**Call Specification**

**Call 4: Main Projects (ERDF): Community Hub**

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| Accountable Body | Folkestone & Hythe District Council |
| Fund | European Regional Development Fund (ERDF) |
| Priority Axis: | *European Regional Development Fund*  Investment Priority 9d: Undertaking investment in the context of Community Led Local Development strategies.  Specific Objective: To build capacity within communities as a foundation for economic growth |
| Call Reference: | Call 4: Main Projects (ERDF) Community Hub |
| Folkestone Community Works CLLD (FCW) Programme Indicative Fund Allocation: | Action 3.8: ERDF £250,000 |
| Call Opens | Monday 30th September 2019 |
| Call Closes | Submission date for Full Application  **5pm, Friday 13rd December 2019** |

Grant applicants are advised to read the Folkestone Community Works Grant Manual that is available to download from the [Folkestone Community Works - Folkestone Works](https://folkestone.works/funding-and-support/folkestone-community-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 (CLLD) programme which aims to support existing and potential businesses and entrepreneurs in the designated area to grow and to support residents in the central, east and harbour areas of Folkestone to access jobs.

The map below shows the eligible area for funding. This area is the Folkestone Community Works CLLD area. The red line is the outer boundary of the eligible area and the pink shaded area has particular priority with projects in this area given greater weight in the project assessment stage.



The Folkestone Community Works Programme provides European Structural Investment Funds (ESIF) that can be used to support projects which align with the objectives and priorities of the Folkestone Community Works (FCW) Programme’s Folkestone Strategy. The strategy document is available to download from the [Folkestone Community Works - Folkestone Works](https://folkestone.works/funding-and-support/folkestone-community-works/) website.

The FCW Programme has received funding from the European Regional Development Fund (EDRF) and the European Social Fund (ESF). **This Call is focused on the delivery of Action 3.8, which is funded under ERDF rules and regulations.**

