**Call Specification**

**Call 9: Main Projects (ERDF): ’DIY’ Space and /or Business**

**Incubation Facilities**

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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 3b: Main Projects (ERDF) ’DIY’ Space and /or business incubation facilities |
| Folkestone Community Works CLLD (FCW) Programme Indicative Fund Allocation: | Action 2.7: ERDF £105,000  To be match funded by the project pound for pound with non-EU funding |
| Call Opens | Tuesday 1st August 2021 |
| Call Closes | The call will remain open until the funding is allocated  Submission date for applications are based on the LAG meeting dates, which are held quarterly. Applications need to be submitted at least two weeks prior to the LAG meeting dates  The next two application deadlines are:   * 7th September 2021 * 17th November 2021 |

Grant applicants are advised to read the Folkestone Community Works Grant Manual that is available to download from the [Folkestone Community Works](https://folkestone.works/folkestone-community-works/) webpages on folkestone.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. 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 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 2.7, which is funded under ERDF rules and regulations.

The FCW 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 (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 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 2.7: ‘DIY’ Space and/or business incubation facilities** under **Objective 2: Promoting local business and social enterprise**  The Call is seeking projects to create quality, flexible and versatile space(s) for businesses or for a wider appeal.  Projects should seek to:   1. Meet the local demand for good quality office and business accommodation, co-working opportunities, permanent and hot desking facilities, and also demand for ‘DIY’ or creative space for individuals and teams. 2. Provide networking and business support activities to nurture potential and existing entrepreneurs and small businesses within the space and in the wider area. These services could be provided by the project lead organization, by a named partner organization or be procured separately.   Examples of the type of space that could be created through a funded project include:   * Bouverie House Business Centre Folkestone https://[bouveriebusiness.co.uk](https://bouveriebusiness.co.uk/) * Resort Studios Margate <http://www.resortstudios.co.uk/> * The Printworks Margate <https://printworksmargate.com/> * [Arts and creative industries facilities | Middlesex University London (mdx.ac.uk)](https://www.mdx.ac.uk/student-life/facilities/arts-and-creative-industries-facilities) * Canterbury Innovation Centre <http://www.canterburyinnovationcentre.co.uk/>   Projects seeking funding should:   1. Address Action 2.7 as identified in the Programme Strategy and within this Call. 2. Bring empty buildings into use or repurpose under-utilized space within the FCW area. Priority will be given to projects bringing empty buildings back into use. 3. Focus on providing quality business space for SMEs, including social enterprises, potential entrepreneurs and start-ups in the eligible area, and on ‘DIY’/ creative space to meet the needs of local residents or businesses to access facilities. 4. Have a business plan that shows how the project will be sustainable after the funding ends. 5. Consider including a programme of business support activities that engage with and support local SMEs, potential entrepreneurs and startups which the project is looking to attract into the accommodation/space and also those in the wider FCW area that might benefit from this provision. 6. Represent an appropriate, effective and efficient means of delivering the relevant specific Outputs as identified within this call. 7. Add value to and does not duplicate existing provision and must not conflict with national policy. 8. Deliver the required Outputs for the Action 2.7 and contributes other ERDF Outputs through providing business support to the businesses both accommodated in the project and in the wider FCW area. 9. Represent value for money with the cost per output comparable to other projects and for the FCW programme. 10. 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 funds allocated to organisations for other projects cannot be used as match funding for this programme. 11. Have well developed local networks with clear ways to engage with the local businesses, social enterprises, start-ups and potential entrepreneurs. 12. Demonstrate innovation. This could be new facilities and/or different ways of delivery 13. Do not lead to a deterioration or loss of environmental assets or resources 14. Be delivered by lead organisation who 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 2: Promoting local business and social enterprise** |
| Actions | Action 2.7: ‘DIY’ Space and/or business incubation facilities |
| Funding allocation | Objective 2 – Promoting local business and social enterprise   |  |  |  |  | | --- | --- | --- | --- | |  | Total | ERDF funding | Match funding | | **Action 2.7: ‘DIY’ Space and/or business incubation facilities** | £210,000 | £105,000 | £105,000 |   \*additional funding is available for delivery of business support services |
| Funding available | There is a minimum threshold for the size of ERDF grant requested for individual projects of £25,000 i.e. the minimum total project cost with matching funding is £50,000. There is no maximum threshold. Preference will be given to projects of scale and impact.  Capital funding can match revenue funding (and visa versa) |
| Geographical  Scope | Buildings to be renovated, refurbished and/or adapted for an alternative use must be in the FCW 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.  Beneficiaries of the funded business support services delivered by the project must be located within the FCW area shown on the map above. Priority will be given to projects supporting businesses in the shaded pink area through the assessment criteria. |
| Target Groups | 1. Buildings within the FCW area, with particular priority for locations in the pink shaded 20% decile area 2. Businesses supported through the project that are: 3. SME businesses, including social enterprises, located in the FCW area 4. New businesses registered at Companies House less than 12 months before assistance is provided located in the FCW area 5. Sole Traders resident in the FCW area registered with HMRC less than 12 months before assistance is provided 6. Potential entrepreneurs resident in the FCW area looking to establish a business or become self-employed 7. Businesses from outside the UK locating in the UK for the first time |
| Examples of activity and potential interventions | * Building refurbishment to create suitable business accommodation * Building refurbishment and/or adapted to create ‘DIY’ space or facilities * Business support services * Entrepreneur mentorship * Free business workshops, webinars and events * Engage with businesses with skills needs and link to existing FCW projects funded under Objective 1 of the programme, whose participants have been upskilled with relevant skills and are job ready.   SME businesses who have recently received grants identified the following types of business support that would be of interest to them:   * Human resources: employing staff, job adverts, pension commitments, tax laws * Marketing: dealing with the press, public relations, using social media * I.T.: updating websites to look professional, advanced app development * Business Planning: how to write an effective business plan, how to grow your business sustainably, next steps * GDPR: what it means for businesses, rules and regulations * Social enterprise: should my business become one and how. |
| Outputs | Projects are required to focus on and deliver support which will deliver ERDF outputs. Projects that deliver both building renovation and business support will be given priority.  Essential for building adaption / renovation/ refurbishment:   * **Public or commercial buildings built or renovated (sqm)** (ERDF output P2) – the entire area inside the external walls of a building which is newly built/constructed as part of the operation, or upgraded buildings refurbished, improved or adapted for productive use as part of the operation.   One of more outputs for business and entrepreneur support services:   * **Enterprises receiving support** (ERDF output C1) – delivering 12 hours of support to a business. The business can be any size – sole trader, micro, small and medium- sized enterprises, plus large businesses. * ***New enterprises receiving support*** (ERDF output C5 - a subset of C1) – a new business is one registered at Companies house or HMRC for less than 12 months before assistance is provided or locating in the England programme area for the first time. * **Employment increase in supported enterprises** (ERDF output C8) – full-time equivalents above the baseline set at the start of the intervention. Seasonal jobs may be counted where this is normal practice for an industry and exists for a minimum of 4 weeks per annum and is counted pro-rata. * **Potential entrepreneurs assisted to be enterprise ready** (ERDF output P11) – 12 hours of assistance to the individual/enterprise. Support can be delivered through workshops. Individuals cannot be under 16 years   For details on the full definitions, count thresholds and verification evidence for each output read the ERDF Output Indicator Definition Guidance especially the specific requirements for each output.  Projects which deliver more than one output will be given preference to those that only focus only one. However, small innovative projects will also be considered.  In order to deliver value for money, the benchmark total cost project per Output that any project will be expected to be delivered are as follows. However, projects offering greater value for money than these benchmarks will be given greater weight in the assessment process.  **Value for money for this call**  Cost per unit output delivered  Output C1/C5 - £2,200  Output P11 - £1,800  Output C8 - £6,000  For Action 2.7 the VfM is calculated from the budget being used to deliver the business support service. Capital costs are not included in the VfM calculation.  Note: business support excludes signposting and generic support  **ERDF Output Indicator Definitions** Guidance for the European Regional Development Fund; 2014 to 2020 European Growth Programme; 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) |

