**Call Specification**

**Main Project Grant Programme**

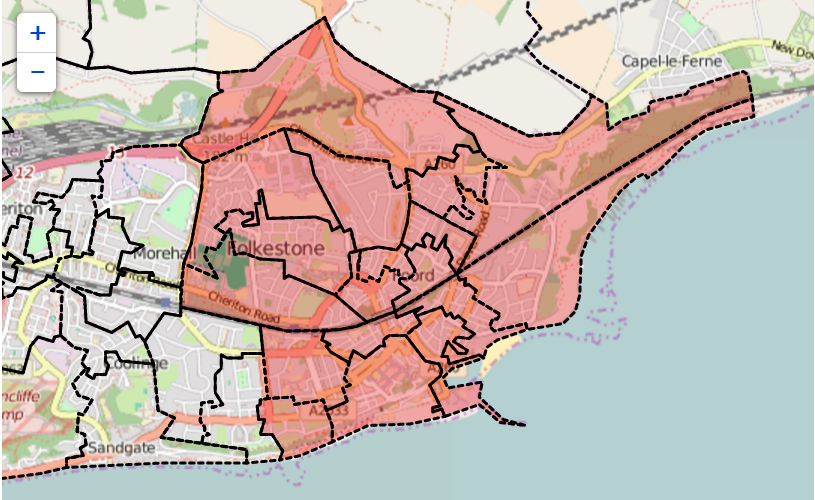
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| Accountable Body | Shepway District Council |
| Fund | European Regional Development Fund (ERDF)  European Social Fund (ESF) |
| Priority Axis: | *European Regional Development Fund*  Priority Axis 8: Promoting social inclusion and combating poverty and any discrimination.  Investment Priority 9d: Undertaking investment in the context of Community Led Local Development strategies  *European Social Fund*  Priority Axis 1 – Inclusive Labour Markets  Investment Priority 1.5: Community Led Local Development |
| Call Reference: |  |
| Folkestone Community Works CLLD Programme Indicative Fund Allocation: | ESF £731,250  ERDF £750,000 |
| Call Opens | Thursday 22nd February 2018 |
| Call Closes | Stage 1 – Submission of Eligibility Questionnaire   * 5pm Friday 2nd March 2018   Stage 2 – Submission of Full Application   * 5pm Friday 20th April 2018 |

Grant applicants are advised to read the Folkestone Community Works Grant Manual that is available to download from the [www.folkestonecommunity.works](http://www.folkestonecommunity.works) website. This explains what applicants must do to apply for a grant, how grant applications are assessed and how to meet the terms of a grant Funding Agreement if an application is successful.

1. **Introduction**

Folkestone Community Works is a community led local development programme which aims to help residents in the central, east and harbour areas of Folkestone access jobs and to support businesses in the area to grow.

The map below shows the eligible area for funding of projects to support residents and businesses that can receive grants through the programme.



The Folkestone Community Works programme has access to European Structural Investment Funds (ESIF) that can be used to support projects which align with the objectives and priorities identified in the Programme Strategy.

The Programme has three objectives and eight actions to address the key issues in this part of Folkestone.

