



**European Union**  
European Structural  
and Investment Funds

## Sunderland Community Led Local Development Programme Call for projects – Round 4 (extension\*)

### **Strategic objective 1: Enhancing employment and skills provision**

Action 1.1 - Effective engagement, finding and signposting (ESF)

Action 1.2 - Support towards, into and during employment (ESF)

### **Strategic objective 2: Boosting enterprise and entrepreneurship**

Action 2.1 - Inspiring an enterprising community (ERDF)

Action 2.2 - Creating sustainable enterprises - pre-start and start-up support (ERDF)

### **Strategic objective 3: Improving community capacity, partnership working and social innovation**

Action 3.1 - Investing in community leadership and capacity-building (ESF)

Action 3.2 - Promoting social investment opportunities (ESF)

<b>*Note for applicants – PLEASE READ THIS FIRST</b>	<b>Please note that CLLD funding is now largely allocated. However, we are still interested in receiving project ideas for potential ‘reserve’ projects should sufficient funding become available. If you have specific proposals that will make a strong contribution to the programme’s outputs, please contact the Accountable Body Team by email: <a href="mailto:clld@sunderland.gov.uk">clld@sunderland.gov.uk</a></b>
<b>Accountable Body</b>	<b>Sunderland City Council</b>
<b>Funds</b>	<b>European Regional Development Fund European Social Fund</b>
<b>Call Reference</b>	<b>SUN/CLLD/C4.2</b>
<b>Call Open</b>	<b>Thursday 3 December 2020</b>
<b>New Call Deadline</b>	<b>23:59 on Friday 30 September 2022</b>

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## 1. Introduction and background

Sunderland's Community Led Local Development (CLLD) programme supports local project activities that will contribute to the objectives of the Local Development Strategy (LDS). The programme is funded by both the European Regional Development Fund (ERDF) and European Social Fund (ESF) grant. The two funds form part of the European Structural and Investment Fund Programme (ESIF) Programme for the period 2014-2020.

Sunderland was awarded £1,850,000 from the ESF and £900,000 from the ERDF to support the delivery of its LDS between October 2017 and March 2023.

Sunderland City Council is the Accountable Body for CLLD in Sunderland. It works on behalf of and reports to the Local Action Group (LAG), a local partnership group of voluntary and community, private and public sector organisations and representatives. The LAG makes the final decision on whether projects are approved or rejected.

Four Calls for Projects have been issued since the programme was launched in November 2017. To date, 27 projects have been approved by the Local Action Group, with over £2.05m ESIF grant (ESF and ERDF) allocated to local organisations and a further £0.75m grant requested by pipeline projects.

**This call focuses on all three strategic objectives of the LDS. The call has been extended to 30 September 2022 to allow for 'reserve' projects to be considered, subject to sufficient funding becoming available. For ESF, we are particularly interested in projects that seek to work with people with disabilities and/or support specific disadvantaged groups into work. For ERDF, we are seeking projects that will work with potential entrepreneurs and/or that will support existing businesses to increase their workforce.**

**As stated on page one of the call document, we are asking organisations interested in applying for funding to contact the Accountable Body team first, prior to completing an Expression of Interest form.**

Depending on the volume and type of projects the LAG reserves the right to either close the call early or extend it further.

## 2. Call Timetable

**Project applicants are invited to contact the Accountable Body team by email [clld@sunderland.gov.uk](mailto:clld@sunderland.gov.uk), before commencing the preparation of the Stage 1 Expression of Interest Form (EOI).** If you are asked to prepare and submit an EOI your organisation may be invited to 'pitch' the project idea to the Local Action Group.

If the EOI is endorsed, you will be notified within 1-2 weeks of the LAG's decision and the project will be invited to submit a Stage 2 Full Application Form within 1 month of the LAG's decision or as early as possible. The table below sets out the key dates for submitting EOIs, and provisional dates for endorsing projects at the EOI and Full Application stages.

<b>Deadline for submitting EOIs</b>	30 September 2022
<b>LAG decision on EOIs</b>	20 October 2022. This date may be earlier if EOIs are submitted before the final EOI deadline of 30 September 2022.

<b>Deadline for Full Application</b>	Following endorsement of EOIs, applicants can submit their Full Application as soon as they are ready or within 1 month of the invitation to submit.
<b>LAG decision on Full Application</b>	2 weeks after the Full Application has been appraised by the Accountable Body and considered by the LAG.

### 3. Scope of the Call

This call invites EOIs that support the delivery of strategic objectives 1, 2 and 3 of the Sunderland Local Development Strategy set out below in section 5.

The Local Development Strategy, and an executive summary of the document, is available on the CLLD website. Where appropriate, projects can choose to deliver activity across more than one action. However, the appropriate outputs should be selected, and projects will be required to report on, and evidence, the achievement of outputs separately under each strategic objective and action.

**Where organisations are seeking to deliver both ERDF and ESF activities, separate EOIs will be required.**

<b>Strategic objectives</b>	<p>Through this call the Local Action Group will allocate funding across the following actions:</p> <p><b>Strategic objective 1: Enhancing employment and skills provision</b>  Action 1.1 - Effective engagement, finding and signposting (ESF)  Action 1.2 - Support towards, into and during employment (ESF)</p> <p><b>Strategic objective 2: Boosting enterprise and entrepreneurship</b>  Action 2.1 - Inspiring an enterprising community (ERDF)  Action 2.2 - Creating sustainable enterprises - pre-start and start-up support (ERDF)</p> <p><b>Strategic objective 3: Improving community capacity, partnership working and social innovation</b>  Action 3.1 - Investing in community leadership and capacity-building (ESF)  Action 3.2 - Promoting social investment opportunities (ESF)</p>
<b>Minimum application level</b>	<p>ESF or ERDF investment in the CLLD target area is intended to make a significant impact on local employment, skills, enterprise and community capacity-building.</p> <p>There is no minimum application level for funding. However, other more appropriate funding opportunities may be available to support smaller projects seeking less than £15,000 of grant funding support.</p> <p>All potential applicant organisations are encouraged to work together with other local partners to generate new ideas, approaches and develop joint proposals.</p>
<b>Duration of project activity</b>	Typically, projects should plan to deliver activity for a minimum of 9-12 months (e.g. for pilot projects). Project activities should aim to finish by 31 March 2023 with financial completion by 30 April 2023. However, the LAG reserves the right

