



Department  
for Work &  
Pensions



**European Union**  
European  
Social Fund

## **2014 to 2020 European Structural and Investment Funds Growth Programme**

### **Call for Proposals European Social Fund**

### **Priority Axis 1: Inclusive Labour Markets**

<b>Managing Authority</b>	<b>Department for Work and Pensions (DWP)</b>
<b>ESI Fund</b>	<b>European Social Fund</b>
<b>Priority Axis:</b>	<b>Priority Axis 1 : Inclusive Labour Markets</b>
<b>Call Reference:</b>	<b>OC22S15P 0042</b>
<b>LEP Area:</b>	<b>Liverpool City Region</b>
<b>Call Opens:</b>	<b>27 March 2015</b>
<b>Call Closes:</b>	<b>22 May 2015</b>

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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.

European Structural and Investment Funds are managed by the Department for Communities and 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 assessments at outline and full application stage.

This call is issued by the Department for Work and Pensions (DWP) to commission ESF Funded projects that will support the **Priority Axis 1 of the Operational Programme: Inclusive Labour Markets** and **Investment Priority: 1.1 Access to employment for jobseekers and inactive people**; and **Investment Priority: 1.2 Sustainable integration into the labour market of young people (ESF)** and **Investment Priority: 1.3 Sustainable integration into the labour market of young people (YEI)** as set out in the Operational Programme.

All applications will need to be eligible under the Operational Programme. The latest draft is available for applicants to read. Although we do not expect much change, it is not yet finally agreed. Before funding agreements are signed, the Managing Authority will need to check eligibility against the agreed Operational Programme

This call for proposal sets out the requirements for any applicants to consider before applying. Applications against this call will be assessed as part of two stage

appraisal process and successful applicants will enter into a funding agreement with the DWP. Further information is given in sections 4 to 10.

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

## 1.1 National Context

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

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

**Specific objectives:** *(1) To improve the employability of long-term unemployed people, so that they can compete effectively in the labour market; (2) To provide individuals from groups which face particular labour market disadvantage with additional support so that they can compete effectively in the labour market; (3) To encourage inactive people to participate in the labour market and to improve their employability; (4) To address the basic skills needs of unemployed and inactive people so that they can compete effectively in the labour market; and (5) To provide support for women at a disadvantage in the labour market, and particularly those who are currently inactive, to contribute to our efforts to reduce the gender employment gap.*

The Government is promoting employment for all by providing support mechanisms and benefits that incentivise work and reduce worklessness, to ensure that individuals can fulfil their potential within the labour market. National policies to help people move from welfare to employment are designed to ensure that jobseekers get the support they need to find a job and, in return, jobseekers are expected to do all they can to find work.

As the recovery strengthens, it is likely that those closest to the labour market will find it easier to find work, but there is a risk that the most disadvantaged will be left behind and find it increasingly difficult to compete effectively for work. ESF will therefore be used to ensure that these disadvantaged groups are provided with the right level of support, tailored to the needs of individuals and businesses in local labour markets. This will be the primary added value for ESF. Activities include help to identify the barriers individuals face in moving into work (for example: confidence, lack of recent work experience, basic skills, job-related skills, job seeking skills, or other material

barriers like debt or transport difficulties) and working with them to tackle these barriers.

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. This could range from additional early interventions for people who are newly unemployed, to support for very long-term unemployed or inactive people. It may include piloting new approaches to improving access to employment, alongside mainstream provision.

Currently 21.6% of people aged between 16 and 64 in England are not active in the labour market, slightly under the UK rate of 21.9% (January to March 2014).<sup>1</sup> The inactivity rate has been relatively stable. In the past year it has fallen 0.5 percentage points, and the number of economically inactive has decreased by 129,000. There are many reasons why an individual is inactive in the labour market, and not all are problematic. They include looking after family and home, full-time education, long-term sickness and retirement. Increasing the number of inactive people who begin actively seeking work should help to boost the employment rate, and contribute to efforts to reduce the employment rate gap.