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

**Objective 1 - Enhancing work-readiness and well-being (European Social Fund (ESF) funded)**

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 (ERDF funded)**

Action 2.5: Promotion of SMEs and social enterprise

Action 2.6: Support for SMEs, self-employment and business start-ups

Action 2.7: ‘DIY’ Space and/or business incubation facilities

**Objective 3 - Integrated delivery mechanism for the strategy (ERDF funded)**

***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 **Action 3.8 Setting up and operating the Community Hub** under **Objective 3 - Integrated delivery mechanism for the strategy**  The Call is seeking projects to create a central networked Community Hub to facilitate the delivery of programming and services to support the **Strategic Objective of the Folkestone Community Works programme:**  *To promote* ***social and economic cohesion*** *in the Folkestone Community Works CLLD area through interventions to* ***help residents access jobs*** *and to* ***support businesses to grow and provide new job opportunities***  Projects should seek to:   1. Meet the local demand for a sustainable community hub that provides quality, flexible space which is fit for purpose and able to meet the differing needs of the local community. 2. Create a highly visible point of contact from which to integrate programmes and provide coordinated services to the people and businesses in the Folkestone Community Works CLLD area. 3. Bring together support providers and beneficiaries under the ethos: ‘With’ the people not ‘for’ the people*.* 4. Provide activities and support to residents and businesses in the Folkestone Community Works CLLD area to help them achieve their potential. These services could be provided by the project lead organisation, by a named partner organisation(s), organisation(s) using the hub to deliver services or be procured separately. 5. There could also be a virtual dimension in order to help residents and businesses, especially younger people, who are more comfortable accessing services through the internet.   Projects seeking funding should:   1. Address Action 3.8 as identified in the Folkestone Community Works Programme’s Folkestone Strategy and within this Call. 2. Have a 5 year business plan that shows how the project will be sustainable after the funding ends 3. Bring empty buildings into use or repurpose under-utilized space within the Folkestone Community Works CLLD area. Priority will be given to projects bringing empty buildings back into use. 4. Represent an appropriate, effective and efficient means of delivering the relevant specific Outputs as identified within this call. 5. Add value to and does not duplicate existing provision and must not conflict with national policy. 6. Deliver the required Outputs for Action 3.8. 7. Consider including a programme of activities that engages with and supports residents and businesses in the Folkestone Community Works area who want to become entrepreneurs, and/or business support for small enterprises including the self-employed that could contribute to Folkestone Community Works programme outputs. 8. Represent value for money. 9. Have the required minimum 50% match funding for the requested ERDF contribution and that the specific match funding stream does not contain any EU funds matched at source by the organisation. For example, ERDF or ESF funds allocated to organisations for other projects cannot be used as match funding for this programme. 10. Have well developed local networks with clear ways to engage with the local community and service providers. 11. Demonstrate innovation. 12. Do not lead to a deterioration or loss of environmental assets or resources 13. Be delivered by appropriate organisations, where the lead organisation (in the case of projects that involve more than one organisation) has in place:  * an appropriate equality and diversity policy and implementation plan * an appropriate sustainable development policy and implementation plan * appropriate systems for meeting the monitoring requirements for ERDF funded projects |
| **Work Package** | Objective 3 - Integrated delivery mechanism for the strategy |
| Actions | Action 3.8 Setting up and operating the Community Hub |
| Funding allocation | Objective 3 - Integrated delivery mechanism for the strategy   |  |  |  |  | | --- | --- | --- | --- | | Total | ERDF Capital | ERDF Revenue | Match funding | | £500,000 | £175,000 | £75,000 | £250,000 | |
| Funding available | The maximum ERDF funding available is £250,000.  There is a minimum threshold for the size of ERDF grant requested for individual projects of £50,000 i.e. the minimum total project cost with matching funding is £100,000.  There is a requirement of 50% match funding for the requested ERDF contribution. There is no maximum requirement for match funding.  Preference will be given to projects of scale and impact. |
| Geographical  Scope | Buildings to be renovated or refurbished must be in the Folkestone Community Works CLLD area. Priority will be given to locations within the shaded pink area on the map– known as the 20% decile area, through the assessment criteria.  Priority will be given to projects supporting residents and businesses in the shaded pink area through the assessment criteria. |
| Target Groups | 1. Buildings within the Folkestone Community Works CLLD area, with particular priority for locations in the pink shaded 20% decile area   Beneficiaries of the support and services operating from the Community Hub   1. Residents residing in the Folkestone Community Works CLLD area who want to become economically active with particular emphasis of residents within the 20% decile area. 2. Enterprises and entrepreneurs located in the Folkestone Community Works CLLD area: 3. SME businesses, including social enterprises 4. New businesses registered at Companies House less than 12 months before assistance is provided 5. Sole Traders resident in the Folkestone Community Works CLLD registered with HMRC less than 12 months before assistance is provided 6. Potential entrepreneurs resident in the Folkestone Community Works CLLD area looking to establish a business or become self-employed |
| Examples of activity and potential interventions | The Folkestone Community Works’ Folkestone Strategy indicates of the type of functions that could be delivered in the Community Hub and would support the Strategic Objective of Folkestone Community Works:   * A triage service within the hub to identify what services might be appropriate for residents seeking support. * Training, awareness raising activities (meetings, website, publicity, etc) and signposting to available services. * Help to develop employability including CV writing and presentation skills. * Promotion of entrepreneurship including self-employment * Provision of resources such as computers and printers, internet, legal advice, dealing with indebtedness and childcare facilities. * Business support including: free advice and awareness raising activities; signposting KCC services such as Growth Hub, and networking events. * Coordination of voluntary sector activities in the FCW CLLD area (charity and volunteer group meetings, information about services, space for meetings, case management and referral). * Case management for services based or utilizing the community hub * DIY space for exhibitions and events (e.g. for social enterprises, creative activities). * Income generating activities such as a coffee shop, second hand shop, meeting room or hall hire. |
| Outputs | The funding under Action 3.8 Integrated delivery mechanism for the strategy is focused on developing a sustainable Community Hub that will support the delivery of the Folkestone Community Works Programme (FCW).  The Action 3.8 funding is expected to delivery towards ERDF output P2:   |  |  | | --- | --- | | **ERDF Outputs** | FCW Programme | | P2: Public or commercial buildings built or renovated (sqm) | 400 |   However, it is expected that the project will act as a hub for residents and businesses in the Folkestone Community Works CLLD area to access information on and services of the Folkestone Community Works programme.  **Folkestone Community Works Programme**  The programme is currently delivering a range of support and details of these projects can be found on the [Folkestone Community Works - Folkestone Works](https://folkestone.works/funding-and-support/folkestone-community-works/) website.  The ERDF and ESF Outputs to be delivered by the Folkestone Community Works Programme that relate to Objectives 1, 2 & 3 of the Folkestone Strategy are:   |  |  | | --- | --- | | **ERDF Outputs** | FCW Programme | | C1: Number of enterprises receiving support | 195 | | C5: Number of new enterprises supported | 148 | | P11: Number of potential entrepreneurs assisted to be enterprise ready | 175 | | C8: Employment increase in supported enterprises | 98 | | P2: Public or commercial buildings built or renovated (sqm) | 400 |  |  |  | | --- | --- | | **ESF Outputs** | FCW Programme | | CO01: Number of unemployed, including long-term participants | 350 | | CO03: Number of inactive participants | 650 | | O4: Number of participants over 50 years of age | 100 | | C015: Participants from ethnic minorities | 75 | | C016: Participants with disabilities | 235 |  |  |  | | --- | --- | | **ESF Results** | FCW Programme | | R1: Unemployed participants into employment or self-employment | 160 | | R2: Economically inactive participants into employment or self-employment | 189 | | CR02: Participants into education or training on leaving school/ education | 200 |   There are planned further Calls for applications to deliver services and support to deliver both ESF and ERDF outputs and results These will be launched in 2020. |