	to vary the minimum and maximum durations, upwards or downwards.
<b>Specific call requirements</b>	<p>This call is for community led projects in the Sunderland CLLD area. The criterion for assessing project proposals is set out in the Evaluation and Scoring Guidance for CLLD Call 4.</p> <p>Innovation, partnership-working, community engagement, value for money and alignment with local strategic priorities will all form key parts of the assessment of applications.</p>
<b>Call Deadline</b>	EOIs received after the published deadline of <b>Friday 30 September 2022</b> will not be considered.

#### 4. Target Geography

The Sunderland Local Development Strategy has been approved by Government based on the Index of Multiple Deprivation (IMD, 2010) and a range of other criteria. The strategy is focused on the most deprived areas of Sunderland's urban core, and Washington in the west, along the Sunderland Strategic Transport Corridor.

The CLLD area has a total population of 146,108 of which 85,588 (or 58.6%) live in Lower Super Output Areas (LSOAs) ranked in the 20% most deprived. The area comprises 101 LSOAs within the Washington, North, East and West areas of Sunderland. The area includes the Sunderland electoral wards of Castle, Millfield, Redhill, St. Anne's and Washington North in their entirety; and parts of the Sunderland electoral wards of Barnes, Fulwell, Hendon, Pallion, St. Chad's, St. Michael's, St. Peter's, Sandhill, Silksworth, Southwick, Washington Central, Washington East, Washington South and Washington West.

All eligible project activity and expenditure must benefit eligible individuals, businesses or organisations within this area, as set out in the CLLD map and list of eligible areas on the CLLD website. DCLG's IMD mapping tool - <http://dclgapps.communities.gov.uk/imd/idmap.html> - and postcode lookup tool - <http://imd-by-postcode.opendatacommunities.org/> can also be used to identify the IMD ranking of specific areas or postcodes.

CLLD activity should aim to target those areas / LSOAs with the most serious disadvantage, particularly those that rank in the top 10% (44,930 people). The most deprived areas include specifically entrenched clusters in Pallion, Redhill, Southwick, Millfield, Sandhill and Hendon and an emerging cluster in Washington North. Analysis of the latest IMD data for 2015 and 2019 shows that deprivation levels in parts of the CLLD area are worsening, providing further justification for the ongoing need for more intensive and localised support in these neighbourhoods.

Adjacent areas not in the 20% most deprived have been included in the CLLD geography because of their links to key opportunities and to form a more coherent area.

#### 5. Strategic objectives and actions

The Local Development Strategy is structured around 3 strategic objectives and 6 actions. These objectives and actions complement and contribute to the ambitions set out in the [City Plan](#) and [Community Wealth Building Strategy](#).

**Project applicants should ensure that their proposals contribute to at least one strategic objective and action and address the challenges in the local development need sections below.**

**Strategic objective 1: Enhancing employment and skills provision (European Social Fund)**

**Local development need**

The [Local Development Strategy](#) is the document that the local partnership in Sunderland developed to form the basis of what could be implemented through the CLLD programme. The LDS was approved by both the Ministry of Housing, Communities and Local Government (MHCLG) and the Department for Work and Pensions (DWP) prior to the programme commencing in 2017.

A key part of the Local Development Strategy’s approach to addressing social inclusion and poverty is its focus on addressing poor levels of educational attainment and deficits in skills and employment at all levels. Lack of availability of the right mix of skills, qualifications and experience to meet existing demand and to attract a wider range of opportunities is a drag on new business investment in the city. The scale of economic inactivity in the local economy also acts as a brake on growth.

This objective is centred on transforming the CLLD area into a place where everyone has an appetite for learning, is motivated by the available employment and career opportunities and feels empowered to participate in a rapidly changing society and economy.

We want everyone to have the skills, attributes, qualifications and experiences that enable them to realise their full potential. There is a strong collective determination to raise achievement throughout the education system and to close the gap in attainment between those who are disadvantaged and the rest of the population.

However, it is not just about achieving qualifications, in the years ahead people will have to manage their education and careers more actively and develop skills that employers view as essential. For most people a single course of study will not provide entry into a “job for life” and, despite some good performance from educational institutions, there needs to be a greater emphasis on employability and enterprise skills. The so-called “soft skills”, such as communication, teamworking and problem solving, are increasingly valued by employers. These are also the skills that are most needed in every aspect of our everyday lives.

For too many people, education is simply seen as something which stops at a relatively young age. There is a need in Sunderland to up-skill the adult population across all ages, including the economically active but particularly the economically inactive, giving them the skills to contribute to an ever-changing labour market.

Too often learners are unaware of current needs and future opportunities, which then leads to ill-informed decisions on education, training and employment options. The research work has provided a solid understanding of why certain groups and individuals continue to miss out on support. Designing the right local

solutions that will make a meaningful local contribution is at the centre of this objective.

The support available under this objective will help people in the most deprived areas who are unemployed or inactive to tackle their barriers to work and move towards employment. The main result that will be achieved is that more participants will be in employment (or self-employment), education, training or actively engaged in job search upon leaving.

The aim of this objective is to help local communities to devise and deliver innovative solutions to local labour market challenges. Participants will be unemployed or inactive and they could face a range of barriers to employment, including age or disability.

Potential applicants should familiarise themselves with the [Local Development Strategy](#) and the latest local labour market trends and issues faced by specific target groups in Sunderland's CLLD areas.