**Objective 1 - Enhancing work-readiness and well-being**

Action 1.1: Work experience and job preparation for young people

Action 1.2: Getting people back into work

Action 1.3: Promoting emotional and physical well-being

Action 1.4: Promoting financial wellbeing

**Objective 2 - Promoting local business and social enterprise**

Action 2.5: Promotion of social enterprise

Action 2.6: Support for business start-ups

Action 2.7: DIY Space /incubation

**Objective 3 - Integrated delivery mechanism for the strategy**

Action 3. 8: Setting up and operating the Community Hub

1. **Scope of the call**

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| Call for Projects | This call is for projects to support the delivery of the objectives of the Folkestone Community Works Local Development Strategy:  Objective 1: Enhancing work-readiness and well-being  Objective 2:Promoting local business and social enterprise  Objective 3: Setting up and operating the Community Hub  Projects should:   1. Address the actions identified in one or more objectives. 2. Support participants and businesses within the eligible area, as specified for each individual objective. 3. Represent an appropriate, effective and efficient means of delivering the relevant specific outputs and results for the objective. 4. Add value to and does not duplicate existing provision and must not conflict with national policy. 5. Deliver the required Outputs and Results for the relevant actions within the objective. 6. Represent value for money with the cost per output comparable to other projects 7. Have the required minimum 50% match funding for the requested ERDF or ESF contribution and that the specific match funding stream does not contain any ERDF or ESF funds matched at source by the organization. For example, funds from the DWP, SFA or Big Lottery have allocated funds to organisations which already include some ESF and ERDF funding and so cannot be used as match funding for this programme. 8. Have the support of the local community and well developed local networks. 9. Demonstrate innovation. 10. Do not lead to a deterioration or loss of environmental assets or resource 11. Be delivered by appropriate organisations, where the organisation or lead organisation (in the case of projects that involve more than one organisation) has in place:  * an appropriate equal opportunities policy * an appropriate sustainable development policy * appropriate systems for meeting the monitoring requirements for ESIF funded projects |
| **Work Package 1** | **Objective 1:Enhancing work-readiness and well-being** |
| Actions | * 1. Work experience and job preparation for young people   1.2: Getting people back into work  1.3: Promoting emotional and physical well-being  1.4: Promoting financial wellbeing |
| Funding allocation |  |
| Funding available | Up to 75% of the total ESF funds for this Objective is available to projects in the Call. This represents £731,250 ESF for projects which together will have a minimum total project cost of £1,462,500.  There are no minimum or maximum thresholds for the size of grant requested for individual projects, but preference will be given to projects of scale and impact |
| Geographical  Scope | Proposed activity must be within the Folkestone Community Works locality with at least 60% of the Outputs and Results for project beneficiaries resident within the pink area, as shown in the map below. |
| Target Groups | * Young people NEET/likely to become NEET * Migrants and other marginalised groups * Long term unemployed, particularly aged 35-50 and benefit claimants * People in the labour force without the appropriate skills for the market * Carers * People with mental, physical or emotional difficulties wanting to join the labour force |
| Examples of activity and potential interventions | **Action 1.1: Work experience and job preparation for young people entering the job market**   * Work experience * Preventing worklessness * Advice, information and signposting * Specific training ineligible for support through mainstream ESF funding * Job brokerage   **Action 1.2: Getting people back into work and job retention**   * Work readiness and development services * Training programmes ineligible for support through mainstream ESF funding * Volunteering and work experience * Targeted interventions for hard to reach groups * Services that help people into work by supporting their caring roles * Job brokerage schemes   **Action 3: Emotional and physical well-being services to transition people into work**   * Support to reduce/stop substance abuse * Support for people with emotional/mental issues and helping them to access work * Providing support for those caring for others to get back into paid work * Health promotion   **Action 4: Promoting financial wellbeing**   * Debt Crisis management * Advice and signposting |
| Outputs and Results | Projects are required to focus on and deliver support to residents within the area who are:  Unemployed (ESF CO01), including those who are:   * long-term unemployed (ESF CO02) * economically inactive (ESF CO03) * aged over 50 (ESF CO04) * in ethnic minority groups (ESF CO15) * with mental health issues and disabilities (ESF C016)   The outcomes that projects are required to deliver include:   * Participants into education or training on leaving school/ education (ESF CR02) * Unemployed participants into employment or self-employment (ESF R1) * Economically inactive participants into employment or self-employment   ESF R2)  See **8. Key Documents** for links to ESF guidance on Output and Result definitions |

