2014 to 2020 European Structural and Investment Funds Growth Programme

Call for Proposals – Online Applications European Social Fund

Priority Axis 2: Skills for Growth

Managing Authority	**Department for Work and Pensions (DWP)**
ESI Fund	**European Social Fund**
Priority Axis:	**Priority Axis 2: Skills for Growth**
Investment Priority	**2.1: Enhancing equal access to lifelong learning and 2.2**
Call Reference:	**IP2.1 And IP2.2 Sustainable Business and Future Skills OC05S20P1766**
LEP Area:	**Cornwall and the Isles of Scilly**
Call Opens:	**04 August 2020**
Call Closes:	**Midnight 03 November 2020**
Application Process	**Applications for funding must be completed and submitted using the ECLAIMS IT system.** **Applications submitted via any other method will not be accepted.** **Please <u>do not</u> use ECLAIMS to access or apply against <u>ERDF</u> calls published on GOV.UK – the online application process is only applicable to specified ESF open calls.** **Please note: the ECLAIMS system can only be accessed from within the UK.**

Contents

1. Call Context

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

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

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

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

This call is issued by the Department for Work and Pensions (DWP) to commission ESF Funded projects that will support the **Priority Axis 2 of the Operational Programme: Skills for Growth** and **Investment Priority: 2.1 Enhancing equal access to lifelong learning** 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 usually 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.

However, if an existing ESF Grant Recipient submits an application to extend their existing ESF Project via this open call and, if the cumulative value of all Full Applications received against it is below the call value, the ESF Managing Authority may choose to consider and assess that application via the Project Change Request route.

The decision on whether or not to use the Project Change Request route is a Managing Authority decision and will only be considered once the call is closed. To determine whether the Project Change Request route may be appropriate, the Managing Authority will take into account:

- Existing project performance against financial, output and result targets;
- The existing Grant Recipient track record within the ESF Programme;
- Completeness, robustness and detail of the information provided in the Full Application Form and supporting documents which would inform the Project Change Request assessment;
- Scale and complexity of any proposed changes between their existing ESF Project and their new Full Application proposal;
- Eligibility and availability of match-funding for the new/extended project delivery period.

This list is not exhaustive and, if there are any concerns about the delivery and/or management of the existing project, then the Full Application will be subject to the standard Full Appraisal process.

The same Project Change Request route may also be considered by the Managing Authority where the cumulative value of applications against an open call exceeds the overall call value, but the ESF Managing Authority then exercises their right to "increase the indicative allocation, or support more or fewer projects subject to the volume and quality of proposals received" as set out in this call specification or in cases where there is only one applicant against this call and that applicant is already delivering the same type of ESF Project in the same LEP Area under the same Investment Priority.

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.

UK Withdrawal Agreement

Under the Withdrawal Agreement, the UK will continue to participate in programmes funded under the current 2014-2020 Multiannual Financial Framework (MFF) until their closure.

This means that the vast majority of programmes will continue to receive EU funding across the programme's lifetime. In many cases, funding will continue until after 2020 and the end of the transition period. In addition, UK organisations can continue to bid for new grant funding under the current MFF.

More information on the continued UK participation in EU Programmes can be found at the following website link.

1.1 National Context

This priority axis aims to support skills for growth. It will support activities through:

Investment priority: 2.1 - Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences

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 address the basic skills needs of employed people, particularly in SMEs and micro businesses.	The additional support from this investment priority will help employed people to gain basic skills. It will also improve the capacity of SMEs and micro businesses and support business growth. We have set an output target for the number of participants without basic skills and a result target for participants gaining basic skills.
To increase the skills levels of employed people from the existing level to the next level up, to encourage progression in employment.	The additional support from this investment priority will help employed people to progress at work through achieving higher skills, and it will drive growth in their organisation by improving productivity. We have set result targets for participants gaining qualifications or units – separate targets for level 2 and level 3.
To increase the number of people with technical and job specific skills, particularly at level 3 and above and into higher and advanced level apprenticeships, to support business growth.	The main result that will be achieved is that more participants will have gained a qualification or a unit of qualification. This investment priority will also support business growth through the development of a more highly skilled workforce. We have set a result target for participants gaining qualifications or units at level 3 or above.
To increase the skills levels of employed women to encourage progression in employment and help address the gender employment and wage gap.	The additional support from this investment priority will support women in raising the level of their skills, helping them to progress in employment or self-employment and achieve higher earnings. There is a result target about progression in work. This investment priority will also

	contribute to supporting business growth through the development of a more highly skilled workforce.