Several key challenges exist in the local labour market which have been exacerbated by the Covid-19 pandemic. Addressing these challenges should be the focus of project activity under this objective:

- Employment is lower than the national average and remains unevenly distributed locally and regionally.
- There is a relatively high proportion of economically inactive people who want a job. In Sunderland, it is estimated that 25.8% (10,600 people) of the economically inactive cohort (41,200 people) wants a job (Jul 19-Jul 20 ONS Annual Population Survey).
- People with no qualifications are less than half as likely to be in employment compared to graduates. In Sunderland 9.9% (17,200 people) of the resident population aged 16-64 (173,900 people) has no qualifications, compared to the North East average of 9.4% and the Great Britain average of 7.7% (Jan-Dec 19 ONS Annual Population Survey).
- In Sunderland, 50.2% (87,300 people) of the resident population aged 16-64 has qualifications at level 3 and above, compared to the North East average of 52.1% and Great Britain average of 58.5% (Jan 19-Dec 19 ONS Annual Population Survey).
- Health and disability are major barriers to work. In Sunderland, 39.3% (16,200 people) of the resident population aged 16-64 are classed as long-term sick compared with the North East average of 27.9% and Great Britain average of 23.3% (Jul 19-Jun 20 ONS Annual Population Survey).
- Insecure and low wage employment is more prevalent than other parts of the region and country. In Sunderland average gross weekly full-time worker earnings in 2020 are £496.80 compared with the North East average of £523.50 and the Great Britain average of £587.10 (ONS Annual Survey of Hours and Earnings).

Within the working age population, and those unemployed and economically inactive, there are certain groups that perform even less well than the average in Sunderland, the region and nationally. These groups include but are not limited to:

	<ul style="list-style-type: none"> <li>• People from workless households;</li> <li>• Offenders, ex-offenders and those on community sentences;</li> <li>• Ex-services personnel and veterans;</li> <li>• Economically inactive women;</li> <li>• Communities where worklessness is persistently high and inter-generational;</li> <li>• Ethnic minorities;</li> <li>• Care leavers and children looked after;</li> <li>• Younger working age people (16-24) including those not in education, employment or training (NEET);</li> <li>• Older workers;</li> <li>• People with work limiting health conditions;</li> <li>• People with disabilities;</li> <li>• People with caring responsibilities.</li> </ul> <p>Project applicants should target activities at the most disadvantaged groups, many of whom have also been more adversely affected by the impact of Covid-19. This might include addressing personal barriers to labour market participation for a range of groups disadvantaged through education, health, or their environment. <b>Under this call we are particularly keen to see projects that target the groups identified above and specifically those people with disabilities, health conditions and younger working age people.</b></p> <p>Programme outputs for this objective are listed below.</p>
<b>Action 1.1</b>	<b>Effective engagement, finding and signposting</b>
<b>Description</b>	<p>Projects / initiatives which support effective engagement, finding and signposting of clients missing out on employability and skills support. Research and consultation have identified a need for this type of intervention, and there is a strong desire from local partners to pilot a select number of interventions that will improve engagement, targeting and signposting.</p>
<b>Deliverables</b>	<p><b>Outputs</b></p> <p>Number of participants (O1)</p> <p>Number of participants who are unemployed including long-term unemployed (CO01)</p> <p>Number of participants who are inactive (CO03)</p> <p>Number of participants over 50 years of age (O4)</p> <p>Number of participants who are ethnic minorities (CO5)</p> <p>Number of participants with disabilities (CO16)</p> <p><b>Results</b></p> <p>Number of participants in education / training upon leaving (ESF-CR02)</p> <p>Number of unemployed participants into employment (including self-employment) on leaving (R1)</p> <p>Number of inactive participants into employment or job search upon leaving (R2)</p>
<b>Action 1.2</b>	<b>Support towards, into and during employment</b>

<b>Description</b>	Projects / initiatives which provide participants with pre-employability support and their transition into work. There is scope and demand for a range of targeted employability and skills interventions that will complement other provision, respond to local needs and gaps in provision, and which test innovative ways of working, including collaboration with employers and promoting a shared outcome approach between delivery partners.
<b>Deliverables</b>	<p><b>Outputs</b></p> <p>Number of participants (O1)</p> <p>Number of participants who are unemployed including long-term unemployed (CO01)</p> <p>Number of participants who are inactive (CO03)</p> <p>Number of participants over 50 years of age (O4)</p> <p>Number of participants who are ethnic minorities (CO5)</p> <p>Number of participants with disabilities (CO16)</p> <p><b>Results</b></p> <p>Number of participants in education / training upon leaving (CR02)</p> <p>Number of unemployed participants into employment (including self-employment) on leaving (R1)</p> <p>Number of inactive participants into employment or job search upon leaving (R2)</p>
<b>Types of proposed activities</b>	<ul style="list-style-type: none"> <li>• Training activities and skills options that match local residents with employment opportunities;</li> <li>• Pathways to employment initiatives and in-work progression;</li> <li>• More targeted local interventions for those missing out on support;</li> <li>• Development of an 'information hub' for local employability / skills provision and available training and job opportunities;</li> <li>• Projects that use innovative ways of engaging residents not normally targeted for support;</li> <li>• Community based skills support;</li> <li>• Post-employment support, in-work advocacy and advice (e.g. health support, financial advice);</li> <li>• Activities that raise aspirations and tackle under-employment in the target area;</li> <li>• Activities which address digital exclusion and data poverty such as digital skills support to access courses, job / careers information, CVs / covering letters, job interviews etc;</li> <li>• Activities that promote mentoring, volunteering, progression support and transition support;</li> <li>• Projects that focus on addressing sector specific responses to the jobs-skills mismatch.</li> </ul>
<b>Links to other activity in the LDS</b>	The activity supported through this action will focus on improving the skills, confidence and employment prospects of the individual. It will link to other actions where there are progression opportunities into enterprise awareness and development (strategic objective 2) or where project development and implementation work involves VCSE, private or public organisations collaborating on joint projects where additional capacity-building, information sharing or infrastructure may be required (strategic objective 3).

