018) to transition into training or sustainable employment (or self-employment). The main result that will be achieved is that more participants will enter traineeships, apprenticeships or sustainable employment (including self-employment) on leaving.
To support young lone parents to overcome the barriers they face in participating in the labour market (including childcare).	The additional support from this investment priority will help young lone parents (in areas that do not qualify for the Youth Employment Initiative up to 2018) to move closer to and into sustainable employment (including self-employment). Support will include assistance with childcare when this has not been covered by public provision, such as Universal Credit. It will also help participants to overcome other barriers, such as low basic skills or lack of confidence. The main result that will be achieved is that more participants will move into sustainable employment (including self-employment). There is an output target for the number of lone parents.

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

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

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

Specific Objective	Results that the Member States seek to achieve with Union support
To support people with multiple and complex barriers to participation to address these underlying issues and to move closer to or into the labour market.	The additional support for this investment priority will help people who are distant from the labour market and require intensive support in addressing their multiple, profound and complex barriers to participation in the labour market.

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

1.2 Local Development Need

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

Local Priorities:

The last 5 years has witnessed a period of economic growth within the North East Local Enterprise Partnership (NELEP) area with welcome falls in unemployment and increases in the numbers of people in work. To gauge the ongoing progress in 2014 NELEP published a Strategic Economic Plan (SEP) setting out plans for growing and developing a more productive, inclusive and sustainable regional economy over the 10-year period 2014-2024.

As the SEP is at halfway point a mid-term review has been undertaken and a refreshed SEP has been produced. Specifically related to ESF type activity the delivery programmes for the NELEP area's skills, employment, inclusion and progression have been brought together.

The area has made welcome progress in terms of the numbers of people in work as well as other indicators such as improvements in the levels of productivity, qualifications profile of residents and numbers of 'business births'. However, there is still much work to be done, particularly related to the target groups of beneficiaries associated with ESF Priority Axis 1 if we are to achieve the overall goal of an inclusive, productive and sustainable economy for the NELEP area.

Potential applicants should therefore familiarise themselves with the following documents to gain an understanding of the economic, regional context and labour market background associated with these calls.

- **The refreshed Strategic Economic Plan 2019** setting out our ambitions for developing a more inclusive, productive and sustainable economy
<https://www.nelep.co.uk/wp-content/uploads/2019/03/nel404-sep-refresh-2018-web-new-final.pdf>
- **The North East LEPs 2019 ‘Our Economy’** report provides an overview of the region’s current economic performance
https://www.nelep.co.uk/wp-content/uploads/2019/05/our-economy-2019_full_report_north-east-local-enterprise-partnership.pdf

More generally, potential applicants should conduct research into the regional labour market through other documents available via the North East LEP website, the Government’s Office of National statistics (ONS) / NOMIS. There are other research studies that can assist applicants glean information and an understanding of the economy and labour market of the North East region. For example, the ‘Forgotten Workers’ research undertaken by Durham, Newcastle and Bradford Universities that examined the extent of ‘in-work’ poverty, under-employment, zero hours contracts and ‘multiple’ low waged employment on individuals and families.

<https://www.dur.ac.uk/business/research/research-centres/forgotten-workers/>

Key Local Challenges

It is important that project applications under this call address some of the key strategic challenges facing the area’s labour market. A recent report from the *Learning and Work Institute* - ‘*An Overview of Labour Market Challenges*’, March 2019 flagged up a series of key challenges for the North East region and its partners.

This report highlights that, when the North East region is compared to other regions (for the purposes of this report these regional statistics also includes the Tees Valley Combined Authority Area) the key challenges are that:

- Employment is generally low and remains unevenly distributed.
- The employment rate is particularly low for men and black and ‘other’ ethnic minorities.
- People with no qualifications are less than half as likely to be in employment compared to graduates.
- There is also a relatively high proportion of economically inactive people who want a job.
- There are additionally, a relatively high proportion of young people not in employment, education or training (NEET).

Health and disability are major barriers to work.

- The disability employment gap is larger than average with just 47% of those with a core or work-limiting disability in work and inactivity rates are higher than the England average, with a high incidence of long-term sickness.
- In terms of comparison, there are 27.7 of the working age population classed as long-term sick compared with the England average of 21.5%.
- Similarly, for those classed as temporarily sick the respective figures for the North East region are 3.2% compared with 2.0% across England, in percentage terms this equates to a 62.5% higher rate.

Insecure and low wage employment is more prevalent than other parts of the country.