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| **Work Package 2** | **Objective 2: Promoting local business and social enterprise**  **Objective 3: Integrated delivery mechanism for the strategy** |
| Actions | 2.6: Support for Business Start-ups  2.7: Business incubation / DIY Space  3.8: Establishing and Operating a Community Hub |
| Funding allocation |  |
| Funding available | Up to 75% of the total ERDF funds for these two Objectives is available to projects in the Call. This represents £750,000 ERDF for projects which together will have a minimum total project cost of £1,500,000.  There are no minimum or maximum thresholds for the size of grant requested for individual projects, but preference will be given to projects of scale and impact |
| Geographical  Scope | Proposed activity must be within the Folkestone Community Works area shown in the map above.  While there is no minimum requirement for a percentage of outputs and results to be delivered within the pink area – known as the 20% decile area, greater weight will be given to projects that have a higher percentage of outputs delivered in this area through the assessment criteria. |
| Target Groups | * SMEs * Social Enterprises * New Start-ups * Potential entrepreneurs/Pre-start businesses * Buildings requiring refurbishment for business incubation/accommodation * Buildings requiring refurbishment for DIY space uses * Buildings requiring refurbishment for integrated uses |
| Examples of activity and potential interventions | **Action 2.6: Support for Business Start-ups**   * Entrepreneur mentorship * Free workshops and events * Business support services   **Action 2.7: ‘DIY space’ and/or incubation facilities**   * Refurbishment of space for events and activities, potentially linked to the Creative sector or other sectors which focus on engaging young people * Refurbishment buildings for business incubation facilities/accommodation for social enterprises/ SMEs   **Action 3.8: Community Hub**   * Physical facility that enables better coordination of services for the benefit of the area’s residents and/or businesses * Virtual coordination of services |
| Outputs and Results | Projects are required to focus on and deliver support which will deliver the following outputs:   * Support to enterprises (ERDF CO01) * Support to new enterprises (ERDF CO05) * Increased employment in supported enterprise (ERDF CO08) * Potential entrepreneurs assisted to be enterprise ready (ERDF PO11) * Public/Commercial buildings renovated (by sqm) (ERDF PO02)   See **8. Key Documents** for links to ERDF guidance on Output definitions |

1. **Project Match Funding Requirements**

There is a requirement for projects to provide a minimum of 50% match funding for ERDF or ESF grant funding. For projects that seeking both ERDF and ESF funding, 50% match funding is required for the individual ERDF and ESF elements.

Sources of **Eligible** Match Funding include:

1. Bank loan or overdraft facility for the Project Delivery Organisation
2. Company/Organisation own funds
3. Own funds (including Owners/Directors loan)
4. Personal funds from Company/Organisation
5. Private investor/New Share capital/New equity investors
6. Volunteer time (for ESF funded delivery work)

## Ineligible match funding includes:

1. Costs already incurred
2. Loans or overdraft facilities which have been committed to over previous expenditure and potential future profits
3. Company/Organisation own funds which include any ESF or ERDF funding received to deliver other projects

Evidence that the match funding has been secured will be required prior to the signing of the Grant Funding Agreement for all approved projects.

1. **Project Application Process**

The project application process comprises two stages:

**Stage 1: Completing Eligibility Questionnaire**

Project applicants are required to complete an Eligibility Questionnaire (EQ). This document is enclosed with the Call for Project pack and is also available in electronic form from www.folkestonecommunity.works

A workshop will be held to support all potential project applicants to complete the Eligibility Questionnaire (EQ) by the submission date. The contents of the workshop will include: General introduction about the funding; What are we looking to achieve; Budget principles; Output principles; Cross Cutting Themes; Publicity requirements; Introduction to reporting; Project Application process; Next steps and advice.

The completed EQ will be used to determine whether the project applicant has met the eligibility criteria and should progress to next steps and complete a full application.

**The submission date for the Eligibility Questionnaire is 5pm Friday 2rd March 2018.**

### Please email the completed Eligibility Questionnaire to: [folkestonecommunityworks@shepway.gov.uk](mailto:folkestonecommunityworks@shepway.gov.uk)

After the submission of the EQ the Programme Project Assessor will undertake an assessment and make recommendations to the Local Action Group which makes decisions on whether the project applicant has met the eligibility criteria and should progress to stage 2, the submission of a full application.

