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
Call Reference:	Career Development Programme – Leeds City Region - OC20S21P1814
LEP Area:	Leeds City Region
Call Opens:	23 February 2021
Call Closes:	Midnight – 17 April 2021
Application Process	Applications for funding must be completed and submitted using the ECLAIMS IT system. Applications submitted via any other method will not be accepted. Please **do not** use ECLAIMS to access or apply against **ERDF** calls published on GOV.UK – the online application process is only applicable to specified ESF open calls. Please note: the ECLAIMS system can only be accessed from within the UK.

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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.

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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Local Development Need

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

Local Priorities:

Local Economic Context of Leeds City Region

Leeds City Region is the biggest city region economy in the country, with an annual output of £73.6bn[1] representing 5% of the English total. It hosts 130,000 businesses, 3 million residents and a workforce of 1.4m[2]. Nine Higher Education institutions and 14 Further Education Colleges are based in the City Region. Despite the City Region's undoubted economic strengths and assets, it is not realising its full potential. The decline of heavy industry has left a legacy of pockets of serious deprivation and an economy that is less productive than those in many other parts of the country.

The LEP's revised vision for the City Region is to be a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone. This revised vision places a greater emphasis on "good growth", where a radical uplift in growth, productivity and business success goes hand in hand with quality jobs that connect all people and places to opportunity and improved quality of life. Achieving the vision will mean that the economy becomes stronger, more dynamic and resilient, and will be on course to consistently improve performance compared to national averages and international competitors over time.

The original Leeds City Region Strategic Economic Plan (SEP) was agreed in 2014 and has been updated to reflect the new focus on good growth and to account for economic change since the initial publication. The following thematic priorities were set out in the revised SEP:

PRIORITY 1: Growing Businesses
PRIORITY 2: Skilled People, Better Jobs
PRIORITY 3: Clean Energy and Environmental Resilience
PRIORITY 4: Infrastructure for Growth

Overall Challenges

The Leeds City Region has seen qualification levels continue to improve at all levels. However, the gap between the City Region and the national average at Level 4 and above is widening, particularly in comparison with London. There is significant variation between LA areas and LCR does not compare well with other LEP areas on this indicator; only 10 of 38 LEPs have a smaller proportion with qualifications at Level 4 and above (Source: Annual Population Survey). Closing this gap remains a vital priority for all concerned given the links between higher qualifications and productivity, earnings and economic resilience. With regard to productivity, the level of GVA per hour in the City Region is only 86 per cent of the UK average (Source: Office for National Statistics). This gap is likely to be at least in part due to the working population's lower skill levels. The LEP's forecasts suggest that across all sectors, job seekers will require higher qualifications than the current workforce in order to access opportunities (Leeds City Region Labour Market Analysis). A major

challenge is to ensure that the population has the skill levels they will need to access these jobs.

There are significant skills gaps and shortages in Leeds City Region, with nearly a quarter of all vacancies being skill shortage vacancies (hard to fill due a lack of candidates with the required skills). With availability of talent a major factor in determining where businesses will locate, it is essential that skills gaps and shortages are addressed and that businesses are encouraged to play their part in upskilling the workforce.

However, there are a large number of people who are now claimant unemployed, made redundant as well as many people are on furlough and at elevated risk of redundancy as a result of COVID-19 and the ongoing structural change in the economy. The changing pattern of labour demand locally means that individuals need to re-skill in order to take-up alternative career opportunities.

Claimant unemployment
The COVID-19 crisis has led to a huge increase in the number of people who are claimant unemployed in Leeds City Region. In November 2020, the number of claimants in the local area was 118,385; this is almost double the figure recorded for March 2020 (a 92% increase). At district level the percentage increase ranges from 79% in Kirklees (along with the other West Yorkshire districts Kirklees had a high level of unemployment going into the crisis) to 167% in Craven.