- There is a higher proportion of people in non-permanent forms of employment. The extent to which this is driven by individual choice (or lack of) is not clear and these forms of employment tend to be concentrated among professionals, elementary occupations and in public services.
- There is also a higher than average proportion of workers earning below the living wage, in part reflecting higher than average employment in low productivity sectors.
- Coupled with low levels of employer training, these trends mean that workers are more likely to get stuck in low paid employment with limited prospects for pay progression.

Source: Learning & Work Institute – Overview of Labour Market Challenges March 2019

Overall Employment Rates

In comparison with comparator areas in Great Britain (LEP areas are measured against the GB figures for ONS purposes) the overall employment rate of people of working age (16-64) in the North East at 75.3% falls below that of Great Britain as a whole figure of 78.4%.

Economic Inactivity

This is a much broader measure of those people of working age who are not in work for various reasons including those with caring responsibilities, full-time students, those who are long term and temporarily sick, early retirees, the discouraged and those people who have not actively sought work for 4 weeks. In percentage terms this accounts for almost a quarter (24.2%) of residents in the region and is more than six (x6) times the numbers of people of working age (16-64) that are officially unemployed and registered with the Jobcentre.

The Economically Inactive Group includes 61,500 people who would 'like a job'.

This cohort of inactive people who would like a job is a priority group for this call as many do not access mainstream support.

Workless Households

The region additionally compares unfavourably in terms of the numbers of residents and children living in 'workless households'.

It is generally accepted that the primary route out of poverty and deprivation is through employment and we need to support people in workless households take their first steps towards employment.

By addressing this issue, we also work towards combatting 'generational' levels of unemployment that is prevalent in some areas and communities, thus helping to break intergenerational cycles of inactivity and the 'benefit trap' that some households appear 'locked into'.

Applicants should note that data is also available at Local Authority, Ward & Parliamentary Constituency data is available via the link below:

<https://www.nomisweb.co.uk/reports/lmp/ward2011/1946157066/report.aspx>

Labour market information amongst key target groups with 'Protected Characteristics'

Within the general unemployment and inactivity rates, there are certain groups that perform even less well than the average both in the region and nationally. These groups with 'protected characteristics' include: people from workless households, offenders, ex-offenders and those on community sentences, inactive women, communities where worklessness is persistently high & inter-generational, ethnic minorities, older workers, people with disabilities and those with caring responsibilities.

Applicants may therefore wish to specifically target some of these more disadvantaged groups identified below (**Source: Annual Population Survey 2018**).
People in Workless Households

In 2017, 19.0% of households in the North East LEP area were workless, containing no one in work, this was 5.0 percentage points higher than in England as a whole (14.0%).

Unemployment and Inactivity amongst the older workforce (50-64)

In the region 68.2% of 50 to 64-year olds are in employment, 3.8 percentage points lower than England as a whole (72.0%). The male rate at 70.2% and female rate at 66.3% are respectively 6.4 and 1.2% points lower than England as a whole (76.6% and 67.5%)

Disabled People

25.4% of working age people in the North East LEP area were 'core disabled' (according to the Equality Act) or work limiting disabled, compared to 20.3% of working age people in England as a whole. The working age employment rate for this group of people was 48.3% a gap of 31.9% when this was compared to the rate for non-disabled working age people (80.2%). The regional rate was 5.8% below the equivalent for England as a whole (54.1%).

People with work limiting health conditions

The employment rates of adults with health conditions or illnesses lasting more than 12 months in the North East LEP area in 2018 identified that 43.8% of adults with such conditions are in employment, 2.4 percentage points less than in England as a whole.

Carers

In November 2018 3.3% of working age people in the North East LEP area claimed Carers Allowance, this was a higher proportion than in England as a whole (2.3%)

Ethnic Minorities

The ethnic minority working age employment rate in the North East LEP area was 58.6% compared with the rate for people from the white ethnic group (72.7%), amounting to a 14.1% gap with working age employment rates for ethnic minority males at 62.3% and females at 53.7%.