All project applicants submitting the EQ will be informed of the outcome of the EQ assessment and next steps by **5pm Friday 16th March 2018**.

**Stage 2: Completing the full application**

All those successful at stage 1 will be invited to submit a full application. Support will be provided to applicants by the Programme Manager and also at two workshops.

* Folkestone Community Works: Stage 2 Application Workshop - w/c 9th April
* Folkestone Community Works: Stage 2 Application Workshop - w/c 30th April

The Stage 2 workshops will be over 1 day. The morning sessions will provide further details about the programme, including budgets, eligible spend, match funding requirements, outputs and results, the claims and monitoring process, other relevant EU rules and regulations, etc. The afternoon session will comprise 1-2-1 slots with project applicants to discuss specific applications in more details and to advise on any potential issues.

The project applicant is advised to start working on their application, including: identifying budget lines, outputs and match funding sources as much as possible, before attending at least one of the Stage 2 workshops.

Each applicant will be required to submit a list of questions and their draft application form three days before attending one of the two stage 2 workshops, so that 1-2-1 support can be provided.

**The submission date for the Full Application is 5pm Friday 20th April 2018.**

After the submission of the Full Application the Project Assessor will undertake an appraisal of the application and make recommendations to the Local Action Group, which will make decision recommendations to the Accountable Body.

All project applicants submitting a Full Application will be informed of the decision and next steps by **Friday 1st June 2018**.

1. **Project Selection**

Project applications will be assessed against the agreed criteria by the Programme Management Team who will also prepare a recommendation report for the Local Action Group (LAG). The criteria reflect the eligibility criteria set out in ESF and ERDF national eligibility rules and are set out in the Main Project Grant Manual.

The LAG will make recommendations on whether a project should be funded to the Accountable Body, after a full discussion on the project at the LAG meeting. This process will operate in accordance with the LAG Terms of Reference (available on www.Folkestonecommunity.works). Project applicants may be invited to attend the LAG meeting to answer questions about the project and the LAG might chose to invite an expert or representative from the Community Consultation Network Forum to provide advice.

The recommendations made by the LAG will ideally be made by consensus, but if this is not possible then by a majority vote. For all decisions made by the LAG there is a requirement that any public sector members or any single interest group does not have more than 49% of the voting rights during decision-making.

All project applicants will be notified of the decision within 10 working days following the formal decision by the accountable body.

For projects that are not selected for funding, applicants will be given feedback and, where appropriate, will be encouraged to address any shortcomings and to re-apply for support.

The minutes of the LAG meeting will generally only record the decision made. Detailed discussions on projects will generally not be minuted, although this will be at the discretion of the Chair.

It is proposed that the programme management team members from other South East LEP CLLD programmes are used on each other’s programmes to independently assess large contract value projects, or where conflicts of interest are at such scale that an independent assessment is prudent. The requirement of independent assessment will be at the discretion of the LAG board and accountable body in each area.

1. **Project Records and Monitoring Processes**

Once a project has been approved for grant funding, the lead organisation will be required to enter into a legally binding Grant Funding Agreement with the Programme Accountable Body, Shepway District Council. The standard template of the Grant Funding Agreement is available for downloading at [www.folkestonecommunity.works](http://www.folkestonecommunity.works) This will be tailored for each individual project as appropriate.

All approved projects will be required to maintain detailed records as set out in the Grant Funding Agreement and required by EU regulations (see 8. Key documents).

Grant holders will be required to produce each quarter:

* A detailed transaction report from their financial system showing payment amount, date, recipient and payment reference.
* A bank statement showing an itemised transaction list, with relevant project expenditure clearly highlighted.