Count of claimant unemployed March to November 2020

Local authority: district / unitary	March 2020	November 2020	Change	% change
Bradford	17,090	31,085	13,995	82%
Calderdale	4,725	9,050	4,325	92%
Craven	410	1,095	685	167%
Harrogate	1,390	3,625	2,235	161%
Kirklees	10,225	18,335	8,110	79%
Leeds	18,120	35,450	17,330	96%
Selby	925	2,160	1,235	134%
Wakefield	6,920	12,785	5,865	85%
York	1,820	4,800	2,980	164%
Leeds City Region	61,625	118,385	56,760	92%

Source: Claimant Count, Office for National Statistics

The claimant unemployment rate (claimants as a proportion of working age population) in Leeds City Region stands at 6.6%. This is slightly higher than the national average but some districts within the City Region have much higher rates; for example, Bradford's rate of 9.4% is among the highest in the country.

Prospects for unemployment
The most recent OBR Economic and Fiscal Outlook report (Economic and fiscal outlook – November 2020 (obr.uk)), published in November 2020, provides national forecasts for the ILO measure of unemployment taking into account the impact of COVID-19. These forecasts suggest that ILO unemployment is expected to increase

from 4.9% at the time of the report to a peak during 2021 of 7.5% under the central scenario and of 11% under the downside scenario. The conditions for the downside scenario (i.e. the imposition of additional restrictions following the November 2020 lockdown) have largely been fulfilled. Should the downside scenario be realised and replicated in Leeds City Region this would entail a doubling of the unemployment rate during 2021.

The OBR expect structural unemployment to rise due to changes prompted by the pandemic, such as more working from home, less business travel and the shift to online retail. This creates a need for support to enable labour to shift across occupations and sectors and this could be compounded by the restructuring necessitated by Brexit.

People on furlough
In spite of reductions in recent months there is a large number of people still on furlough who have the potential to become unemployed when the Job Retention Scheme ends. The latest figures (published in December 2020 and relating to October 31 2020) show that 87,100 employments in Leeds City Region were furloughed, equivalent to 6.9% of total employments in the area. The prevalence of furloughing is at a fairly consistent level across the City Region, ranging from 5.7% in Wakefield to 7.5% in Bradford.

Change in pattern of labour demand
A comparison of online job postings data for the period September to November 2019 with the same period of 2020, shows a change in the pattern of recruitment demand for the City Region. A number of sectors have seen a fall in their share of total postings, suggesting a reduction in demand resulting from COVID-19. The most notable example of this is the Accommodation and food service sector which saw a decline in share from 6% to 3% between 2019 and 2020. Conversely, other sectors have seen growth, most notably health and social care (increase in share from 20% to 24%) and manufacturing (13% to 15%).

In terms of occupations, COVID-19 appears to be accelerating the longer-term pattern of decline already in train due to factors like automation. For example, the share of job openings accounted for by clerical roles (administrative and secretarial) and sales and customer service occupations have both declined. Meanwhile, higher skilled occupations have increased their share of job postings during the COVID-19 crisis.

This changing profile of recruitment demand illustrates the need for workers to reskill in order to take advantage of recruitment demand. (Source: West Yorkshire Labour Market Analysis Report 2021 – forthcoming).

Based on the evidence of need the following needs to be addressed;

- **Retraining is key to addressing low pay, an issue that is likely to be exacerbated by COVID-19**

    There is also the underlying issue of low pay and lack of pay progression which remain entrenched in the labour market, with the majority of low-paid workers remaining permanently stuck in low pay or cycling in and out of higher pay. It is likely that the Coronavirus pandemic will only exacerbate these issues. The

drastic fall in job vacancies already experienced and the potential rise in unemployment as the Coronavirus Job Retention Scheme ends will create increased competition for jobs, reducing the opportunity for pay rises.