Ex-Services Personnel / Veterans

Whilst there is no difference between employment levels of ex services people compared to the national averages working age veterans in the North East region were:

- Less likely than non-veterans to have no qualifications (5% compared to 11%), less likely to have a degree or equivalent qualification (18% compared to 23%) and more likely to have GCSE grades A*-C or equivalent as their highest qualification (27% compared to 20%).
- At a national level (no region data available), working age veterans were significantly less likely to visit a job centre when looking for work than non-veterans (4% compared to 21%)

Ex-offenders

Data is not available on the labour market outcomes for ex-offenders at a North East LEP level. However, in 2018, the Cabinet Office published a call for evidence in relation to Supporting Ex-Offenders on their Path to Employment. This provided a summary of the research on this topic; key points include:

- Being in employment significantly reduces the likelihood of reoffending
- The proportion of offenders in P45 employment one year after release was 17%
- Ex-offenders face barriers to employment in addition to their criminal records, with:-
 - 47% of prisoners thought to have no school qualifications;
 - 42% of adult prisoners reporting that they had been permanently excluded from school when younger;
 - almost a third of prisoners self-identify as having a learning difficulty and/or disability.

Applicants targeting the ex-offender ‘protected group’ will need to demonstrate that they have liaised with the National Probation Service (HMPPS) and the national offenders New Futures Network agencies to ensure collaboration and to avoid potential duplication.

Younger working age people (16-24)

In 2018 52.8% of 16 to 24-year olds in the North East LEP area were in employment, 0.7% lower than England as a whole (53.5%). This is comprised of 54.0% of males and 51.6% of females in this age group who were in employment, respectively 0.2 and 1.3 percentage points lower than England as a whole (54.2% and 52.9%)

NEET Groups

At the end of 2017, in the North East LEP area there were about 1,600 young people aged 16 or 17 were not in education, employment or training (NEET) and a further 1,100 whose activity was 'not known', this cohort are likely to be amongst the most vulnerable young people, disengaged from any form of mainstream activity.

In total, 6.9% of 16 / 17-year olds were NEET or had an unknown activity, (4.1% known NEET), these percentages were higher than for England as a whole (6.0% and 2.7%).

In March 2018, 90.4% of 16- and 17-year olds were participating in education or training split between 78.4% in full-time education, 8.7% in apprenticeships and 3.3% in other education and training. The proportions in education or training as a whole and in full-time education in particular were lower than nationally (92.0% and 83.8%).

Care Leavers (Children looked after in England (including adoption))

In 2017/18 there were 922 care leavers in the North East LEP area that were aged 19 to 21 who were 'looked after' with (53% in education, employment or training, a similar proportion to England (51%).

In relation to those care leavers 'not in education, training or employment' – NEET, 18% are ill or disabled, 8% are pregnant or parenting and 21% are for other reasons. This is notably, a much larger proportion are ill or disabled in the North East LEP area than in England as a whole (10%).

Other target beneficiary groups within IP1.2 - where we do not have discrete labour market information include: those at risk of becoming NEET, ex-offenders, young lone parents, young people with learning difficulties / disabilities and those involved in gangs.

Evidence indicates that these groups experience severe labour market disadvantage and applicants that target these groups are particularly welcome either as a discrete cohort or as part of a wider project with additional support measures as appropriate.

Existing Provision

The regions' seven local authorities, FE & HE institutions, training and VCSE providers and mainstream government agencies have an established set of provision in place. Applicants should ensure that their project proposal aligns, integrates and builds upon existing provision or test new approaches to support key target groups.

ESIF Strategy

The North East's ESIF strategy sets out the framework for all EU funded programmes and applicants need to propose projects that fit within this framework. The North East has therefore focused its employment, inclusion and skills activities around this.

<https://www.nelep.co.uk/wp-content/uploads/2017/10/esif-strategy-2014-2020.pdf>

<https://www.nelep.co.uk/wp-content/uploads/2017/10/esif-strategy-2014-2020-summary.pdf>

The North East ESIF Strategy specifically notes that employment is the key route to combating poverty and exclusion. Despite an improving picture in recent years the region's unemployment and inactivity rates compare unfavourably to other areas and regions in England.

Call Outline

Please note - applicants can apply for funding to deliver a project for one Investment priority only, or under multiple Investment Priorities. Applicants may also wish to deliver in either or both Categories of Region.

Investment Priority 1.1 – Access to Employment for Jobseekers and Inactive People.

An indicative allocation of **£4.1 million ESF funding** is available in this Investment Priority (1P 1.1) split between the More Developed region (£3m ESF) and the Transition region comprising Co. Durham only (£1.1m ESF).

Scope of Activity

The key target groups under this Investment Priority include: unemployed and inactive people, lone parents, women, disabled people, older workers, those with health problems, ethnic minorities, people with caring responsibilities, ex services personnel, care leavers, people with chaotic lives, migrants with the right to work in the UK, those who live in isolated rural areas and those from jobless households.