For each individual transaction made by a grant holder, evidence will be obtained to cover all aspects of finance and procurement, including:

* quotes/tender and other documentation complying with ESIF procurement requirements
* copy of purchase orders
* final invoices
* receipt of goods
* payment details (from finance system)
* remittance advice
* bank statements

Over the course of the project delivery, the Programme Manager will meet with project delivery organisations once a quarter to discuss the quarterly financial claim and progress / output report, to review performance and activities and the system of record maintenance. Lessons from these meetings will be recorded in a log that will be kept by the Programme Management Team and made available to Grant holders.

1. **Project Grant Claim Process**

Grant Recipients will be required to utilise the electronic template provided by the Shepway District Council for all records, including financial claims and to submit this along with the required evidence to support each claim. The Project Grant Claim form is available in electronic form on www.folkestonecommunity.works

A project claim will be made by the lead Project Delivery Organisation according to the dates set out in the Grant Agreement with Shepway District Council.

The Council maintains the right to withhold the final 10% of the total ESIF funding until satisfactory project completion.

All project claims and supporting evidence must be submitted electronically to folkestonecommunityworks@shepway.gov.uk

Each project claim will be paid in accordance with the details set out in the Grant Funding agreement where:

1. The Council has received an invoice for the relevant grant amount from the lead Project Delivery Organisation.
2. The Grant Claim is for Eligible Expenditure and is in arrears.
3. The payment of the Grant related to actual costs incurred with required evidence submitted to substantiate the claim. This evidence will include:

* properly certified invoices;
* quotes/tender documentation complying with ESIF requirements
* bank statements showing payment;
* timesheets;
* any other evidence of defrayal for expenditures related to the match funding and the grant

1. The required evidence of receipt of the required match funding, as detailed in the Grant Agreement, is provided.
2. The agreed outputs for the specified period, as set out in the Grant Funding Agreement, have been achieved and evidence provided to substantiate this.

The Council will normally pay Grant Claim within 25 Working Days of receipt, but this is subject to the grant recipient satisfactorily meeting any request for further particulars about the Eligible Expenditure and achievement of outputs in the Grant Claim.

Once the Grant Claim has been submitted by the lead Project Delivery Organisation, the claim will be checked for eligibility by the Programme Assistant and a 'double-check' will be made by the Programme Manager.

The Programme Assistant will then update project level budget monitoring tables that include both actual spend and budget forecasts to highlight potential over/under spend against the approved budget.

The Programme Manager and lead Finance Officer in Shepway District Council will then meet to discuss/review the claim.

The final claim will then be submitted to SDC's Corporate Head of Finance and Head of Economic Development for sign-off before payment is made to the Project Delivery Organisation.

Third Sector Organisations - Voluntary Group and Charities

In the case of approved projects being delivered by Third Sector Organisations where the total project cost is below £400 000, an advance payment of 10% of the ESIF funding will be made.

For projects being delivered by third sector organisations where the total project cost is over £400 000, then an advance payment of 5% of the ESIF funding will be made.

These payments will be made after the signature of the Grant Funding Agreement.

The conditions for further grant payments will need to adhere to those set out above and the Council **will** withhold the final 10% of the total ESIF funding until satisfactory project completion, where an advance payment has been made.

The accountable body, Shepway District Council (SDC), will complete regular financial claims. Preparation of these claims will be led by the Programme Manager and the Programme Assistant with significant support from SDC’s corporate Finance Team. Financial claim forms will be prepared, and project grant holders will be required to complete these. The Council's financial systems will also be available to ensure that comprehensive and accurate data and records are maintained.

SDC uses Collaborative Planning Software (from Advanced Business Solutions) to manage and control all elements of expenditure. This system will be utilised for the project, ensuring accurate expenditure information is maintained.