- **Retraining and enhanced skills support career and pay progression**

   Workplace training and adult education offer a route to higher wages and better opportunities, both in and outside of work. They can allow adults to upskill and retrain for better-paid occupations. The value of reskilling is evidenced by the fact that access to increased training and higher qualifications is associated with an increased chance of escaping from low pay. In particular, individuals undertaking higher levels of learning (most notably at Level 3) in certain subjects (such as engineering and manufacturing), and longer courses are more likely to escape from low pay. Detailed evidence for these points is set out in *Learning ladders: The role of adult training in supporting progression from low pay*, Social Mobility Commission, November 2020. [Learning ladders: adult training and progression out of low pay - GOV.UK (www.gov.uk)](#)

- **Lack of skills / qualifications among local population hampers their career adaptability**

   One of the key challenges facing West Yorkshire is a deficit in its skills base relative to other parts of the UK. This is closely associated with its underperformance on productivity and innovation. West Yorkshire is seven points below the national average (33% versus 40%) with regard to the proportion of its working age population qualified to a higher level – Level 4 and above. Instead, its qualification profile is skewed towards people with no qualifications or who are qualified at the lowest level (below Level 2). More than a quarter (26%) of the working age population are qualified below Level 2 or hold no qualifications, compared with 21% nationally. In absolute terms these percentage differences are equivalent to 100,000 fewer people locally with qualifications at Level 4 and above and 74,000 more people qualified below Level 2 or with no qualifications. (Source: West Yorkshire Labour Market Analysis Report 2021 – forthcoming).

- **Retrained workers can address employers' skills deficits**

   There is evidence that employers experience problems in finding people with the skills that are needed to meet business objectives – reskilling can help to address this.

   Information on skills shortage vacancies largely dates from before the COVID-19 crisis but it seems likely that the pattern of shortages has not been fundamentally changed by the crisis and will persist into the future, particularly since many of the occupational areas most susceptible to shortages have seen resilient demand during the crisis reflected in online job postings. Acute shortages affecting higher skilled roles such as nurses and digital professionals and a range of intermediate skilled trades seem likely to continue. Employers also face widespread skills deficiencies relating to their existing employees, with a lack of digital skills, problem-solving and a range of "soft" skills in need of improvement. (Source: West Yorkshire Labour Market Analysis Report 2021 – forthcoming).

- **There is demand from workers affected by COVID-19 to retrain in another sector**

National polling data from YouGov ([Are workers with jobs disrupted by COVID-19 willing to retrain? | YouGov](#)) shows that among workers whose employment status is currently affected by coronavirus, a quarter (26%) are likely to retrain in another sector in the near future. Among this group IT and software development and cyber security are the most popular options for retraining.

- **Link to the West Yorkshire Economic Recovery Plan**

  The proposed call contributes directly to the West Yorkshire Economic Recovery Plan in terms of the challenges highlighted in the plan and the priorities and actions that are prescribed.

  One of the three priority themes for action contained within the plan concerns Skills and Training for People to ensure that they can get the skills needed to get jobs. Highlighted as a central part of the immediate Rescue phase of the recovery plan and part of the longer-term effort to re-imagine the local economy and build longer-term resilience support is now required to provide "Adult upskilling / re-training towards emerging sectors".

  This Call will address the challenges set out in both the Leeds City Region ESIF Strategy, the Employment and Skills Plan and the West Yorkshire recovery Plan by:

  - Developing skills that are needed in the labour market/ by employers in order to build individuals' career readiness and adaptability in response to the economic impact of C-19.
  - Improving skill levels across the City Region. Whilst they have improved over time, they have developed less quickly than the England average. The LCR has too many people with no qualifications, not enough people with higher level skills, and too many employers do not invest in enough training.
  - Supporting individuals to develop and move careers including the changing nature of work and job roles due to the introduction of new technology and the impacts of automation.
  - Addressing skill gaps due to a deficit of technical skills including job-specific skills and operational skills.
  - Improving staff motivation, leadership, communication and teamwork as well as increasing staff retention.
  - Driving growth in employer organisations by improving productivity.
  - Supporting women to progress in employment or self-employment and achieve higher earnings.