<b>Links to other provision</b>	This objective will have an important link to existing or planned skills and employability provision taking place within the same geography or targeting similar client groups or sectors. Other provision, such as that funded through the National Lottery Community Fund (Building Better Opportunities programme), Education and Skills Funding Agency or Department for Work and Pension (DWP), will need to be taken into account when developing projects.
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**Strategic objective 2: Boosting enterprise and entrepreneurship (European Regional Development Fund)**

<b>Local development need</b>	<p>Sunderland has a strong industrial heritage, and whilst its traditional industries of coal mining and ship building have been replaced by advanced manufacturing and business services, the area still has a relatively narrow industrial base.</p> <p>As recognised in the <a href="#">City Plan</a> this is, in part, because Sunderland has been more successful in attracting inward investors than supporting indigenous businesses to grow. The area has lower self-employment and educational attainment rates than the national average. Business birth rates and business stock are also low in comparison to the national average, and self-employment and enterprise formation rates are even lower in the most deprived wards of Sunderland and among particular groups within these areas.</p> <p>The rationale for this objective is clear from the identified market failures in the local economy. There have been several successful time-limited interventions over recent years that have demonstrated that enterprise and entrepreneurs can be engaged and succeed in the local economy, given the right support.</p> <p>Research conducted to support the Local Development Strategy identified that major issues and challenges in respect of enterprise and business start-ups continue to exist, especially in the CLLD area:</p> <ul style="list-style-type: none"> <li>• Latest data shows that the business birth rate remains lower in Sunderland than regionally and nationally. Business stock and business start-up rates are relatively low in comparison to national averages (ONS Business Demography, 2018).</li> <li>• The private sector is underdeveloped, and there is a dependency on large and public sector employers.</li> <li>• Skill levels are low – only 27.4% (47,600 people) of the resident population in Sunderland aged 16-64 has skills at Level NVQ 4 or above, compared to the North East average 31.9% and England average of 40.3% (Jan-Dec 19 ONS Annual Population Survey).</li> <li>• Local and community enterprise support services in Sunderland have been scaled back in recent years.</li> <li>• There are no community-based enterprise support services targeted specifically at, or exclusively for, the whole CLLD area.</li> <li>• There is limited support aimed at promoting enterprise and raising awareness.</li> <li>• There appears to be less support for businesses post start-up.</li> <li>• There is a growing number of residents who are more neutral about enterprise but could perhaps be encouraged to consider self-employment.</li> <li>• Income insecurity is a key issue.</li> </ul>
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	<ul style="list-style-type: none"> <li>• There is a disconnect between local disadvantaged communities and developments elsewhere in the city.</li> </ul> <p>This objective will aim to support local interventions that will help to address low levels of enterprise activity, including social enterprise, community interest company, and co-operative business development, and that will help to support with the recovery, resilience and growth of local enterprises during and after the Covid-19 pandemic. Activities supported will identify gaps in local and mainstream provision using the latest evidence available and drawing on good practice delivery and evaluation from across the UK and internationally where appropriate.</p> <p>The objective will seek to support the delivery of new activities, including information, guidance, specialist support and access to financial assistance, designed to promote enterprise development at all stages and for a range of target groups.</p> <p>It will aim to address the lack of awareness of enterprise as a viable alternative economic activity (self-employment rather than employment), and the poor linkages between economic markets and underserved markets, particularly within areas of multiple deprivation and areas of relative economic growth and job opportunities.</p> <p>Building on Sunderland’s ‘Social Enterprise City’ status and the ambitions of the <a href="#">Community Wealth Building Strategy</a>, the objective will also explore alternative service delivery models and future market opportunities that will emerge for the VCSE sector, for example, from public service transformation, commissioning, commercial opportunities and workforce development requirements.</p> <p>The Covid-19 pandemic has presented entrepreneurs and enterprises with new challenges and opportunities. Project activities may include actions that support recovery and growth, improve business resilience and focus on innovative solutions to economic, social and environmental challenges, such as low carbon and climate action, digital adoption and exclusion, health and ageing.</p>
<b>Action 2.1</b>	<b>Inspiring an Enterprising Community - Awareness raising and developing a stronger enterprise culture</b>
<b>Description</b>	<p>Partnership or consortium proposals should aim to deliver activities which promote entrepreneurship, encourage enterprise through self-employment, and develop a stronger enterprise culture. There is a well-documented need for general enterprise awareness and capacity-building in the target area, particularly among women, young people, Black and minority ethnic (BME) communities, unemployed or inactive residents and the VCSE sector.</p> <p>Activities which increase entrepreneurial ambition and the skills needed to start a business particularly amongst these target groups and in under-represented communities, including social and community enterprises, are particularly encouraged.</p>
<b>Deliverables</b>	<p><b>Outputs</b> Number of potential entrepreneurs assisted to be enterprise ready (P11).</p>

