Official questions:

1. Is the fund available for LE’s as well as SME’s? It mentions it briefly in the background and we just wanted it confirmed as this obviously affects the ability to hit the numbers. I know we have previously discussed this and it seems to be the case in the document. However, as it is quite unusual we just wanted it in clarified.

CMN response - Yes.

1. Can you confirm that the CMN will be doing the sign up process and therefore would the sign up process include state aid advise? Section 3h & 3i.

CMN response - Yes, CMN staff will provide the sign-up process once the applicant has identified potential participants. This will include the completion of the State Aid declaration by the employer. However, CMN will not provide legal State Aid advice other than referral and discussion around the guidance provided. In Section 3 i), (i) the applicant would need to advise any businesses they are talking to about ELS that the funding is subject to State Aid regulations and that we will be using the De Minimis exemption. (ii) the specification advises the applicant that should there be any questions that cannot be addressed through the guidance provided that they should seek independent legal advice.

1. Will CMN be doing any recruitment for this project or is it the applicants responsibility? If it is the applicants responsibility there is potentially no provision for this in the fund.

CMN response - Recruitment to the courses being offered will be the responsibility of the applicant as set out in the specification. However, CMN Skills Brokers will refer to the applicant any leads they pick up during their work on ELS and Clusters, etc. The specification has assumed approximately £10,000 of the £85,000 minimum budget would be used for recruitment purposes and that the applicant will charge businesses to access the courses in line with Section 3 e). The applicant's proposal would lay out what they intend to deliver and what it will cost inclusive of any SME contributions to those costs which would include recruitment as well as delivery.

1. What is the CMN’s definition of basic skills? And will they be considered to have a skill after the conclusion of a training course delivered as part of this project Level 2 or Level 3?

CMN response - The definition of Basic Skills in Section 4 a) is governed by DWP and the ESF programme. In this context Basic Skills refers to English and Maths (and ESOL). There are two distinct aspects to consider:
	1. the Basic Skills **output**(O6) refers to participants who, at the start, of their programme do not have Basic Skills at level 2. For example, an applicant does not have a GCSE grade c or above in English, and/or Maths. If they do not have one or either, then they would be logged against this output. This is a target figure in line with DWP requirements, and,
	2. the Basic Skills **outcome**(R3) in Section 4 b). Again, there is a programme wide expectation that participants will need basic skills support which should be made available to any participant who needs it. As you know everyone in England is entitled to Government support to achieve a level 2 in English and Maths and as such to avoid substitution it is not possible to fund Basic Skills qualifications through ESF and as such the applicant could refer such needs to another provider in receipt of that funding. For example, Cornwall Adult Education Service, the Colleges, etc.

1. 4B – R8. We do not consider this to be achievable. It requests that 35% of participants are employed females. From our most data of members around 10% of employees are female and a large proportion of those are in administration roles. We do not think we can hit this target. Can a change be agreed?

CMN response - Again, this is a programme requirement but to clarify it does not require 35% of all applicants to be female. This outcome is targeted as a focused input into the female workforce to help more women secure improved status in the labour market. So, if you recruited 100 women to the programme the target is for you to help 35 of them secure improved status. This could be a new role, higher pay, increased hours, leadership position, starting up a new business, and so on. Based on the national policy direction and the LIS the increased status of women in the workforce is clearly of national and international import. This is a target that the sector in C&IoS needs to be strongly focusing on to ensure the productivity gains needed and to secure the best staff. Part of CMN's management role in the ELS project is to manage the targets across the partners to ensure we hit the overall outcomes needed. Similarly, in Marine where the representation of women stands at around 17% of the 16,000 employees it means around 2,720 are women of which we need to developed plans to recruit them to ELS and provider appropriate support to increase their contribution to the economy by improving their labour market status.

1. 5 Cross cutting themes. We do not have control of this. We can encourage the participants companies to follow the themes but ultimately it is their choice. There is therefore no benefit to the applicant in having an implementation plan. We do have a gender and equal opportunities policy but it is for the us not the participants companies.

CMN response - This is a key aspect of the ESF programme and no different to other EU funded projects (for example, Developing Skills for Business). Any applicant is required to proactively ensure that the cross-cutting themes are developed. All projects should be challenging inequality, and waste for example. In this specification, the Lean programme for example, is very much about reducing waste, improving productivity in an environmentally sustainable way. The applicant has direct control over the content of the courses being delivered. Promotional activity aimed at sector businesses must be considerate of current equality and equal opportunity legislation for example and as such a simple implementation plan is an important consideration in understanding how an applicant is addressing some of the existing barriers within the system.

1. 9c We do not have any employees so therefore do not have Employers liability insurance. Is this crucial and if not can we be exempt from the requirement.

CMN response - Yes

1. 9e Subcontracting. The statement reads that after appointment sub-contracting cannot be done. Delivery of our proposal will be conducted by approved subcontractors. Therefore, if this point is a requirement then can it be removed?

CMN response - The point here is to include any approved sub-contractors within the application so that further sub-contracting is not occurring. The Government guidance restricts the length of the supply chain to ensure as much funding is used for delivery as possible and not for administration. You would have undertaken a procurement exercise in order to secure your approved partners which would allow you to refer to them directly within your bid.

1. 9h Payment terms. We cannot bank role the funding for a quarter at a time. We would suggest that we take payment for the courses. Then we or participant’s company gives proof of payment to CMN who then pay funding to the company direct. Is this acceptable?

CMN response - The ESF will be claimed from DWP on a quarterly basis. CMN can only claim funding for defrayed costs, this is no different from other projects in terms of claim periods. The applicant could reasonably take payments from businesses at, or prior to, the commencement of each course. At the end of the quarter you (the applicant) would invoice CMN. CMN would pay your invoice for the ESF element and then claim the funding from DWP.  You would be paid by the business for the fees at a point determined by you and then on a quarterly basis you would invoice CMN. CMN pays your invoice so that you would have received approximately 50% via fees from the business during the quarter and the balancing ESF 50% at the end of each quarter, roughly £9,500 per quarter based on a flat line profile.

CMN continues to seek flexibility on this point, however this is the position as stands.

1. The tender budget is £85,000 inclusive of VAT, can you explain further?

The suggested budget is £85,000 with scope to extend by 15%. This would include any irrecoverable VAT. The applicant would recover VAT from HMRC whenever possible but we acknowledge that in some circumstances this is not possible and as such this irrecoverable element could be included in the ESF claim.