Specific LMI associated with some of these target groups is highlighted above and project applicants are required to demonstrate their understanding of the needs of each target group and the suitability of their support offer in addressing them. Applicants may also propose additional target groups that are excluded from the labour market where need is evidenced. In this respect the applicant organisation will need to validate that target beneficiaries are eligible for support under this call.

ESF Investment through this call is focussed on providing support to increase employment for people who are unemployed and claim out-of-work benefits, claiming other benefits that would classify them as economically inactive or who are workless and not claiming any benefit.

ESF Investment under this Investment Priority should therefore be focussed on projects that provide:

- Job brokerage and impartial IAG for unemployed and inactive participants with more than one barrier to employment.
- Activities targeted at women to increase their participation, particularly in occupations or sectors where they are underrepresented.
- Provision of additional intensive support to unemployed and inactive residents who have health conditions, including through integrated employment, health and wellbeing approaches.
- Support for those in low pay or with a history of insecure employment to progress into higher paid more secure employment.

Moreover, projects will also be prioritised based on:

- Their contribution to overcoming digital exclusion.
- The novelty of the approach taken to provide work experience, training and intermediate labour market activity, including through social enterprise.
- Demonstration of access to and alignment with a range of services accessible by beneficiaries.
- Demonstration of a coherent journey from initial engagement in community settings to skills training and work taster sessions that equip people with the skillset's employers need both currently and into the future.
- Delivery of programmes of recruitment support linked to demonstrable geographic or sectoral need and evidenced market failure of current services to meet this need.
- Demonstration of a holistic integration of services for residents facing multiple disadvantage though proposed projects.
- Demonstration of a place-based approach targeted to estates / neighbourhoods with support delivered on-site and using social community networks.

This Investment Priority, targeting people disadvantaged in the labour market therefore seeks applications from organisations that have a track record and experience of supporting residents within the relevant target groups noted in the specification above.

This call covers all working age groups and circumstances and is designed to generate proposals that help the region achieve its long-term ambition in which the demand and supply sides of the labour market become more balanced. Projects should clearly reflect the relevant local context across the geography they are targeting within the region, an understanding of the target groups of beneficiaries, good value for money and alignment with domestic strategic priorities. These will form a key part of the assessment and appraisal processes and projects should therefore ensure that these issues are fully and robustly demonstrated.

Types of activity that can be supported include, but are not limited to:

- Engagement and identification of barriers faced by target beneficiaries.
- Intensive face-to-face interventions that address their multiple, profound and complex barriers.
- Production of individual tailored action plans.
- Basic skills training, including additional support with basic skills, language and numeracy support where applicable, effective communication.

- Money management support including digital and internet literacy courses.
- Volunteering and training opportunities.

Within your project proposals applicants should demonstrate how they intend to develop and deliver their project within a framework of:

- Alignment to the ESIF priorities.
- Knowledge and experience of the local labour market.
- Their understanding of the barriers faced by the groups of beneficiaries targeted within this IP and how they propose to support them towards and into employment.
- A track record of working with unemployed and inactive people who face multiple barriers to work and those who are 'under-employed'.
- Flexibility in their provision with an ability to respond to individual's circumstances and the changing needs of the local economy.
- How they will complement and not duplicate other existing, mainstream or ESF funded activity and that their proposal adds value to existing provision and collaborates with existing providers.
- Their referral and signposting systems for beneficiaries.
- The specific target group(s) that they intend to work with.

Investment Priority 1.2 – Sustainable Integration of Young People

An indicative total allocation of **£3,000,000 ESF funding** is available for this Investment Priority **for the More Developed area only**. There is no funding available for this Investment Priority in the Transition area.

Scope of Activity

ESF investment through this call is focussed on providing support to increase employment for young people aged 16-24 who are unemployed and claim out-of-work benefits, claiming other benefits that would classify them as economically inactive or who are workless and not claiming any benefit. Additionally, projects can also target some specific cohorts of 15-year olds such as those 'at risk of NEET' and those 'in care'.

ESF investment through this call will be targeted to projects which will:

- Improve the transitions of young people from education to work and within the labour market.
- Support young people to make good choices and provide them with the additional support they need to overcome acute labour market disadvantage.
- Support sector specific and tailored personal development programmes for young people addressing preparedness for work.
- Provides support for those in low pay or with a history of insecure employment to progress into higher paid more secure employment.