	<p>Potential entrepreneurs can be individuals aged 16 and over currently in employment, unemployed or economically inactive with an interest in setting up their own business.</p>
<b>Action 2.2</b>	<b>Creating and Growing Sustainable Enterprises</b>
<b>Description</b>	<p>Partnership or consortium proposals which facilitate and support social enterprise development will be particularly encouraged. There is a strong demand for localised enterprise support and some good examples of how to make it work in deprived communities and among harder to reach groups.</p> <p>Projects may include activities that encompass mentoring approaches, activities to manage the transition from pre-start to start-up or start-up to growth, and interventions that embed entrepreneurial skills and create viable and more sustainable businesses.</p> <p>More specific support may also be considered such as: Sector specific support packages that requires a more customised approach; support to enhance business competitiveness or strengthen digital capacity; investment readiness activities to develop investment plans and capacity building; or activities that enhance business resilience to external factors.</p>
<b>Deliverables</b>	<p><b>Outputs</b></p> <p>Number of enterprises receiving support (C1)</p> <p>Number of new enterprises receiving support (C5)</p> <p>Number of jobs created in supported enterprises (C8)</p>
<b>Types of proposed activities</b>	<p>Indicative activities may include:</p> <ul style="list-style-type: none"> <li>• Targeted engagement, outreach, coaching and mentoring to strengthen entrepreneurial and enterprise culture;</li> <li>• Provision of advice and support for entrepreneurship and self-employment amongst under-represented groups by developing entrepreneurial skills and attitudes with a focus on increasing the number of business start-ups;</li> <li>• Provision of advice and support for new business start-ups to survive and grow;</li> <li>• Tailored social enterprise support, including advice on new governance models, investment readiness and business planning;</li> <li>• Financial assistance programmes, including grants, to support potential entrepreneurs, start-ups and enterprises seeking to grow, adapt and invest in new staff, products, processes and service improvements;</li> <li>• Provision of advice, consultancy support, mentoring, peer to peer support, and support for collaborative projects.</li> <li>• Expanding horizons through enterprise awareness, education, masterclasses and communications;</li> <li>• Promoting role models and enterprise champions;</li> <li>• Capacity building to enable existing community workers or volunteers to be 'enterprise ambassadors' or 'coaches';</li> <li>• Tailored business support to formalise and support the transition from informal to formal activities;</li> </ul>

	<ul style="list-style-type: none"> <li>• Outreach, coaching, mentoring, leadership and management support, networking and consultancy to promote VCSE and business start-up, survival and growth;</li> <li>• Supporting those in employment who may wish to become self-employed;</li> <li>• Guidance and advice in accessing finance support including social investment opportunities;</li> <li>• Support and advice to assist businesses with digital adoption and the establishment of alternative business models, products, processes or services;</li> <li>• Advice to improve business processes, workforce development and expanding the workforce, including how to go about recruiting new employees.</li> </ul>
<p><b>Links to other activity in the LDS</b></p>	<p>Strategic objective 2 activities will complement other activities in the Local Development Strategy, most notably in relation to job creation potential and building sustainable enterprises. Creating new businesses will generate job opportunities across a range of sectors and the employability activities, skills and post-employment support will be closely linked to the enterprise objective.</p> <p>The enterprise activities under objective 2 will also complement strategic objective 3 by developing entrepreneurial skills and enterprise capacity among VCSE organisations. It will aim to build local capacity, skills and infrastructure to enable community-based organisations to overcome barriers and actively explore social investment and other external funding opportunities.</p> <p>New applicants and partnerships will also be expected to engage and work with other local enterprise projects supported through previous rounds of CLLD funding.</p>
<p><b>Links to other provision</b></p>	<p>The delivery of enterprise activities through CLLD will be complemented by a range of business support provision and partner initiatives. As part of the enterprise research, the existing provision has been mapped to ensure that services are not duplicated, and that the proposed activities add value to the start-up offer.</p> <p>Examples of some of the projects/services that will complement enterprise activities include the NELEP Growth Hub (an on-line portal of business advice, information and signposting), Finance North East (offering a suite of business finance support), Sunderland Business Network (networking and peer support) and Sunderland City Council Business Investment Team (business assistance, property information, market intelligence).</p> <p>Linkages to programmes and provision supported by Social Investment funds, Community Foundations and regional/national funding bodies will be explored to ensure that the LDS maximises all available opportunities to level additional funds, resources and expertise to create new and/or more sustainable enterprise activities.</p>

**Strategic objective 3: Improving community capacity, partnership working and social innovation (European Social Fund)**

**Local development need**

Through research and engagement work carried out when developing the Local Development Strategy in 2017 it was apparent that there was a shortage of capacity-building support across the Voluntary, Community and Social Enterprise (VCSE) sector. It identified that over the last two decades in Sunderland, a number of VCSE groups have either downsized or ceased to exist. The consequence of this is that those more deprived communities, where VCSE sector presence has reduced, have less capacity and are therefore less able to attract external funding for new projects and services. Meanwhile, those areas with a stronger infrastructure and more dedicated support are more likely to succeed in attracting new investment.

Further and more recent research updated our understanding of the support needs of the VCSE sector not least of which helped us to understand the impact that Covid-19 has had and is likely to continue to have on the sector in terms of its recovery and resilience.

Sources of intelligence include the Interim CLLD external evaluation, CLLD project data and feedback, Sunderland’s 5 Area VCSE Networks, The Let’s Talk Sunderland campaign which informed Sunderland’s 5 [Neighbourhood-Investment-Plans](#), Local Infrastructure Organisation surveys and events including [VoiSE](#) and the [North East VCSE Covid-19 Impact Survey](#).

This objective will deliver activities that address the identified support needs in terms of developing the local infrastructure, building community capacity, and addressing poor linkages between areas of multiple deprivation and areas of relative economic growth and job opportunities.

CLLD will promote the use of targeted interventions that will have a positive impact on community capacity, engagement, leadership and resilience. The objective will create opportunities for local community organisations to receive developmental support, which is relevant to them, over and above any support they may currently receive. To support this, the call will seek to enhance local service delivery for individuals and communities through effective use of community assets. It will also explore the potential for VCSE organisations to improve and develop service delivery, and to address local needs effectively in a sustainable way.

The strategy recognises that the more opportunities people have to make a difference, the more positive they feel about the service they have helped to shape. Applicants will work closely with the community to create opportunities locally and that are innovative and / or tailored to local and individual circumstances.