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

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

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

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

Local Development Need

Projects must deliver activity which directly contributes to the objectives of Priority Axis 2, Investment Priority 2.1 & Investment Priority 2.2 of the Operational Programme, and which meets the **local development need** expressed in the text and table below.

Local Priorities:

COVID-19 Response and Recovery element. Businesses and individuals in CIOS have been severely affected by the pandemic. Applicants should consider how their project will contribute to the economic stabilisation and growth of local businesses as well as providing support and skills for individuals.
Creating the skilled workforce needed to increase economic growth and improve productivity is a priority for Cornwall and the Isles of Scilly (CIOS). There is a need to further invest in supporting our businesses to develop the skills base of their employees in order to close the gap with national average skills levels.
- There are 24,000 enterprises registered for VAT and/or PAYE in C&IoS.
- When incorporating those enterprises that fall beneath the VAT registration level, there are an estimated 58,000 to 64,000 businesses in CIOS. These SMEs and micros are key drivers of the local economy as they make up 99.7% of the total number of businesses (source: ONS, UK Business counts; ONS Census data and BIS estimates).

- GDP stands at 68% of the EU average and 64% of the UK average (Eurostat)
- The area has the lowest levels of productivity, measured by GVA per hour, of any area in the UK: £23.80 per hour, 71% of the UK average (ONS, Subregional productivity).
- The percentage of people with both lower and higher level qualifications need to be increased in order to address skills gaps and to ensure that companies have the ability to grow and become more productive.
- Approximately 55,000 of the workforce (16-64) in CIOS are not yet qualified to Level 2, the National skills benchmark level (composed of those with no quals and level 1 only).
- 37% of the working age population in CIOS have higher level skills (NVQ4+) which is significantly lower than the 40.3% Great Britain average (Nomis, 2019).

Applicants may want to provide specific evidence to support their applications to identify gaps in current delivery or to target specific businesses and their employees.

There is some geographical variation in this across the locality. For example, the implication is more significant for Cornwall on its own. The specific issue for the Isles of Scilly is that they have a higher level of skills in their workforce, but suffer from under-utilisation of those skills, due to the lack of economic opportunity on the Islands

For **Businesses** the aim is to promote improvements in the labour market relevance of skills provision through active engagement with relevant institutions and employers, particularly SMEs and Micro businesses. This could be for current markets but also for future and emerging markets. The additional support from this investment priority will enable the design of skills provision which will help individuals gain skills and qualifications relevant to the needs of the labour market; particularly those hardest hit by the COVID-19 pandemic.

For **Individuals** the aim is to increase the skills levels of employed people from the existing level to the next level up, to encourage progression in employment, either for the current or future opportunities that may emerge. The additional support from this investment priority will help employed people to progress at work through achieving higher skills, and it will drive growth in their organisation by improving productivity. This should include participants gaining qualifications or units towards, technical and job specific skills including management skills and advanced level apprenticeships, to support business growth.
The main result that will be achieved is that more participants will have gained a qualification or a unit of qualification. This investment priority will also support business growth through the development of a more highly skilled workforce.
IP2.2 outputs are SMEs only but large organisations can be supported as part of the project as eligible costs as they are likely to provide valuable input to the 2.2 objectives and support we provide to SMEs.
There are a number of live IP2.1 and IP2.2 ESF funded projects in Cornwall and the Isles of Scilly. Applicants should ensure and confirm awareness of these projects as well as evidencing how their application does not duplicate ESF or mainstream funded projects in CIOS. In particular applicants should ensure contact with the ERDF funded Growth Hub and ESF funded Skills Access Hub

Call Outline

This is one Call under PA2 with two Lots broken down into outputs and results for IP2.1 and IP2.2 respectively. It is expected that this model will allow for the engagement and curriculum development for businesses as well as ensuring the actual delivery of skills. Preference will be given to linked calls that include both IPs but standalone applications that have clearly identified a gap in the current delivery mechanisms will not be discounted.

Through this call Cornwall and the Isles of Scilly is seeking a programme of activity which will provide, under IP2.2, support for SMEs to understand the skills needs of their organisations and create a positive workplace culture of achievement of skills and training as well as personal development opportunities to contribute to future sustainability. The IP2.1 element will equip managers and staff with the right level of skills to help ensure future progression, sustainability and development.

The following are suggestions regarding what might be included in any application. The items identified are only indicative and applicants are expected to provide detail of their own delivery models.