The operational programme identifies the need to address high levels of youth unemployment in England through:

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

**Specific objectives:** (1) *To support the rise in the participation age by providing additional traineeship and apprenticeship opportunities;* (2) *To engage marginalised 15-18 year olds and support them to re-engage with education or training;* (3) *To address the basic skills needs of young NEETS so that they can compete effectively in the labour market;* (4) *To provide additional work experience and pre-employment training opportunities to unemployed 18-24 year olds and* (5) *To support young lone parents to overcome the barriers they face in participating in the labour market (including childcare).*

**Investment priority 1.3** Sustainable integration into the labour market of young people (YEI), in particular those not in employment, education or training, including young people at risk of social exclusion and young people from marginalised communities, including through the implementation of the Youth Guarantee.

**Specific objectives:** (1) *To support the rise in the participation age by providing additional traineeship and apprenticeship opportunities in YEI areas;* (2) *To engage*

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<sup>1</sup> ONS, *Labour Market Statistics*, May 2014,

*marginalised 15-18 year olds in YEI areas and support them to re-engage with education or training; (3) To address the basic skills needs of young NEETS in YEI areas so that they can compete effectively in the labour market; (4) To provide additional work experience and pre-employment training opportunities to unemployed 18-24 year olds in YEI areas and (5) To support young lone parents in YEI areas to overcome the barriers they face in participating in the labour market (including childcare).*

Tackling youth unemployment is a priority for the Government.

Most young people continue in education or training when they leave school, and make a successful transition to either further or higher education or employment. But there is still a group who either 'drop out' or struggle to make the transition to the labour market at age 18-19. As a result, the proportion of young people NEET in England rises sharply at age 18. 4.0% are NEET at age 16, 6.1% at age 17, and 12.5% at age 18<sup>2</sup>

The YEI will support additional and more intensive provision that meets the needs of individuals and local labour markets. It will not support activities that duplicate or replace existing provision.

## **1.2 Local Development Need**

### Investment Priority: 1.1 - Access to employment for jobseekers and inactive people

Liverpool City Region has seen a significant reduction in residents claiming an out of work benefit and an increase in those in work in recent times: Liverpool City Region was one of the first parts of the country to regain its pre recession level of employment: as at February 2015, there are just under 32,000 residents claiming an out of work benefit. Of this, 8,460 have been doing so for over 12 months, and this number has not reduced significantly. In addition, there are 100,000 residents claiming sickness benefit and 33,000 claiming income support. There is extensive mainstream support for new claimants of benefits through a range of provision, but given the scale of the challenge, more support is required for residents who have been out of work long term and those who are on inactive benefits.

To address these issues, this call invites proposals under the headings below.

#### Targeted support to tackle long term worklessness

This support should be bespoke, personalised and flexible, meeting the needs of adults. It would be expected that this would target support on those residents who need additional support for a range of reasons, to include those with health

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<sup>2</sup> DfE, *Statistical First Release 18/2014*, Participation in education, training and employment, age 16 to 18

conditions, carers, single parents or those who have been out of work for a long time. This would promote a range of options to help adults into work, to include information, advice and guidance, volunteering, work experience and additional training, and would need to be integrated with other support packages in place.

### Travel support

This activity will provide targeted, personalised and bespoke advice and support which could include travel advice, travel training and the provision of travel means. This would need to be offered in conjunction with both mainstream employment support and the additional support provided through other parts of the European Programme.

### Investment Priority 1.3 - Sustainable integration into the labour market of young people (YEI)

The employment rate for young people in the Liverpool City Region is currently around 45.4% - accounting for 85,400 16-24 year olds. This rate is lower than the national level of around 51% and shows one of the biggest gaps in the last few years. Young people are more than twice as likely to be employed in the service industry; particularly within the retail and hospitality sectors.