1. **Project Match Funding Requirements**

There is a requirement for projects to provide a minimum of 50% match funding for ERDF grant funding.

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. Non-EU grants provided to the organisation.
7. Donation of buildings

## 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 ERDF funding already granted 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 elements:

**Completing the Eligibility Questionnaire**

Project applicants are required to complete an Eligibility Questionnaire (EQ) as part of the application process. This document is enclosed with the Call for Project pack and is also available in electronic form from [Folkestone Community Works - Folkestone Works](https://folkestone.works/funding-and-support/folkestone-community-works/)

While the Eligibility Questionnaire needs to be submitted by the Application submission date, it is recommended that this is completed and submitted as soon as possible. The completed EQ will be used to determine whether the project applicant has met the eligibility criteria.

Submission of this earlier will ensure that time is not wasted in completing the full application, if the organization is ineligible for funding.

Please email the completed Eligibility Questionnaire to:

[folkestonecommunityworks@folkestone-hythe.gov.uk](mailto:folkestonecommunityworks@folkestone-hythe.gov.uk)

**Stage 2: Completing the full application**

**The first step** is to contact the Programme Management Team on the above email to discuss your project, we can then offer the following:

* 1:1 support with an EU funding specialist
* Workshop: 18th November 2019, 10:30 – 14:00hrs (group sessions)

Workshop to be held at Folkestone & Hythe District Council, Civic Centre, Castle Hill CT20 2QY.

The contents of the workshop will include: a general introduction to the programme and the funding; what are we looking to achieve; the project application process and associated forms; project financing and building a budget; project outputs; Cross Cutting themes requirements; and publicity requirements

The workshop will be held over 1 day. The morning sessions will provide further details about the programme, including budgets, eligible spend, match funding requirements, Outputs, the claims and monitoring process, other relevant ESIF rules and regulations, etc. During the afternoon session, project applicants will be offered 1-2-1 slots 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: determining what will be delivered and identifying budget lines and match funding sources as soon as possible, before attending at least one of the application workshops.

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

**The submission date for the Full Application is 5pm, Friday 13th December 2019.**

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 of the LAG and next steps by **5pm, Friday 30th January 2019.**

1. **Project Selection**

Project applications will be assessed against the agreed criteria by the Project Assessor and a recommendation report will be prepared for the Local Action Group (LAG). The assessment criteria reflect the eligibility criteria set out in ERDF national eligibility rules and these 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 [Folkestone Community Works - Folkestone Works](https://folkestone.works/funding-and-support/folkestone-community-works/)). Project applicants may be invited to attend a LAG meeting to answer questions about the project and the LAG might chose to invite an expert or representative from the community 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 final decision within 10 working days, following the formal decision by the Accountable Body. The Accountable Body makes its decision through the Local Decision Panel consisting of the Council Leader, Cabinet lead member for District Economy and the Council’s Director of Place and Commercial.

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.

1. **Project Records and Monitoring Processes**

Once a project has been approved for grant funding, the lead Project Delivery Organisation will be required to enter into a legally binding Grant Funding Agreement with the Programme Accountable Body, Folkestone & Hythe District Council. The standard template of the Grant Funding Agreement is available for downloading at [Folkestone Community Works - Folkestone Works](https://folkestone.works/funding-and-support/folkestone-community-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 ESIF regulations (see 8. Key documents).