Projects will be prioritised based on:

- Demonstration of access to and alignment with a range of services for beneficiaries.
- Demonstration of a coherent journey from initial engagement in community settings to skills training and work taster sessions that equip people with the skillset's employers need both currently and into the future.
- Projects that support disadvantaged young people who are socially excluded, such as those 'Not in Employment Education and Training' (NEET); those young people 'at risk' of becoming NEET, Care Leavers and other young disadvantaged people and groups.
- Projects that demonstrate innovative use of digital services in their delivery.

Types of activity that can be supported include, but are not limited to:

- 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' costs 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 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

Within this Investment Priority applicants should demonstrate their understanding and knowledge of how they intend to develop and deliver their project within a framework of:

- Alignment to the ESIF priorities.
- Specialist experience in effectively overcoming young people's barriers to employment and work-related training.
- Knowledge and experience of the local labour market.
- Flexibility in provision and ability to respond to individual's circumstances and the changing needs of the local economy.
- How their project complements existing mainstream or ESF funded activity.
- Adding value and collaborating with existing providers.
- Their referral and signposting systems for beneficiaries.
- The specific target group(s) that they intend to work with.

Investment Priority 1.4 Active Inclusion

An indicative total allocation of **£4.12m ESF** is available for this Investment Priority. **£1.17m ESF** is available for the More Developed area and **£2.95m ESF** for the Transitional Area 'Category of Regions'.

Scope of Activity

ESF investment through this call is focussed on providing support to increase employment for people who are a significant distance from the labour market and are unemployed and claim out-of-work benefits, claiming other benefits that would classify them as economically inactive or who are workless and not claiming any benefit.

ESF investment through this call will be targeted to projects which will:

- Support people with multiple and complex barriers to participation to address these underlying issues and to move closer to or into the labour market.
- Engage marginalised individuals and support them to re-engage with education, training, or in employment.

Projects will be prioritised based on:

- A detailed knowledge of the protected characteristics of the cohort as well as the local labour market.
- Flexibility of provision to respond to individual's circumstances and demands of the local economy
- Those demonstrating a place-based approach targeted to estates / neighbourhoods with support delivered on-site and using social community networks.

This Investment Priority, targeting people furthest from the labour market seeks applications from organisations with a track record and experience of supporting residents within the target groups noted above.

The types of activity that can be supported include, but are not limited to:

- Employment support, skills training, and support mechanisms to achieve job outcomes for ex-offenders. **(Must not duplicate current ESF HMPPS provision).**
- Innovative approaches to engaging economically inactive participants.
- Job brokerage, coaching and mentoring to support people into work.
- Brokerage of age and ability appropriate opportunities including apprenticeships, traineeships, work experience and work tasters to support progression towards employment.
- Mentoring / peer mentoring and/or group work approaches to coaching.
- Effective engagement with employers to identify and secure opportunities for beneficiaries.
- In-work employment support for job retention and progression.

- Basic skills training, including additional support with basic skills, language and numeracy support where applicable.
- Support for Refugees to engage with the labour market and overcome language or cultural barriers to participation.
- Money management support including digital and internet literacy courses.
- Volunteering and training opportunities.

Projects should generally identify the relevant local context across the geographies project applicants will cover, good value for money and alignment with domestic strategic priorities and will form a key part of the assessment and appraisal process.

Within your project proposals applicants should demonstrate how they intend to develop and deliver their project within a framework of:

- Alignment to the ESIF priorities.
- Knowledge and experience of the local labour market.
- How they will complement existing mainstream or ESF funded activity.
- Adding value and collaborating with existing providers.
- Their referral and signposting systems for beneficiaries.
- The specific target group(s) that they intend to work with.

Projects can either apply to support activity within one or multiple Investment Priorities, either as separate independent projects or as a package of activities under one project. If applying for multiple Investment Priorities applicants need to submit and complete 1 on line application, but with the figures broken down into each Investment Priority and Category of Region where appropriate.

The **More Developed (MD)** area covers the local authority districts of Northumberland, North Tyneside, Newcastle, Gateshead, South Tyneside and Sunderland.

The **Transitional (T)** area is County Durham.

Please note the North East Technical Assistance Team are available to provide additional advice and guidance to potential applicant organisations
neta@northumberland.gov.uk.

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: <https://www.nelep.co.uk/wp-content/uploads/2017/10/esif-strategy-2014-2020.pdf>.

