Call for Projects to deliver Workspace and Natural & Heritage Assets for economic benefit
(Call reference: C2C LAG C01)

Contents

1. Introduction and background

Community Led Local Development (CLLD) is a new way of funding the delivery of local development using 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.

Cornwall has been awarded £11.56m ESF and ERDF to support the delivery of the CLLD Local Development Strategies for West Cornwall, Coast to Coast, Atlantic & Moor and South & East Cornwall Local Action Group (LAG) areas. CLLD can fund a wide range of projects including skills and support to help unemployed people into work and equipment, workspace and services to help businesses grow.

Cornwall Development Company (CDC) is the Accountable Body for CLLD in Cornwall. CDC will appraise and evaluate applications on behalf of Coast to Coast Local Action Group (C2C LAG), a partnership group of voluntary and community, private and public sector organisations and representatives. The LAG will make the final decision on whether projects are invited to full application and ultimately whether they are approved or rejected.

This call is issued by the C2C LAG for the provision of workspace and for projects which will use natural or heritage assets for economic benefit.

Projects are sought that create or refurbish buildings or natural/heritage assets for new or increased commercial activity that provides an economic benefit to residents of the Core areas of C2C LAG. This may take the form of the construction of new, or the refurbishment of existing assets such as: business units, natural assets, coworking spaces, community hub, heritage buildings, hot desking facilities or any other form of workspace that meets the local need.

2. Call timetable

Call timetable	Date
Date call opens	31st January 2020
Deadline for submitting Expressions of Interest *(EoI received after the deadline will not be considered)*	27th March 2020 (5pm)
LAG decisions on Expressions of Interest	29th April 2020
Deadline for submission of Full Applications *(Applications received after the deadline will not be considered)*	31st July 2020 (5pm)
LAG decision on Full Applications *(Subject to appraisal)*	21st October 2020

3. Scope of the call

This call invites Expressions of Interest for projects to deliver Workspace or Natural/Heritage assets for economic benefit. Projects must support the delivery of specific strategic objectives and activities set out in the C2C LAG's Local Development Strategy set out below.

Projects can choose to deliver activity across either or both activities.

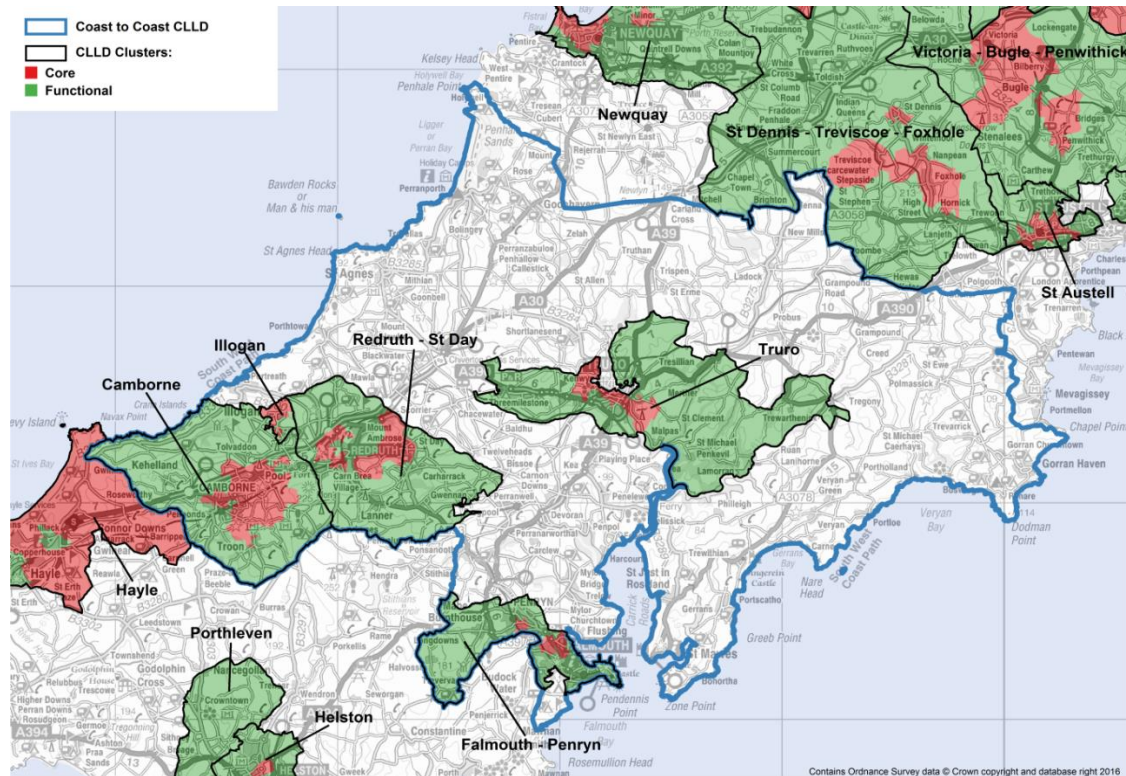|	
Indicative Fund Allocation	Indicatively, C2C LAG expects to allocate the following amounts under the specific Activities (note that the LAG reserves the right to combine or amend the amount of fund allocated for each objective): Strategic Objective 1 - Activity C: Make use of natural and heritage assets to aid economic activity (ERDF) **Funds available: £250,000** Strategic Objective 3 - Activity G: Build or renovate community economic hubs and small scale and other workspace including in town and village centres (ERDF) **Funds available: £200,000** Total funds available for this call = £450,000
Minimum Application Level	**Minimum £75,000 total project costs** ERDF investment in the CLLD target areas is intended to make a significant impact on local employment, skills and enterprise. Applications are expected to demonstrate appropriate scale and impact.
Intervention rate	The maximum contribution rate is likely to be **45%** of the total eligible project costs subject to State Aid regulations.
Duration of Project Activity	Delivery (defraying eligible costs) should start within three months of formal approval. Typically, projects should finish by **no later than 30th April 2022** (delivery and financial completion). (The LAG reserves the right to vary the minimum and maximum durations, upwards or downwards).
Specific Call Requirements	This Call is for projects to be delivered in the **Core areas** as defined in section 4. Target geography (map and postcodes). Projects located in **Functional areas** could, in exceptional circumstances, be considered for this call, if they can clearly demonstrate impact on the Core areas.