**Action 3.1 Investing in community leadership and capacity-building**

**Description**

Consultation with the VCSE sector in particular has identified the need for capacity-building and organisational support that promotes leadership, volunteering and collaborative working. Projects that promote leadership

	development, volunteering, active inclusion and citizenship, and that support the sustainability of VCSE organisations will be encouraged.
<b>Action 3.2</b>	<b>Promoting social investment and innovation</b>
<b>Description</b>	Projects which stimulate innovation and implement new opportunities, services and models. There is considerable demand among the VCSE to develop new skills, ways of working and business models in order to build capacity and sustainability.
<b>Deliverables for Actions 3.1 and 3.2</b>	<b>Outcomes</b> Number of VCSE organisations supported to become more sustainable (LDS4)
<b>Types of proposed activities</b>	<ul style="list-style-type: none"> <li>• Package of support for community organisations who work with disadvantaged communities and clients;</li> <li>• Targeted support to stakeholder organisations and community groups, including capacity building / management skills, leadership training and peer support programmes;</li> <li>• Joint sessions bringing community organisations and agencies together to explore support needs and sustainability, including practical and / or professional support requirements;</li> <li>• Activities which promote digital skills capacity and development among VCSE organisations;</li> <li>• Activities aimed at supporting volunteer recruitment, development and retention;</li> <li>• Initiatives to promote greater communication, collaboration and information sharing.</li> </ul>
<b>Links to other activity in the LDS</b>	<p>This objective will complement objective 1 - Enhancing employment and skills provision - by building VCSE organisational support, training and capacity leading to providers being able to offer enhanced provision and support to individual beneficiaries. It will also aim to stimulate new ways of working between local partners, including sharing data and collectively monitoring and tracking the progress of beneficiary groups.</p> <p>It will offer developmental support to VCSE organisations seeking to deliver new services and business models, and who may then progress to benefit from more structured or tailored business planning or enterprise support under objective 2.</p>
<b>Links to other provision</b>	This objective will aim to add value to capacity-building and community support programmes that are currently available to VCSE organisations. Linkages to programmes and provision funded through the National Lottery Community Fund and other community development programmes will be explored to ensure that the LDS maximises all available opportunities to leverage additional funds and create new collaborative projects that promote social innovation.

## 6. Monitoring and evaluation of outputs and results

Applicants will need to demonstrate how the eligible activity, funded by ESF or ERDF, will achieve the Local Development Strategy outputs and results.

Projects will be required to report on, and evidence, the achievement of outputs separately under each strategic objective and action.

The total programme outputs and results for the Local Development Strategy are as follows:

<b>European Social Fund - Outputs and Results</b>		
<b>Code</b>	<b>Outputs</b>	<b>Total</b>
O1	Total participants	2204
CO01	Unemployed, including long-term unemployed	1615
CO03	Inactive	589
O4	Participants over 50 years of age	397
CO5	Participants who are ethnic minorities	242
CO16	Participants with disabilities	640
	<b>Results</b>	
CR02	Participants in education / training upon leaving	419
R1	Unemployed participants into employment (including self-employment) on leaving	259
R2	Inactive participants into employment or job search upon leaving	171

<b>European Regional Development Fund – Outputs</b>		
<b>Code</b>	<b>Output</b>	<b>Total</b>
P11	Number of potential entrepreneurs assisted to be enterprise ready	317
C1	Number of enterprises receiving support	155
C5	Number of new enterprises receiving support	109
C8	Employment increase in supported enterprises	116

<b>Local Development Strategy – Other Outputs</b>		
<b>Code</b>	<b>Output</b>	<b>Total</b>
LDS1	VCSE organisations supported to deliver new community-based services	20
LDS2	Social Investment projects supported e.g. new business models, feasibility studies, options appraisal completed	10
LDS3	New enterprises established	32
LDS4	Number of VCSE organisations supported to become more sustainable	80
LDS5	Number of VCSE sector employees/volunteers supported in the enterprise journey	80

Further guidance on outputs and results is available on the programme website. It is important that each applicant carefully reads and understands the definitions and monitoring requirements for evidencing outputs. The outputs guidance can be found on the Sunderland CLLD website: [www.sunderlandclld.org.uk](http://www.sunderlandclld.org.uk)

Projects that can demonstrate an ability to target the most disadvantaged individuals and most deprived communities, identified in the Local Development Strategy, will be prioritised.

Successful projects will be required to participate in project and programme level evaluations as required by the Local Action Group. As well as collecting core ESF or ERDF output information, project applicants and delivery partners will be required to monitor participant/beneficiary progress using an agreed methodology. This will be complemented by CLLD registration and outcome forms to capture important information and data that will be used to evaluate the wider impacts of the programme.

Further guidance and support on monitoring and evaluation will be provided to projects at the full application and contracting stages. For further information on monitoring and evaluation requirements project applicants can access key documents and guidance on the Sunderland CLLD website: [www.sunderlandclld.org.uk](http://www.sunderlandclld.org.uk)

## **7. Evaluation and scoring criteria**

Applicants must fully complete the EOI which will be appraised by the Accountable Body against the criteria in the Evaluation and Scoring Guidance.

Invitations to progress to the Full Application stage do not in any way indicate or constitute an offer of ESF or ERDF grant.

Once the EOI Appraisal is complete, the Accountable Body will seek LAG approval to prioritise the applications they wish to proceed with. Only those projects that the Accountable Body and LAG agree should proceed will be invited to submit a Full Application.

At the Full Application stage further detail on the project proposal will be sought, including consideration of additional appraisal criteria. Subsequently, only those Full Applications that the Accountable Body and LAG agree should proceed, will be approved.

## **8. Eligibility Rules**

ESF and ERDF eligibility rules apply to all project expenditure, including match funding. A list of eligible and ineligible costs is available via the CLLD website. It should be noted that the CLLD programme does not support capital investment.

Further support and guidance on eligibility is available from the Accountable Body, and from the national ESF and ERDF eligibility rules.