Latest DWP data shows that there are more than 22,000 young people in receipt of an out-of-work benefit in the City Region - with approximately 4 out of 10 being jobseekers and a further 30% in receipt of a health-related benefit. Further analysis shows an increase in the length of time that young people are spending out of work and a higher than average local level of long-term unemployed young people.

It is widely accepted that there has been significant progress in academic attainment rates across the Liverpool City Region in recent years but closing the City Region's skills gap with the rest of the country remains a significant challenge. The Liverpool City Region Employment and Skills Board's Skills for Growth work highlights the future employment opportunities expected within the City Region's economic growth sectors and emphasises the important role that addressing this challenge will play in ensuring residents are able to make the most of these opportunities.

In 2013/14, there were almost 19,000 Apprenticeship enrolments by young people in the Liverpool City Region; with around 60% being Intermediate Apprenticeships - consistent with previous levels. Similarly, around 70% of all Further Education enrolments by Liverpool City Region residents aged below 25 are for Level 2 qualifications or lower. This supports qualitative evidence from colleges and other training providers that states that they are often required to help young people 'catch up' with elements of their previous education.

The City Region has been aware of the issues relating to youth unemployment for some time, and in order to obtain a wider sense of these, commissioned a Youth Unemployment Task Force in 2012. This was made up of businesses and young people, and set out the actions required to reduce the number of young people out of work. This has largely been successful, and respondents to this call should identify how their proposals will support the implementation of the Task Force's report and recommendations.

To address these issues, this call invites proposals under the headings below. In all of these activities social innovation would be welcome.

#### Re-engagement activity.

There are young people who are detached and not engaging with the formal services that are provided, and are at risk of being involved in illegal activities. This package would allow targeted, personalised and flexible support to engage with young people and offer them a range of support to prepare them for engagement in work.

#### Coaching and mentoring support

This coaching and mentoring support will support young people who have been out of work for at least 8 weeks. It needs to be tailored to the individual's needs. Innovative use of technology would be welcome. This will need to be delivered in line with the City Region's Youth Employment Gateway Programme.

There are young people who are identified through engagement services as being in need of additional support about developing their resilience and employability skills before they can be considered ready for work. For these people longer term targeted, personalised and flexible support will be needed to prepare them for engagement in work: this could include personal, social, and emotional development., as well as different routes into work e.g. work experience.

#### Information advice and guidance

These activities are designed to support young people with targeted, flexible, personalised and independent information, advice and guidance from suitably qualified professional staff. Innovative use of technology would be welcome.

#### Support for young people into enterprise

This activity will support young people who have the desire and ambition to start their own business and should add value to existing mainstream activities. This provision would need to be delivered in line with the City Region's Enterprise Strategy and as part of the emergent Business Growth Hub model. Support would need to be proportionate to the individual's needs, and should result in the creation of a range of different businesses in the City Region.

### Employability and job related training

Feedback from employers locally has indicated that there are many young people who have the skills to do particular job roles but who lack the ability to secure those jobs. This flexible short training intervention would provide young people with the skills that they need to secure jobs or further progression e.g. application forms, interview skills. This would be expected to be provided for young people for whom advisors consider that this is the most appropriate provision and could be linked to significant recruitment points in the year.

### Digital and functional skills

The demonstration of digital and functional skills is essential for the overwhelming majority of job roles and employers. The training to be provided would need to complement existing mainstream provision. This would deliver the digital skills set out by the Go On campaign whilst ensuring that young people have the functional numeracy and literacy skills required. This would be expected to be provided for young people for whom advisors consider that this is the most appropriate provision.

### Travel support for young people

This activity will provide targeted, personalised and bespoke advice and support which could include travel advice, travel training and the provision of travel means. This would need to be offered in conjunction with both mainstream employment support and the additional support provided through other parts of the European Programme.