The Employment and Skills Plan can be found at: https://www.the-lep.com/media/2274/leeds-city-region-employment-and-skills-plan-2016-2020-final_1.pdf

[The Leeds City Region Labour Market Analysis can be found here:](https://www.the-lep.com/media/3311/labour-market-report-2019-final.pdf) https://www.the-lep.com/media/3311/labour-market-report-2019-final.pdf

Call outline:

Through this call, the ESF Managing Authority is seeking projects to deliver **Career Development** support to individuals to change career or to progress in work into sectors which present the greatest opportunities for economic and employment growth in the Leeds City Region (LCR) and to provide **support to employed and unemployed individuals whose roles and/or sectors may be at risk of redundancy due to structural change, or who may need to reskills or be supported to build on previous skills/transferable skills.** Given the economic impact of COVID-19 the intervention opportunity represented by this Call is both timely and of extreme relevance to the City Region. This is identified in the West Yorkshire Recovery Pan as a key issue to the help retrain and upskill individuals to address skills and training. As the full impact of COVID-19 and the longer-term impact and changes to the economic structure are not yet clear, programme content will need to be responsive to growing or emerging skill demands over time.

The West Yorkshire Economic Recovery Plan can be found here.https://www.westyorks-ca.gov.uk/media/4380/west-yorkshire-combined-authority-economic-recovery-plan-summary.pdf

Scope of activity

Projects will target the following groups and provide advice and support;

- employed and unemployed individuals including graduates,
- whose roles and/or sectors may be at risk of redundancy due to structural change as a result of COVID-19,
- to change career or to progress in work into sectors which present the greatest opportunities for economic / employment growth.

This call aims to address the identified shortfalls listed in section 1.2 Local Development Need above, specifically to upskill and provide opportunities for people in the city region in the labour market specifically through the provision of:

- Advice and guidance for employed people (including graduates) regarding the career opportunities available in growth and skills shortage areas in Leeds City Region, including in response to inward investment inquiries;
- Signposting individuals to existing routes to further learning through mainstream resources in order to access these careers e.g. adult learner loans and HE loans and apprenticeships at all levels;
- The provision of training to support the "soft" or transferable skills needed for career progression. This could include employability skills for people with a highly technical skillset and how to use social media to seek employment;
- Grant funding towards the cost of technical courses so that individuals can progress in their career. Courses should be accredited, certified or industry-led (e.g. business-led digital "bootcamps");
- Focuses on employed individuals whose roles and/or sectors may be at risk of redundancy due to structural change, risk of automation or other factors.
- Provides short industry-led non accredited courses.

- Working with the Leeds City Region's Skills Service, LEP Growth Service and other business-facing programmes, brokering support for individuals to develop relevant experience so that they can progress in employment;
- The model of delivery must be flexible so that it can be accessed by people that are in work.

Activity should not duplicate or undermine national policy, including policy on grants or loans and ESF will not be used to fund course fees where a loan is available. Applications will need to clearly describe how the proposed operation offers the best value for money to meet the identified local development need.

Any applicant will also be required to;

- Demonstrate a strong track record of identifying individuals' skills and training needs and signposting them to appropriate training solutions.
- Demonstrate strong knowledge of the Leeds City Region labour market and the (current and future) needs of local businesses, particularly in priority growth sectors.
- Works in conjunction with other LEP and ESIF ESF programmes and activity to reduce the number of repeat approaches to business
- Ensure the programme maximises mainstream provision and provides additionality to the marketplace by working in partnership with other new and/or existing providers.
- Demonstrate excellent partnerships and referral mechanisms with other skills and training providers (including colleges, universities and private/VCS training providers.
- Clearly explain how the project(s) will ensure that advice offered to participants is impartial and the most suitable option for individuals, in particular where providers have their own education/training offer.

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.the-lep.com/media/2134/leeds-city-region-esif-strategy-refresh-february-2016-final.pdf

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** of the European Social Fund Operational Programme and responds to the local development need set out in the Leeds City Region Local Enterprise Partnership Area European Structural and Investment Funds Strategy.