1. **ESIF Documents**

Below is a list of ESIF programme documents related to EERDF funding, many of which are also listed in the Application Form Guidance Notes and can be also accessed via the [Folkestone Community Works webpages](https://folkestone.works/folkestone-community-works/folkestone-community-works-open-calls-and-application-forms/) on Folkestone.works website

* **Eligibility Guidance**; 2014 to 2020 European Growth Programme ESIF-GN-003 ERDF; Version 12, June 2021. To access click [here](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/832233/ESIF-GN-1-003_ERDF_Eligibility_Guidance_v9.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)
* **ERDF Output Indicator Definitions** Guidance for the European Regional Development Fund; 2014 to 2020 European Growth Programme; 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)
* **Guidance on Revenue Generating Projects** ESIF-GN-1-004; 2014 to 2020 European Growth Programme; Version 1, September 2015. To access click [here](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/832393/ESIF-GN-1-004_ERDF_Guidance_on_Revenue_Generating_Projects_v1_290915.pdf)
* **National ESIF Procurement Requirements**; 2014 to 2020 European Growth Programme; ESIF-GN-1-001, Version 7; published 15 September 2020. To access click [here](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/917826/ESIF-GN-1-001_ESIF_National_Procurement_Requirements_v7.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 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/929058/ESIF-GN-1-006_ERDF_State_Aid_Law_Guidance_v4.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://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/836956/ESIF-GN-1-005_ESIF_Branding_and_Publicity_Requirements_v8_updated.pdf)
* **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)

Other documents

* **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)
* **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)