1.3 Scope of activity

This call invites Full Applications which support the delivery of Priority Axis 1, **Investment Priority: 1.1 Access to employment for jobseekers and inactive people, Investment Priority 1.2 Sustainable Integration of Young people and Investment Priority 1.4 – Active Inclusion** of the European Social Fund Operational Programme and responds to the local development need set out in the North East Region Local Enterprise Partnership Area European Structural and Investment Funds Strategy.

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

2. Call Requirements

All applications are competitive.

<p>Indicative Fund Allocation:</p>	<p>Indicatively, through this call the Managing Authority expects to allocate approximately £11,224,820 ESF</p> <p>Investment Priority 1.1</p> <p>Approximately 27% - £1,100,000 allocated to the Transition Region</p> <p>Approximately 73%- £3,000,000 allocated to the More Developed Region</p> <p>Investment Priority 1.2</p> <p>£3,000,000 allocated to the More Developed Region only. <u>No IP 1.2 funding available in the Transitional Region.</u></p> <p>Investment Priority 1.4</p> <p>Approximately 72% - £2,955,000 allocated to the Transition Region</p> <p>Approximately 28%- £1,169,820 allocated to the More Developed Region</p> <p>The Managing Authority reserves the right to decrease or increase the indicative allocation, or support more or fewer projects subject to the volume and quality of proposals received.</p>
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<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 is seeking and will give preference to, applications over £2,056,205 (of European Social Funding) to any single project covering both Investment Priorities 1.1 and 1.4 and both Categories of Region – More Developed and Transition, subject to the application meeting the quality and scoring assessment criteria.</p> <p>For projects operating in the More Developed area only covering both Investment Priorities we will consider applications of not less than £1,042,455 (of ESF funding). For projects covering IP 1.1 only we will consider applications of not less than £750,000.</p> <p>For Projects covering IP 1.2 in the More Developed Region only we will consider applications of not less than £750,000.</p> <p>For projects covering IP 1.4 only we will consider applications of not less than £292,455 (of ESF funding).</p> <p>For projects operating in the Transition area only covering both Investment Priorities we will consider applications of not less than £1,013,750 (of ESF funding).</p> <p>For projects covering IP 1.1 only we will consider applications of not less than £275,000.</p> <p>For projects covering IP 1.4 only we will consider not less than £738,750 (of ESF funding only).</p> <p>Applications requesting an ESF amount below the ‘Minimum Application Level’ will be rejected.</p> <p>The minimum project size for both ESF & match funding, is dependent on the intervention rate determined by Category of Region (CoR) 60% Transition Region & 50% More Developed Region.</p> <p>As North East Region LEP area spans two CoR – Transition and More Developed - applicants will need to make it clear in their online Full Application how much of their requested project funding applies to each CoR and ensure that output and result figures are recorded for both CoR.</p>
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Duration of project approvals	<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>
Geographical Scope	<p>All interventions should be focused on activity and beneficiaries within the North East Region Local Enterprise Partnership area.</p>
Specific call requirements	<p>This is a call for ESF activity.</p>
Call Deadlines	<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 the you encounter any technical difficulties completing or submitting your Full Application via 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	<p>All applications will be scored in line with the ESF scoring criteria, but the MA reserve the right to offer ESF funding where a project complements other activity or provides niche activity to target groups within the ESF Operational Programme.</p>

Applicant proposals	These can only contain activities which are eligible for ESF.
Eligible match funding	<p>Applicants will need to have eligible match funding for the balance of costs, which must be from a source other than the European Union. The applicant will need to provide information to demonstrate that the operation is likely to have the required level of match funding in place at the point of formal approval.</p> <p>The intervention rate in the North East Region LEP Area is 50% in the More Developed areas and 60% in the Transition areas, so 50% of match funding must be provided in the More Developed areas and 40% of match funding must be provided in the Transition areas.</p>
Procurement	All procurement must be undertaken in line with EU regulations.
State Aid law	Applicants must demonstrate compliance with State Aid law.
Audit/ Compliance	All expenditure and activities will be subject to rigorous audit and non-compliance may lead to financial penalty.
Calls listing multiple activity	The applicant is required to list each activity they plan to deliver, supported by a clear breakdown of costs. Expected outputs and results per activity should be provided.