### **ESF eligibility rules:**

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/591547/european\\_social\\_fund\\_national\\_eligibility\\_rules.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/591547/european_social_fund_national_eligibility_rules.pdf)

## **ERDF eligibility guidance:**

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/592185/ESIF-GN-1-003\\_ERDF\\_Eligibility\\_Guidance\\_v5\\_a.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/592185/ESIF-GN-1-003_ERDF_Eligibility_Guidance_v5_a.pdf)

If successful at the Full Application stage, Applicants will enter into a Funding Agreement with the Accountable Body and must abide by the standard terms and conditions. Once a Funding Agreement has been issued it should be signed and returned within 30 days, unless agreed otherwise with the Accountable Body.

## **9. Eligible Applicants**

The ESF and ERDF eligibility rules set out which types of organisations are eligible to apply for European funding. These include:

- Voluntary / community organisations;
- Not for Profit organisations;
- Registered charities;
- Higher and Further Education Institutions;
- Statutory and non-statutory public funded organisations/bodies;
- Private sector organisations.

Due Diligence checks may also be undertaken at the EOI stage.

Applicants must be legally constituted both at the point of submitting an EOI and signing a Funding Agreement. If the application is approved the applicant organisation will enter into a legally binding Funding Agreement and therefore will carry the liability for ensuring that the terms and conditions of the Funding Agreement are met.

If there is more than one organisation applying for the funds, a lead organisation must be selected to become the applicant (and grant recipient) with the other organisation(s) acting as delivery partner(s). In this situation the applicant would be responsible and liable for the delivery partner(s) and ensuring the project is operating compliantly. The applicant is responsible for establishing appropriate agreements with its delivery partner(s).

During the application process the Accountable Body, on behalf of the LAG, will consider the applicant's track record, both positive and negative. If the applicant has been involved in the delivery of previous grant programmes and any irregularities have been identified, the Accountable Body will expect to see what steps have been taken to ensure that the risk of further irregularities in the future is mitigated. It is acknowledged that some organisations will be new to European funding and will not have a track record.

## **10. Intervention Rate and Match Funding**

Funding from the European Structural and Investment Funds must not be used to replace existing funding sources.

European funding must enable activity to take place that would not otherwise happen or to increase the scope, scale or intensity of activity.

The level of European funding awarded will be the minimum in order for the project to proceed.

The maximum ESF Contribution Rate is 50% of the total eligible project costs, and the maximum ERDF Contribution Rate is 60% of the total eligible project costs.

The remaining 40-50% or more must come from other eligible non-European sources, which may include:

- Other public funding;
- Community foundations and trusts;
- Lottery distributors;
- Voluntary and community sector sources;
- Private sector contributions.

During the application and appraisal process applicants will need to satisfy the Accountable Body and LAG that they have, or are able to put in place, eligible match funding for the balance of costs.

ESF or ERDF is typically paid quarterly in arrears and expenditure must be defrayed prior to the submission of any grant claims to the Accountable Body. Applicants will be asked to demonstrate how they are able to cash flow the project. By exception projects can be considered for monthly claims, in arrears, however this must be requested and evidence of need for this arrangement provided.

Match funding can be sought from a variety of sources, and applicants may wish to consider some of these options.

<b>Potential Funding sources</b>
<b>National Lottery Community Fund</b> – The Community Fund has confirmed the following regular funding programmes for England have re-opened for applications: National Lottery Awards for All; Reaching Communities; Partnerships. <a href="https://www.tnlcommunityfund.org.uk/">https://www.tnlcommunityfund.org.uk/</a>
<b>Coalfields Regeneration Trust</b> <a href="http://www.coalfields-regen.org.uk/">http://www.coalfields-regen.org.uk/</a>
<b>Community Foundation</b> <a href="http://www.communityfoundation.org.uk/">http://www.communityfoundation.org.uk/</a>
<b>Esmée Fairbairn Foundation</b> <a href="https://esmefairbairn.org.uk/">https://esmefairbairn.org.uk/</a>
<b>Garfield Weston Foundation</b> <a href="https://garfieldweston.org/">https://garfieldweston.org/</a>
<b>Greggs Foundation</b> <a href="https://www.greggsfoundation.org.uk/">https://www.greggsfoundation.org.uk/</a>
<b>Heritage Lottery Fund</b> <a href="https://www.heritagefund.org.uk/">https://www.heritagefund.org.uk/</a>
<b>Key Fund</b> (grants and loan) <a href="http://thekeyfund.co.uk/apply/">http://thekeyfund.co.uk/apply/</a>
<b>Lloyds Bank Foundation</b> <a href="https://www.lloydsbankfoundation.org.uk/">https://www.lloydsbankfoundation.org.uk/</a>
<b>Social Investment Business</b> (small grants and loan funding) <a href="https://www.sibgroup.org.uk/funds">https://www.sibgroup.org.uk/funds</a>
<b>Virgin Money Foundation</b> <a href="https://virginmoneyfoundation.org.uk/">https://virginmoneyfoundation.org.uk/</a>
<b>Wolfson Foundation</b> <a href="http://www.wolfson.org.uk/">http://www.wolfson.org.uk/</a>

### **Match funding in kind (ESF only)**

The use of in-kind funding for match funding purposes is limited to the use of volunteer time. Previous experience of using volunteer time as match has been that for some organisations the obligations have proved too rigorous. In order to mitigate this, the use of volunteer time as match must be agreed by the Accountable Body. The Accountable Body will require projects to also have 10% cash match funding as a minimum.

In order to value unpaid volunteer time, projects will need to match up the volunteer role to the mean hourly wage rate for the specific role e.g. align pay rate of 'groundsmen and greenkeepers' with volunteer greenkeepers. You can find these wage rates (there are hundreds of roles listed) here:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupation4digitsoc2010asetable14>.

(Project applicants will need the excel spreadsheet "PROV - Occupation SOC10 (4) Table 14.5a Hourly pay" in the zip file).