### Intermediate Labour Market Opportunities

Carefully targeted intermediate labour market opportunities can be a good way of helping young people back into work. The jobs would be at least at national minimum wage for 35 hours per week. The jobs should be in sectors where there is expected to be growth or in organisations which are securing community value. The opportunities would generally be created for 6 months but for some of the most disadvantaged (e.g. care leavers, young carers, single parents or offenders), a longer period of 12 months might be necessary. Controls would need to be put in place to ensure the jobs were additional.

### Investment Priority 1.2 – Sustainable integration into the labour market of young people (ESF)

The YEI funding represents the majority of investment in the area in tackling the issues with youth unemployment described above. However, since the YEI can only support people who are NEET, a small amount of money will be used under investment priority to provide support for those who are at risk of becoming NEET, as identified by schools and children's services.

We are seeking proposals for tailored, personalised and flexible support to ensure that the resilience of young people is developed to enable them to take up employment or training options. This support would need to be delivered closely in line with existing Council engagement services.

Note: Activities must support individuals. They cannot support structures or systems.

Details of the local ESIF Strategy can be found at (add website link).

<http://www.liverpoollep.org/PDF/EU%20SIF%20Strategy%20January%202014%20without%20annexes.pdf>

### 1.3 Scope of activity

This call aims to address the shortfalls above.

Under this investment priority European Social Fund will support the Operational Programme objective of:

- Access to employment for job seekers and inactive people (**Investment Priority 1.1**)
- Sustainable integration into the labour market of young people (ESF) (**Investment Priority 1.2**)
- Sustainable integration into the labour market of young people (YEI) (**Investment Priority 1.3**)

## 2. Call Requirements

All applications are competitive.

- **Total allocation for this call across three investment priorities is up to £50.8m**
- The total allocation for this call under IP1.1 is up to £10,900,000 ESF grant.
- The total allocation for this call under IP1.2 is up to £600,000 ESF.
- The total allocation for this call is up to €26,600,000 ESF and €26,600,000 YEI for investment priority 1.3. At current exchange rates this is equivalent to £19,684,000 from ESF and £19,684,000 from YEI. The available budget will be reassessed before funding agreements are signed in light of the prevailing exchange rate.
- Proposals can only contain activities which are eligible for ESF.
- Applications should be for a minimum of £100,000 ESF grant.

- Applicants will need to have eligible match funding for the balance of costs which must be from a source other than the European Union. For all outline applications proof of match funding will need to be supplied as part of the assessment.
- The intention is to award multiple funding agreements.
- YEI operations must be completed no later than **31st July 2018**.
- Other operations must be completed no later than **31<sup>st</sup> December 2018**.
- Operations should be capable of providing coverage of the whole LEP area.
- Eligibility for YEI - Young people who live in the Liverpool City Region and who are identified as Not in Education Employment or Training (NEET) between age 15-24. In addition, we expect the final Operational Programme to allow individuals aged 25-29 to be covered. Applications can cover the whole age range, but on the understanding that final confirmation of the eligible group will only follow once the Operational Programme is agreed.
- All procurement must be undertaken in line with EU regulations
- Applicants must demonstrate compliance with State Aid law; and
- All expenditure and activities will be subject to rigorous audit and non-compliance may lead to financial penalty.

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

### 3. Deliverables required under this Call:

Operations will be expected to achieve the following Programme Deliverables. The definitions of which can be accessed at the [ESF Operational Programme](#).