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

3. Deliverables required under this Call:

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

Investment Priority	1.1 Access to employment for jobseekers and inactive people
Specific Objectives	To help those who are disadvantaged but still relatively close to the labour market to tackle their barriers to work, and enter and sustain employment.
Indicative Actions	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>Examples of actions which may be supported for all unemployed and inactive people include:</p> <ul style="list-style-type: none"> • additional and innovative approaches to pre-employment training, to ensure individuals have the core work-related skills that employers require, including preparation for apprenticeships; • support for those who need pre-traineeship and pre Work Programme assistance, to prepare them for the next step. • training for those who need to upgrade their skills or learn new skills (including basic skills and English for non-speakers) to compete in the local labour market and adapt to changes in the economy; • helping people access or benefit from apprenticeships, including support for women to enter non-traditional sectors which addresses barriers to entry (e.g. construction); • providing access to transport where this is a barrier to taking up a job; • providing advice, guidance and support by plugging gaps in national provision where appropriate, in order to help people, make better informed choices, and in particular to take account of the jobs available in the local area; • specific careers advice for women, to help them make informed career choices; • using self-employment as a route out of worklessness, including providing advice and support for self-employment (an attractive option where an individual is struggling to find work with an employer, either because they lack experience or because they face discrimination). <p>Activities which are not specifically applicable should be removed.</p>
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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.
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Investment Priority	1.4 Active Inclusion.
Specific Objectives	Active inclusion, including with a view to promoting equal opportunities and active participation, and improving employability
Indicative Actions	<p>ESF will not support activities that duplicate or replace existing support within national programmes, but may be used to support additional activities or target groups, including provision co-designed with local partners.</p> <p>Examples of activities that may be supported include:</p> <ul style="list-style-type: none"> • basic skills and ESOL training, including additional support with basic skills in preparation for apprenticeships; • support for those who need pre-traineeship and pre-Work Programme assistance, to prepare them for the next step; • support complementing other skills provision, such as crosscutting and 21st century skills, including team working, effective communication, problem solving, critical thinking and self-direction; • money management support and advice and financial literacy programmes in order to address deep seated debt issues which make moving from benefit into work more challenging;

- digital and internet literacy courses to aid job searching, access to benefits and progress in work;
- volunteering and training opportunities (as a pathway back to work) for marginalised individuals / groups / communities to help them access jobs in low carbon sectors or land drainage flood risk management or work that supports property level protection against flooding;
- local 'Community Grant' type activity to support small scale voluntary sector activity which can be crucial to reaching out to these groups;
- first contact engagement activities (for example, arranging events in places that people feel comfortable to visit);
- local networks and groups to support people to get a job or access learning (for example, Job Clubs or Learning Champion type activity) to provide people with a safe environment and peer support;
- softer skills development (for example, assertiveness, anger management and motivation);
- volunteering, which is recognised in general terms as a good way to re-engage those furthest from the labour market.

The investment priority may also encourage Social Investment models (e.g. social impact bonds) by providing outcome funding that enables payment by results programmes to be established to support the Government's agenda on Social Justice and encourage innovative delivery models within local communities. The focus would be on disadvantaged individuals and families, e.g. in areas such as employment, training, drug addiction and other issues which are usually part of the cycle of deprivation.

To complement other thematic objectives, the investment priority may support activities that are designed to promote social inclusion whilst also tackling environmental issues such as environmental protection, waste recycling, energy efficiency, and renewable energy. These activities are relevant across all types of territory.

Results Table IP 1.1 More Developed and Transition

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
R1	Unemployed participants into employment (including self-employment) on leaving (T)	22% Transition & More Developed
R2	Inactive participants into employment, or job search on leaving (T)	33% Transition & More Developed
R3	Participants gaining basic skills (T)	4% Transition & More Developed
R4	Participants with childcare needs receiving childcare support (T)	36% Transition & More Developed
ESF-CR06	Participants in employment, including self-employment, 6 months after leaving (T)	34% Transition & More Developed

Outputs table – IP 1.1 More Developed

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
O1	Participants	3574
O1	Participants (Male)	1858
O1	Participants (Female)	1716
ESF –CO01	Unemployed, including long-term unemployed	2158
ESF – CO03	Inactive	1416
O4	Participants over 50 years of age	487
O5	Participants from ethnic minorities	400
ESF - CO16	Participants with disabilities	651
O6	Participants without basic skills	475
ESF - CO14	Participants who live in a single adult household with dependent children	447