It is important to remember that the value of volunteer time is based on the theoretical value of the tasks performed by the volunteer for the project and not the current earnings of an individual in their usual paid employment. The Accountable Body will require a project using volunteer time as match to submit full audit trail details, for example timesheets, with their first – and all subsequent – claim(s) for payment.

### **11. Project Timescales**

Projects should plan to deliver activity for a minimum of 9-12 months. All project delivery should be completed by 31 March 2023 at the latest. However, the LAG reserves the right to vary the minimum and maximum durations, upwards or downwards.

EOIs approved through this call for projects will normally be expected to:

- Submit a detailed and complete Full Application within one month of formal selection at EOI stage. Projects which fail to meet this deadline may be deselected;
- Commence delivery (defraying ERDF or ESF eligible costs) within two months of formal approval;
- Complete their project activities by 31 March 2023;
- Submit their final project financial claim by 30 April 2023.

## 12. Project extensions

Existing grant recipients whose projects address the priorities set out in section 5 may apply for a further phase of delivery. This will be expected to be in the same form as the current project, (i.e. a genuine continuation of activity) but should reflect improvements and changes to build on the experience of earlier phases of the project. The application must be made using the standard Expression of Interest form. Where changes to the first phase of the project are significant, these should be presented as a new application. The Accountable Body and Local Action Group will apply judgement in considering the significance of any change.

Please note that extensions to existing projects will be assessed against the criteria set out in this call in the same way as 'new' projects. There is no guarantee that extensions will be selected. Extension requests that do not meet the requirements set out in this call will be rejected. The applicant's track record and the performance of existing projects will be considered during the appraisal process.

## 13. Cross Cutting Themes - Equal opportunities, sustainable development and partnership working

The Strategy is supported by 3 key cross-cutting themes as follows:

- Demonstrating **sustainability**, with projects having at least a neutral, and preferably a positive environmental impact. They must also demonstrate that they can deliver a sustainable business model which will reduce the need for continued public support beyond the lifetime of the programme, as well as a lasting legacy post-completion.
- Actively promote and implement **equal opportunities**, demonstrating a positive equalities impact. All projects supported must take account of their impact on people with protected characteristics.
- Embed **community empowerment** and **capacity-building** in their design and delivery, showing how they will benefit and engage with the target community.

All applications selected as a result of this call will be required to demonstrate at the Full Application stage how the cross-cutting themes will be addressed in the project design, development and implementation. The LAG's policies for equal opportunities and sustainable development are available on the programme website.

## 14. Additionality, value for money and innovation

Additionality is a core principle of European funding. Applicants must be able to demonstrate that the activity paid for by European funding adds value to new or existing activity and contributes to local and domestic priorities.

European funding cannot support activities that duplicate existing provision or services within the CLLD area. Applications will need to identify and evidence how the participants/beneficiaries will access and use the service and demonstrate that the project will not displace other activity available locally.

Innovation is another key principle, and applicants will be requested to demonstrate how their project activities have been developed, how the project will build on what works well and why their project is needed.

## 15. State Aid and Revenue Generation

State Aid is the use of state funding or resources to support businesses (or commercial undertakings). The decisive factor in determining whether an organisation is an undertaking is not the nature of the entity itself, but the nature of the activities it carries out. If it carries out an economic activity, selling goods or services on a market, it is an undertaking.

It is anticipated that the majority of CLLD project activity will not be classified as State Aid, as the focus of activities will be on supporting individuals and communities, and the activities will be non-economic.

In order to ensure that all activities supported through CLLD are lawful, State Aid will be assessed by the Accountable Body at the EOI stage. If clarification on State Aid is required, this will be requested from the project applicant at the Full Application stage.

## 16. Procurement Regulations

All costs claimed by the applicant (grant recipient and/or delivery partner(s)) must be recovered on an actual cost basis. Other costs must be procured in line with National (including Public Procurement Regulation 2015) and European Union regulations.

Procurement will be subject to audit and verification and any irregularity will result in a financial penalty of up to 100% of the grant paid. Robust and transparent procurement is required to ensure that grant recipients:

- Consider value for money;
- Maximise efficient use of public money;
- Maintain competitiveness and fairness across the European Union.

It is strongly recommended that applicants review their own procurement procedures to ensure they are in line with National ESIF Procurement requirements.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/917826/ESIF-GN-1-001\\_ESIF\\_National\\_Procurement\\_Requirements\\_v7.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/917826/ESIF-GN-1-001_ESIF_National_Procurement_Requirements_v7.pdf)

## 17. Key documents and guidance materials

The following key documents and guidance are available on the CLLD website:

[www.sunderlandclld.org.uk](http://www.sunderlandclld.org.uk).

- Expression of Interest Form
- Expression of Interest Guidance
- Map of the CLLD eligible area
- List of eligible areas
- Evaluation and Scoring Guidance
- Summary guidance on eligible and ineligible costs
- Outputs and Results Guidance (definitions and monitoring requirements)
- Sunderland Local Development Strategy and Executive summary
- CLLD Equal Opportunities Policy
- CLLD Sustainable Development Policy

## 18. Document Checklist

Incomplete applications will be rejected. Please ensure the following information is submitted.

### Stage 1 Expression of Interest Form:

- Fully completed EOI with any relevant supporting documents.

### Stage 2 Full Application Form:

- The Full Application Form and a document checklist will be provided to applicants once projects have passed the EOI stage.

## 19. Further information and support

For further information and project development support, including signposting to match funding advice and opportunities, please email [clld@sunderland.gov.uk](mailto:clld@sunderland.gov.uk).

## 20. Document Submission

Completed EOIs must be submitted via **email** to:  
[clld@sunderland.gov.uk](mailto:clld@sunderland.gov.uk)

EOIs not received by the call closure deadline of **23:59 on Friday 30 September 2022** will not be assessed. EOIs which are not fully completed by this date will be excluded.

For this call, projects will normally be required to commence delivery of activity within two months of the award of a Funding Agreement.