The lead Project Delivery Organisation 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;
* An Output update with supporting evidence of delivery.

For each individual transaction made evidence will be required for all aspects of finance and procurement, including:

* quotes/tender and other documentation complying with ESIF procurement requirements;
* copy of purchase orders, if applicable;
* final invoices;
* receipt of goods;
* payment details (from finance system);
* remittance advice;
* bank statements.
* For salaried staff:
* Contract of employment
* Payslips
* Timesheets
* Proof of payment: payroll transaction list/ bank statement

Over the course of the project delivery, the Programme Manager will meet with the lead Project Delivery Organisation each quarter to discuss the quarterly financial claim and progress / output report and to review performance and activities and the system of record maintenance. Notes of 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**

The lead Project Delivery Organisation will be required to utilise the electronic template provided by the Folkestone & Hythe 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 [Folkestone Community Works - Folkestone Works](https://folkestone.works/funding-and-support/folkestone-community-works/)

A project claim will be made by the lead Project Delivery Organisation according to the dates set out in the Grant Agreement with Folkestone & Hythe 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@folkestone-hythe.gov.uk](mailto:folkestonecommunityworks@folkestone-hythe.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 and reviewed the project claim and associated evidence and agreed the amount to be claimed.
2. An invoice for the agreed grant amount has been received from the lead Project Delivery Organisation.
3. The Grant Claim is for Eligible Expenditure and is in arrears (*Please note:* eligible expenditure cannot be claimed until defrayal from the named bank account has occurred).
4. 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;
* pay-slips
* 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 these.

The Council will normally pay a 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 Folkestone & Hythe District Council will then meet to discuss/review the claim.

The final claim will then be submitted to F&HDC's Chief Economic Development Officer and/or Assistant Director, Finance, Customer & Support Services Corporate Head of Finance for sign-off before payment is made to the Project Delivery Organisation.

The Accountable Body, Folkestone & Hythe District Council (F&HDC), will complete regular financial claims to the ERDF Managing Authority, Ministry of Housing, Local Government and Communities. Preparation of these claims will be led by the Programme Manager and the Programme Assistant with significant support from F&HDC’s corporate Finance Team. The individual project claims will form an integral part of these claims and the Lead Project Delivery Organisations may be called upon to support the process. Expenditure rejected by the Managing Authority will be clawed back from the individual projects that are claiming the expenditure.

The Council's financial systems will be used to ensure that comprehensive and accurate data and records are maintained.

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.

1. **Key Documents need to check links and most update docs**

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 [Folkestone Community Works - Folkestone Works](https://folkestone.works/funding-and-support/folkestone-community-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)
* 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://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/723537/ESIF-GN-1-012_National_ERDF_Eligiblity_Rules_v1.pdf)

* Output Indicator Definitions Guidance for the European Regional Development Fund; 2014 to 2020 European Growth Programme; ESIF-GN-1-002, Version 6; June 2018. To access click [here](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/719940/ESIF-GN-1-002_ERDF_Output_Indicators_Definition_Guidance_v6.pdf)
* National ESIF Procurement Requirements;2014 to 2020 European Growth Programme; ESIF-GN-1-001, Version 6; published 16 August 2019. To access click [here](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/705925/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://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/705926/ESIF-GN-1-007_Procurement_Aide_Memoire_for_Applicants_and_Grant_Recipients_v2.pdf)
* State Aid: The Basics Guide; July 2015; Department of Business Innovation and Skills. To access click [here](https://assets.publishing.service.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://assets.publishing.service.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, ESIF-GN-1-006, Version 7 January 2016. To access click [here](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/705953/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 8 Date published 1 August 2019. To access click [here](https://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=2ahUKEwiU75mV7O3gAhWdRxUIHf_fAq4QFjAAegQIBxAC&url=https%3A%2F%2Fassets.publishing.service.gov.uk%2Fgovernment%2Fuploads%2Fsystem%2Fuploads%2Fattachment_data%2Ffile%2F735917%2FESIF-GN-1-005_ESIF_Branding_and_Publicity_Requirements_v7.docx&usg=AOvVaw17Ts3OYEe_1TWwC0YzE-Ry)
* Guidance on Document Retention, including electronic data exchange, for 2014-2020 ERDF projects, ESIF-GN-1-008, Version 1, 17 February 2016. To access click [here](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/705883/ESIF-GN-1-008_ERDF_Document_Retention_Guidance_v1.pdf)