#### Investment Priority 1.1

ID	Result Indicator
	Unemployed participants in education or training upon leaving
	Inactive participants into employment or jobsearch on leaving
	Participants gaining basic skills
	Participants with childcare needs receiving childcare support

ID	Output Indicator
	Male participants
	Female participants
	Unemployed, including long-term unemployed participants
	Inactive participants
	Participants over 50 years of age
	Participants from ethnic minorities
	Participants with disabilities.
	Participants who live a single adult household with dependent children

Investment Priority 1.2

ID	Result Indicator
	Participants gaining basic skills
	Participants (below 25 years of age) in employment, including self-employment or education/training upon leaving

ID	Output Indicator
	Male Participants (below 25 years of age) who are unemployed or inactive (not in education or training)
	Female Participants (below 25 years of age) who are unemployed or inactive (not in education or training)
	Unemployed, including long-term unemployed participants
	Inactive participants
	Participants from ethnic minorities

	Participants with disabilities.
	Participants who live a single adult household with dependent children

### Investment Priority 1.3

<b>ID</b>	<b>Result Indicator</b>
CRO1	Unemployed participants who complete the YEI supported intervention
CRO2	Unemployed participants who receive an offer of employment, continued education, apprenticeship or traineeship upon leaving
CRO3	Unemployed participants who are in education/training, gaining a qualification, or in employment, including self-employment, upon leaving
CRO4	Long-term unemployed participants who complete the YEI supported intervention
CRO5	Long-term unemployed participants who receive an offer of employment, continued education, apprenticeship or traineeship upon leaving
CRO6	Long-term unemployed participants who are in education/training, gaining a qualification, or are in employment, including self-employment, upon leaving
CRO7	Inactive participants not in education or training who complete the YEI supported intervention
CRO8	Inactive participants not in education or training who receive an offer of employment, continued education, apprenticeship or traineeship upon leaving
CRO9	Inactive participants not in education or training who are in education/training, gaining a qualification, or are in employment, including self-employment, upon leaving
CR10	Participants in continued education, training programmes leading to a qualification, an apprenticeship or a traineeship six months after leaving
CR11	Participants in employment six months after leaving
CR12	Participants in self-employment six months after leaving

<b>ID</b>	<b>Output Indicator</b>
	Unemployed (including long term unemployed) participants

	Long-term unemployed participants
	Inactive participants not in education or training
	Participants from ethnic minorities
	Male Participants (below 25 years of age) who are unemployed OR inactive (not in education or training)
	Female Participants (below 25 years of age) who are unemployed OR inactive (not in education or training)
	Participants who are lone parents
	Participants with disabilities or health problems.

Applicants will be required to demonstrate how they will achieve the deliverables within their proposal along with any methodology that will be used to record achievement. 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 Liverpool 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.

ESIFs are governed by European regulations and national rules. Applicants are advised to familiarise themselves with the relevant documentation listed in the 'key documents' section prior to submitting an Outline application. 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**

**Investment Priority 1.1 and 1.2:** ESF is funding used where no other funding can be obtained (the funder of last resort) and the maximum ESF intervention rate for the operation is 60%. This means ESF can contribute up to 60% of the total eligible project costs, subject to State Aid regulations. The remaining 40% or more must come from other eligible sources.

**Investment Priority 1.3:** ESF is funding used where no other funding can be obtained (the funder of last resort) and the maximum ESF intervention rate for the operation is 60% (with an additional equivalent YEI financial allocation). This means ESF can contribute up to 60% of the total eligible project (ESF and match) costs, subject to State Aid regulations. The remaining 40% or more must come from other eligible sources.

For all outline applications proof of match funding will need to be supplied as part of the assessment.

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 form and the related 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](#)

#### **4.5 State Aid & Revenue Generation**

Applicants are required, in the Outline 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.<sup>3</sup> 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

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<sup>3</sup> 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."

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.

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.

## **5. Application Process & Prioritisation Methodology**

There are two stages to the ESF application process; Outline Application and if successful, Full Application. Applicants must fully complete the Outline Application via LOGASnet (section 9 refers). Guidance is available on the [European Growth Funding](#) website pages. Applications will 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 OP 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 & control;
- Deliverability;
- Procurement / tendering; and
- State Aid compliance.

The Managing Authority will seek advice from partners when considering applications to ensure its assessment 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 assessment and any prioritisation will be undertaken using only the information supplied as part of the application process. The Managing Authority cannot accept further detail outside this process.