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

2. Call Requirements

All applications are competitive.

Indicative Fund Allocation:	Indicatively, through this call the Managing Authority expects to allocate approximately **£3.5m ESF** The Managing Authority reserves the right to decrease or increase the indicative allocation, or support more or fewer projects subject to the volume and quality of proposals received. 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 **£875,000 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. All ESF Projects must complete delivery by 31st December 2023. Project costs cannot be incurred beyond this date. NOTE: Delivery of activities and associated costs can be incurred up to and including 31st December 2023, with the full and final claim expected no later than February 2024.
Geographical Scope	All interventions should be focused on activity and beneficiaries within the Leeds City Region Local Enterprise Partnership area.
Specific call requirements	This is a call for ESF activity.
Call Deadlines	For this specific call, applications will be appraised following closure of the call. Applications submitted to the Managing Authority via the ECLAIMS IT system after

| | midnight on the published call close date will not be considered.

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

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

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

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

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

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.

ID	Output Indicator	Total Minimum target value for this call
O1	Participants	4000
O1	Participants (Male)	2080
O1	Participants (Female)	1920
O4	Participants over 50 years of age	800
O5	Participants from ethnic minorities	640
ESF - CO16	Participants with disabilities	320
ESF - CO14	Participants who live in a single adult household with dependent children	200
O6	Participants without basic skills	720

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

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

4. General Information

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

4.1 Compliance and Eligibility

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

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

Funding Agreement has been issued it should be signed and returned within a short timescale.

4.2 Intervention Rate & Match Funding

ESF is funding used where no other funding can be obtained (the funder of last resort) and the maximum ESF intervention rate for the operation is 50% (depending on category of region). This means ESF can contribute up to 50% of the total eligible project costs, subject to State Aid regulations. The remaining 50% or more must come from other eligible sources. For all full applications, the applicant will need to provide information to demonstrate that the operation is likely to have the required level of match funding in place at the point of formal approval.

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

4.3 Applicants

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

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

4.4 Cross Cutting Themes

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

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

For ESF, all projects will also be required to submit a sustainable development policy and implementation plan (in-line with guidance produced by the Managing Authority).

The ESF programme particularly welcomes projects that have an environmental focus that can meet the strategic fit at local and programme level whilst also adding value by:

- supporting environmental sustainability; and/ or
- complementing the environmental thematic objectives of other programmes such as ERDF; and/or
- using the environment as a resource to help motivate disadvantaged people

Further information is available in the [ESF Operational Programme](#) and in ESF Action Note 019/18: [New Assessment Scoring Procedures for Equality and Sustainable Development in ESF.](#)

4.5   State Aid & Revenue Generation

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

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

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

4.6   Funding Agreement

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

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

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.

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.

4.9 Duplication of Provision

Applicants are required, in their Full Application, to "identify any organisations offering the same or similar activity" as their proposed project. Applicants are also asked to "explain how the proposed project adds value to and doesn't duplicate existing provision, and does not conflict with national policy".

To help inform their response, applicants should access the ESF List of Beneficiaries published on GOV.UK - https://www.gov.uk/government/publications/european-structural-and-investment-funds-useful-resources and search for any other ESF funded projects operating under the same Investment Priority in the same geographical area(s) as their proposed ESF Project.

Where there is potential duplication and/or overlap, the applicant should ensure they explain how they will work with any other pre-existing ESF Projects to ensure their new project will add value and not conflict with existing provision.

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.

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;
- ESF National Eligibility Rules and Programme Guidance;
- ESF Programme Guidance on Simplified Cost Options.

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 Simplified Cost Options 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 and Programme Guidance 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. **Due Diligence Financial Information.** 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).

Optional Supporting Documents

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

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	23 February 2021
Deadline for submission of Full Application via the ECLAIMS IT System	Midnight 17 April 2021

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