Outputs table – IP 1.1 Transition

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
O1	Participants	1053
O1	Participants (Male)	537
O1	Participants (Female)	516
ESF –CO01	Unemployed, including long-term unemployed	633
ESF – CO03	Inactive	420
O4	Participants over 50 years of age	175
O5	Participants from ethnic minorities	68
ESF - CO16	Participants with disabilities	239
O6	Participants without basic skills	170
ESF - CO14	Participants who live in a single adult household with dependent children	144

Results Table IP 1.2 More Developed only

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%
ESF-CR06	Participants in employment, including self-employment, 6 months after leaving	34%

Outputs Table – IP 1.2 More Developed only

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	3667
O2	Participants (Male)	1907
O2	Participants (Female)	1760
ESF –CO01	Unemployed, including long-term unemployed	2455
ESF – CO03	Inactive	1212
O5	Participants from ethnic minorities	444
ESF - CO16	Participants with disabilities	660
O6	Participants without basic skills	698
ESF - CO14	Participants who live in a single adult household with dependent children	256

Results Table IP 1.4 More Developed and Transition

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
ESF-CR02	Participants in education or training on leaving	17% Transition & More Developed
ESF-CR06	Participants in employment, including self-employment, 6 months after leaving	22% Transition & More Developed
R1	Unemployed participants into employment (including self-employment) on leaving	14% Transition & More Developed
R2	Inactive participants into employment, or job search on leaving	27% Transition & More Developed
R4	Participants with childcare needs receiving childcare support	36% Transition & More Developed

Outputs Table IP 1.4 More Developed

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
O1	Participants	727
O1	Participants (Male)	436
O1	Participants (Female)	291
ESF –CO01	Unemployed, including long-term unemployed	380
ESF – CO03	Inactive	344
O4	Participants over 50 years of age	104
O5	Participants from ethnic minorities	94
ESF - CO16	Participants with disabilities	159
07	Participants who are offenders or ex-offenders	

Outputs Table IP 1.4 Transition

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
O1	Participants	1572
O1	Participants (Male)	943
O1	Participants (Female)	629
ESF –CO01	Unemployed, including long-term unemployed	743
ESF – CO03	Inactive	829
O4	Participants over 50 years of age	187
O5	Participants from ethnic minorities	123
ESF - CO16	Participants with disabilities	292
07	Participants who are offenders or ex-offenders	

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

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

4. General Information

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

4.1 Compliance and Eligibility

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

European Structural Investment Funds (ESIF) are governed by European regulations and national rules. Applicants are advised to familiarise themselves with the relevant documentation listed in the 'Document Checklist' (Section 8 of this call specification) prior to completing and submitting their Full Application in the ECLAIMS IT system. If successful, Applicants will enter into the standard Funding Agreement and must abide by the standard terms and conditions contained therein. Applicants are therefore strongly advised to read these terms and conditions to ensure that they would be able to enter into such an agreement prior to responding to the call. Once a Funding Agreement has been issued it should be signed and returned within a short timescale.

4.2 Intervention Rate & Match Funding

ESF is funding used where no other funding can be obtained (the funder of last resort) and the maximum ESF intervention rate for the operation is 60% (depending on category of region). This means ESF can contribute **up to 60%** of the total eligible project costs, subject to State Aid regulations. The remaining 40% or more must come from other eligible sources. For all full applications, the applicant will need to provide information to demonstrate that the operation is likely to have the required level of match funding in place at the point of formal approval.

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

4.3 Applicants

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

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

4.4 Cross Cutting Themes

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

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

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."

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

4.7 Procurement

All costs delivered by the Grant Recipient (the applicant) and/or delivery partners must be delivered on an actual cost basis. Other costs must be procured in line with EU regulations. The most common error identified during audit has been failure to comply with relevant procurement regulations and crucially to maintain a full audit trail to prove that they have complied with the relevant regulation. Robust and transparent procurement is required to ensure that Grant Recipients:

- consider value for money;
- maximise efficient use of public money; and
- maintain competitiveness and fairness across the European Union.

It is recommended that applicants seek their own legal advice pertaining to their procurement and requirements to publicise any tendering opportunities.

The Managing Authority is not able to give legal advice on procurement. It is the responsibility of the applicant to ensure the project is compliant in this respect.

4.8 Retrospection

There will be no retrospection for applications made against this call.

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

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

5. Application Process & Prioritisation Methodology

The ESF application process is a single-stage process – Full Application only.

Applicants must fully complete the Full Application 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.	16 September 2019
Deadline for submission of Full Application via the ECLAIMS IT System	Midnight 2 December 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