IP2.2 Target Audience and Support

Activities should be focused on support to SME organisations as the primary target audience. 2.2 outputs are SMEs only but large organisations can be supported as part of the project as eligible costs as they are likely to provide valuable input to the 2.2 objectives and support we provide to SMEs.

Applicants should consider: -

- Support for business to engage in culture change around identifying and accessing suitable skills and development opportunities.
- Support SMEs to undertake an information gathering audit of current and future skills needs across the organisation as well as identifying potential barriers to accessing this.
- Identify and offer solutions to any barriers that may have been raised.
- Offer training, skills and resource solutions to better enable businesses to engage with skills packages.
- Support SMEs to deliver an action and training plan, linked to future growth, monitor progress and achieve success against measurable targets.
- Support to deliver an action and training plan, linked to future sustainability or diversification, monitor progress and achieve success against measurable targets.
- Supporting SMEs to revisit their policy and procedures to support a positive outcome.
- Supporting SMEs to introduce an apprenticeship option for staff.

IP2.1 Target Audience and Support

2.1 is focused on the individuals and as such any employee/self- employed person is eligible regardless of size/type of employer. There is a notional figure on the numbers coming from large organisation, maximum 30%, but applicants should monitor this.

Applicants should consider: -

- Training and resources to enable managers and leaders to access suitable training and skills.
- Training and resources to enable staff at all levels, including those with disabilities, including trainees and apprentices, to access suitable training and skills.
- Deliver tailored courses flexibly to enable staff to gain the tools and confidence to progress in work to senior positions. May include coaching, mentoring and peer to peer support as well as individual or group training sessions.

General Activity. Applicants should also consider how any proposed activity will:
- Demonstrate how they will identify and work with employers to identify their skills needs.
- Ensure that, where relevant, skills programme content is trialled within the beneficiary business/es.
- Support flexible learning and delivery models (e.g. delivery on employer sites, business cluster approach, evening delivery, online learning platforms and modules).
- Describe in their application the governance arrangements they would seek to put in place with the Growth Hub and the Skills Access Hub and explain how these would work.
- Describe in their application the governance arrangements they would put in place with the Digital Skills Partnership.
- Demonstrate how they would be responsive to changing business needs and economic changes over the course of any project.
- Consider flexible funding and delivery mechanism for businesses including vouchers.
- Linking with current and emerging ESF & ERDF and mainstream projects if / where appropriate to maximise the impact of the European investment and to ensure no duplication of effort.
- Applicants should consider this call in its widest context ie. cross sectoral or through a whole business or cluster of businesses approach, identifying cross sectoral, common themes where such cross sectoral activity could provide greater application throughout the workforce.
- Proposals should offer opportunities to test, develop and innovate new approaches to skills delivery including transferable skills.
- Consideration should be given to opportunities to develop and embed skills provision through supply chains, utilising the breadth of local networks of businesses.
- In order to innovate and develop new activity, new approaches, challenge existing delivery norms applicants may wish to consider the use of targeted

voucher schemes and the provision of flexible funding models to encourage innovation as the project evolves. This could be in the form of targeted proactive procurement or tailoring responses to identified need as businesses are engaged and focused funding would provide the best value for money and effective solutions.

Isles of Scilly. Applicants must be able to demonstrate: -

- How they have consulted with Council of the Isles of Scilly's Learning and Development team and consequently demonstrate how they will overcome logistical and financial challenges in order to deliver high quality opportunities to a) small cohorts on the Isles of Scilly and/or b) ensure funding is available so that individuals can access opportunities on the mainland. If you are not proposing to deliver on the Isles of Scilly, please provide your reasons why.

The activity in this call has the following strategic fit with the C&IoS ITI Strategy and applicants should identify how their delivery model contributes to the following objectives.

Strategic Priority: Growth for Business
Investment area 4: Increase workforce productivity through skills and career development programmes

Strategic Priority: Conditions for Growth
Investment area 5: To improve progression into the labour market

A detailed CIOS Evidence Base is available. This has formed the basis for the CIOS Employment and Skills Strategy and the C&IoS ITI Strategy (referred to as the ESIF Committee elsewhere in the country). These documents can be found on the Cornwall and Isles of Scilly LEP website

The Cornwall and Isles of Scilly ITI Strategy can be found at ITI Strategy

Target Audience:

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

Consortia/Partnership Applications

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

will then become the lead Grant Recipient, accountable for delivery of the overall ESF Project.

Details of the local ESIF Strategy can be found at: ITI Strategy

1.3   Scope of activity

This call invites Full Applications which support the delivery of Priority Axis 2, **Investment Priority 2.1 Enhancing equal access to lifelong learning and Investment Priority 2.2 Improving the labour market relevance of education and training systems** of the European Social Fund Operational Programme and responds to the local development need set out in the Cornwall and Isles of Scilly 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.