1. **Key Documents**

Below is a list of key programme documents, many of which are also listed in the Application Form Guidance Notes and can be also accessed via the [www.folkestonecommunity.works](http://www.folkestonecommunity.works) website

* Folkestone Community Led Local Development: Programme Strategy, August 2016. To access click [here](http://folkestone.works/wp-content/uploads/2016/11/Folkestone-CLLD-Strategy-November-2016.pdf)
* Programme Guidance; England European Social Fund Operational Programme 2014-20; Version 2 Published 15 December 2016; To access click [here](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/578823/ESF_2014-2020_Programme_Guidance.pdf)
* National Eligibility Rules; England European Regional Development Fund Operational Programme 2014-20; ESIF-GN-1-012, Version 1; 20 March 2015. To access click [here](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/592184/ESIF-GN-1-012_National_ERDF_Eligiblity_Rules_v1_a.pdf)
* Output Indicator Definitions Guidance for the European Regional Development Fund; 2014 to 2020 European Growth Programme; Version 5; January 2018. To access click [here](../../../EU%20Regulations%20Instructions/ESIF-GN-1-002_ERDF_Output_Indicators_Definition_Guidance_v5%20jan%202018.pdf)
* Output and result indicator definitions guidance for the European Social Fund; 2014 to 2020 European Growth Programme; February 2016. To access click [here](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/506534/MI_definitions__Final_V1_20160210.pdf)
* ESF Data Evidence Requirements – Eligibility and results; 2014 to 2020 European Growth Programme; Version 2; Published 24 May 2016. To access click [here](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/591548/ESF_Data_Evidence_Requirements_v2.pdf)
* National ESIF Procurement Requirements;2014 to 2020 European Growth Programme; ESIF-GN-1-001, Version 5; published 20 February 2017. To access click [here](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/592852/ESIF-GN-1-001_ESIF_National_Procurement_Requirements_v5.pdf)
* Procurement Aide Memoire for Applicants and Grant Recipients; 2014 to 2020 European Structural and Investment Funds Programme; ESIF-GN-1-007 Version 2 Date published 8 December 2016. To access click [here](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/591555/ESIF_Procurement__Aide_Memoire_for_Applicants_and_Grant_Recipients.pdf)
* State Aid: The Basics Guide; July 2015; Department of Business Innovation and Skills. To access click [here](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/443686/BIS-15-417-state-aid-the-basics-guide.pdf)
* The State Aid Manual; July 2015; Department of Business Innovation and Skills. To access click [here](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/607691/bis-15-148-state-aid-manual-update.pdf)
* State Aid Law, European Regional Development Fund Guidance Note for Grant Recipients, January 2016. To access click [here](../../../EU%20Regulations%20Instructions/ESIF-GN-1-006_ERDF_State_Aid_Law_Guidance_v2.pdf)
* State Aid Law, European Regional Development Fund Guidance Note for Grant Recipients, January 2016. To access click [here](../../../EU%20Regulations%20Instructions/ESIF-GN-1-006_ERDF_State_Aid_Law_Guidance_v2.pdf)
* ERDF and ESF Branding and Publicity Requirements; 2014 to 2020 European Growth Programme; ESIF-GN-1-005, Version 7 Date published 31 July 2017. To access click [here](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/634288/ESIF_Branding_and_Publicity_Requirements.pdf)
* Cross-Cutting Themes Guidance for ESF (Sustainable Development and Equality); 2014 to 2020 European Growth Programme; Version 1 Published 16th February 2017. To access click [here](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/592338/ESF_cross_cutting_themes_guidance__sustainable_development-and-equality.pdf)
* England European Social Fund Operational Programme 2014-20 Programme Guidance v2, December 2016. To access click [here](../../../EU%20Regulations%20Instructions/ESF%202014-2020%20Operational%20Programme%20Guidance%20vs2%20dec%202016.pdf)
* European Social Fund Volunteer Time, page 16 from the immediate document above. To access click HERE <http://www.ons.gov.uk/ons/rel/ashe/annual-survey-of-hours-and-earnings/index.html>

(You need the ‘Occupation’ tables).

* ESF Volunteer Time. To access click [here](../Annex%2019%20Folkestone%20CLLD%20%20Hourly%20Rates%20Calculation%20161017.xlsx)