Non-public sector Applicants who are successful at the Outline Application stage may be subject to due financial diligence checks by the Managing Authority, prior to submission of a Full Application. 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.

## 6. Support

Please note that this is a competitive call and to preserve impartiality we are unable to enter into correspondence with applicants over their Outline application. Details of where guidance can be found are contained throughout this calls document. In exceptional circumstances, if there are issues with accessing this guidance, please contact:

✉: [ESF.2014-2020@dwp.gsi.gov.uk](mailto:ESF.2014-2020@dwp.gsi.gov.uk)

## 7. Key Documents

- Outline Application Form;
- Outline Application Form Guidance;
- Local Enterprise Partnership area's ESIF strategy;
- Eligibility Guidance;

## 8. Document Checklist

Failure to provide the following documentation will result in the application being rejected

Outline Stage:

- fully completed Outline Application;
- financial tables;
- Outputs, Results and Indicators tables; and
- three years financial accounts (if private or voluntary and community sector).

## 9. Document Submission

Completed Outline Applications must be submitted via the [LOGASnet system](#).

**Please note that Applicants will require a user ID and password in order to access the LOGASnet system. Details on how to register on the system can be found on the GOV.UK website [European Growth Funding](#) website pages.**

**Please allow up to 10 days to receive your login details.**

## 10. Timescales

Launch of Call advertised on gov.uk.	<b>27 March 2015</b>
Deadline for submission of Outline Application	<b>22 May 2015</b>

Outline Application forms not received by the deadline will not be assessed. Outline Applications which are not fully completed will be excluded.

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 Outline Application form will be notified on the [European Growth Funding](#) website pages.

## 11. Formal Agreement of the ESF Operational Programme

The information and references in the call are based on the latest version of the [ESF Operational Programme](#) and are correct at the time of publishing. The Operational Programme may be subject to further amendment during its final negotiations with the European Commission, and subsequent calls will reflect any changes, to the extent that they may affect the terms of calls, that are made. In relation to the present call, the Managing Authority will take the possibility of relevant changes to the Programme into account when assessing outline and full applications, and where such changes occur will notify Applicants of any issues that arise, and propose a method of dealing with them.

## 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

### (2) Common output indicators for entities are:

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

(3) 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

(4) 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

## Appendix B – extract from Annex 2 of the ESF regulation

### (1) Common immediate result indicators for participants

"Participants" refers to persons benefiting directly from a YEI intervention who can be identified and asked for their characteristics, and for whom specific expenditure is earmarked. **All data shall be broken down by gender.**

The immediate result indicators are:

Unemployed participants who complete the YEI supported intervention
Unemployed participants who receive an offer of employment, continued education, apprenticeship or traineeship upon leaving
Unemployed participants who are in education/training, gain a qualification, or are in employment, including self-employment, upon leaving
Long-term unemployed participants who complete the YEI supported intervention
Long-term unemployed participants who are in education/training, gain a qualification or are in employment, including self-employment, upon leaving
Inactive participants not in education or training who complete the YEI supported intervention
Inactive participants not in education or training who receive an offer of employment, continued education, apprenticeship or traineeship upon leaving
Inactive participants not in education or training who are in education/training, gain a qualification, or are in employment, including self-employment, upon leaving

### (2) Common longer-term result indicators for participants

The longer-term result indicators are:

Participants in continued education, training programme leading to a qualification, an apprenticeship or a traineeship six months after leaving
Participant in employment six months after leaving
Participants in self-employment six months after leaving

#### Notes

There may be a number of additional indicators to report on which have yet to be agreed with the European Commission.

The data for longer-term result indicators shall be collected via a cohort/leavers survey commissioned by the ESF Managing Authority based on a representative sample of participants within each investment priority. Internal validity of the sample shall be ensured in such a way that the data can be generalised at the level of investment priority.