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Indicative Fund Allocation:	Indicatively, through this call the Managing Authority expects to allocate approximately **£3,700,000 ESF** IP2.1 £1,700,000 IP2.2 £2,000,000 **If applicable:** 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. The managing authority may also decide to place some projects submitted through this call on a reserve list and invite them to proceed at a later date, subject to the availability of funding.
Minimum application level	European Social Fund investment is intended to make a significant impact on local growth. Applications are expected to demonstrate appropriate scale and impact. The Managing Authority does not intend to allocate less than **£950,000 of ESF to any single project**. Applications requesting an ESF amount below the 'Minimum Application Level' will be rejected.

Duration of project	Projects must be financially completed (i.e. have a proposed Financial Completion Date) no later than 31st December 2023; however, the Managing Authority reserves the right to vary the maximum duration in exceptional circumstances. Project costs cannot be incurred beyond this date. NOTE: Delivery of activities and associated costs can be incurred up to and including 31st December 2023, with the full and final claim expected no later than February 2024.
Geographical Scope	All interventions should be focused on activity and beneficiaries within the Cornwall and Isles of Scilly Local Enterprise Partnership area.
Specific call requirements	This is a call for ESF activity.
Call Deadlines	For this specific call, applications will be appraised following closure of the call. Applications submitted to the Managing Authority via the ECLAIMS IT system after midnight on the published call close date will not be considered. **If you encounter any technical difficulties completing or submitting your Full Application via ECLAIMS, please send an email to E.CLAIMSSUPPORT@DWP.GOV.UK .** **Technical support is available Monday to Friday, from 8am to 6pm.** It is your responsibility to submit your application in good time to allow time to resolve any technical issues. Except in the unlikely event that there is a general failure of the system in the final hours, we will not normally extend the deadline for technical issues. **If you do not already have ECLAIMS access, to avoid any unnecessary delays in submission of your Full Application, it is recommended that you submit new ECLAIMS access requests as early in the application process as possible by sending an email to E.CLAIMSSUPPORT@DWP.GOV.UK .** The Managing Authority reserves the right to reject applications which are incomplete or not submitted in a timely and compliant way.
Application selection	All applications will usually 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.

However, the Managing Authority reserves the right to assess applications from existing Grant Recipients via the Project Change Request route where appropriate, as set out in the 'Call Context' section of this specification. |
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| **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. |
| **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	**2.1 Enhancing equal access to lifelong learning**
Specific Objectives	Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences
Indicative Actions	ESF will not support activities that duplicate or replace existing support within national programmes, but may be used to support

	additional activities or target groups, including provision co-designed with local partners. Examples of activities that may be supported include: • skills shortages or needs in particular sectors or local areas which are not currently being addressed by employers or individuals; • leadership and management training in Small and Medium size Enterprises (up to 250 employees); • training and support for people at all levels, in particular addressing the needs of disadvantaged groups in and out of the workplace; • access to learning; information about learning and skills; • brokerage of opportunities between learners and employers.

Results Table

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

Results Table 2.1

ID	Result Indicator	Minimum Target value for this call
R3	Participants gaining basic skills	11%
R6	Participants gaining level 2 or below or a unit of a level 2 or below qualification (excluding basic skills)	25%
R7	Participants gaining level 3 or above or a unit of a level 3 or above qualification	8%
R8	Employed females gaining improved labour market status	35%

Outputs Table

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

Outputs 2.1

ID	Output Indicator	Total Minimum target value for this call
O1	Participants	965
O1	Participants (Male)	472
O1	Participants (Female)	493
O4	Participants over 50 years of age	200
O5	Participants from ethnic minorities	18
ESF - CO16	Participants with disabilities	119
ESF - CO14	Participants who live in a single adult household with dependent children	45
O6	Participants without basic skills	217

Investment Priority	2.2 Improving the labour market relevance of education and training systems
Specific Objectives	To promote improvements in the labour market relevance of skills provision through active engagement with relevant institutions and employers, particularly SMEs and micro businesses.
Indicative Actions	ESF will not support activities that duplicate or replace existing support within national programmes, but may be used to support additional activities, including provision co-designed with local partners. Examples of activities that may be supported include: • support for collaborative projects, placements, internships or other activities with SMEs that enable students and graduates to gain industry-relevant experience and skills; • building capacity in SMEs to provide project/placement/ internship opportunities and enhance the contribution of advanced skills to SME growth, including programmes to specifically engage the most disadvantaged groups or those

	who face particular local disadvantages in utilising advanced skills;
	• brokering opportunities to encourage and increase work experience, work placements, traineeships, apprenticeships, and graduate placements particularly through wider employer engagement and involving supply chains;
	• promoting apprenticeships (especially at advanced levels in manufacturing and other priority sectors) by developing a supportive environment for employer engagement;
	• developing better links with business to equip students with the skills to start and grow a business to meet local business needs.

Results IP 2.2

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

Outputs IP 2.2

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

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

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

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

ID	Output Indicator	Minimum Target value for this call
CO23	Number of supported micro, Small and Medium-sized Enterprises (including cooperative enterprises, enterprises of the social economy)	183

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 Cornwall and Isles of Scilly 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 80% (depending on category of region). This means ESF can contribute up to 80% of the total eligible project costs, subject to State Aid regulations. The remaining 20% 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.

Applicants are strongly encouraged to exceed the cross-cutting theme requirements detailed in the Operational Programme. The Cornwall and Isles of Scilly ITI Board will seek to provide its support to projects that:
- demonstrate how the application will embed cross cutting themes good and best practices into the proposed project's activities
- make reference to the Inclusion Strategy and the Environmental Growth Strategy outlined in the Cornwall and Isles of Scilly Integrated Territorial Investment Strategy.
- Make reference to Cornwall Council Climate Emergency Action Plan

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

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[1] Article 107(1) of the Treaty on the Functioning of the European Union provides that: "Save as otherwise provided in the Treaties, any aid granted by a Member State or through state resources in any form whatsoever which distorts or threatens to distort competition by favouring certain

aid can only be awarded if it is compatible aid, in that it complies with the terms of a notified scheme or is covered by the De Minimis Regulation. Guidance for grant recipients, explaining more about State Aid, is available; it is important that Applicants take responsibility for understanding the importance of the State Aid rules and securing their full compliance with them throughout the project, if it is selected into the Programme.

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

Where the Applicant does not perceive that there is any State Aid, it should state whether or not it considers Articles 61 and 65(8) of regulation 1303/2013 to apply. This revenue should be taken into account in calculating eligible expenditure. Article 61 refers to monitoring revenues generated after completion of the project, and Article 65(8) how to deal with differences in the forecast and actual revenues at the end of the operation. The details of this will be tested at the full application stage.

4.6   Funding Agreement

The Funding Agreement is a standard, non-negotiable and legally binding document. Any successful Applicant will be subject to the terms and conditions contained within this agreement. Applicants are strongly advised to seek their own advice to ensure that they would be able to enter into and abide by the terms of the Funding Agreement.

Failure to meet any of the conditions of the agreement or the commitments within the application will result in claw back of funding.

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

4.7   Procurement

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

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

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

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undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market."

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

4.8 Retrospection

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

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

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

5. Application Process & Prioritisation Methodology

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

Applicants must fully complete the Full Application information required in the ECLAIMS IT system (section 9 refers).

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

Following the call closing date, applications will usually 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.

However, the Managing Authority reserves the right to assess applications from existing Grant Recipients via the Project Change Request route where appropriate, as set out in the 'Call Context' section of this specification.

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.

To support applicants, the Cornwall and Isles of Scilly Access to the Programme Team, funded by technical assistance, offer free specialist cross cutting themes support for applicants and can be contacted on accesstotheprogramme@cornwalldevelopmentcompany.co.uk

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);
11. Fully completed Annex for ESF IP 2.2.

12. **Due Diligence Financial Information.** If your organisation is a private or voluntary and community sector organisation or a Further Education College, you <u>must</u> 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).

Optional Supporting Documents

13. **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);
14. **Sample Timesheet** applicable if you or your Delivery Partners have members of staff working part of their time on your ESF Project;
15. **Procurement policy** applicable if your ESF project is expecting to incur procurement costs from existing or future procurements and you are <u>not</u> intending to use the 40% Flat Rate Indirect Cost option;
16. **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);
17. **Draft SLA with Delivery Partners** applicable if your ESF Project will have one or more Delivery Partners;
18. **Independent state aid advice** applicable only if you have obtained independent advice to support your quoted ESF project State Aid position;
19. **Proof of Irrecoverable VAT** applicable only if you have Irrecoverable VAT which is relevant to your ESF Project.

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	04 August 2020
Deadline for submission of Full Application via the ECLAIMS IT System	Midnight 03 November 2020

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