4. Target geography

CLLD activity should aim to target the Lower Super Output Areas (LSOAs) that fall within the 30% most deprived nationally. These target areas are called

'Core' areas and all eligible project activity and expenditure must be located in these areas.
There are 22 Core LSOAs in the C2C CLLD area marked in red below.

Projects located in Functional areas could, in exceptional circumstances, be considered for this call, if they can clearly demonstrate impact on the core areas.

Camborne has 3 LSOAs which are ranked in the worst 10% nationally; Falmouth-Penryn has 1 and Redruth-St Day also has 1.

Please visit www.magic.gov.uk to check specific postcodes and whether they are included in any of the Core LSOAs using the instructions available HERE.

Core LSOAs	Functional LSOAs	
052C E01018867	051A E01018894	049A E01018912
052A E01018865	051B E01018895	050B E01018917
052D E01018868	055C E01018871	056C E01018829
055A E01018869	052B E01018866	050D E01018919
051D E01018897	051C E01018896	042C E01018853
053E E01018878	053D E01018877	043C E01018855
053B E01018875	053C E01018876	044B E01018808
055E E01018873	053A E01018874	043D E01018856
055B E01018870	045C E01018891	044D E01018810
051E E01018898	055D E01018872	048B E01018846

062E E01018860	060D E01018837	044A E01018807
060C E01018836	060A E01018834	066C E01018899
062A E01018838	060B E01018835	063B E01018804
062D E01018841	064E E01018859	063A E01018803
045E E01018893	062C E01018840	063D E01018806
046C E01018910	062B E01018839	064A E01018811
049B E01018913	045A E01018889	063C E01018805
050C E01018918	045B E01018890	064D E01018814
046D E01018911	049D E01018915	050A E01018916
044C E01018809	049C E01018914	042B E01018824
042D E01018854	046A E01018908	043A E01018819
043E E01018857	046B E01018909	043B E01018822

5. Strategic objectives and actions

Project applicants should ensure that their proposals contribute to a least one strategic objective and one activity.

C2C LAG Strategic Objective 1: Supporting business and employment development at the community level to generate locally available work opportunities		
Local Development Need	C2C CLLD area has some significant and important natural, heritage and cultural assets in its area which have the potential to support possible employment, skills and business development for and within CLLD communities. There are a range of World Heritage site assets (with their associated history of engineering and other innovations); other heritage and cultural assets, and there are town centre heritage and cultural assets. This call aims to build on the area's world heritage status and wider heritage and cultural assets, bringing historic buildings back into business.	
Activity C	**Activity C: Make use of natural and heritage assets to aid economic activity (ERDF)**	
Examples of what might be supported	Developing the natural/heritage offer and building on the area's world heritage status and wider heritage and cultural assets, bringing historic buildings back into business use Revitalising the high streets / town centres Development or adaptation or refurbishment of existing heritage buildings to provide space for work	

	(Please note that feasibility studies will not be supported).
Examples of types of applicant	Businesses, social enterprises, town/parish councils, private landlords, charities.
Impacts sought	Communities have the capacity, skills and support to generate and sustain local economic activities that will provide community employment and businesses directly. Businesses have stronger viability through diversifying or developing new business opportunities, with growth and employment potential. Local assets are better managed and sustainably used in community based economic activities.
Deliverables	ERDF outputs
	P12: Square metres public or commercial building built or renovated in targeted areas: <u>140 m2</u> *(Note that the total m2 to achieve for the call is 250 m2 and that the outputs allocated to this activity could be amended depending on the projects approved)* C1: Enterprises supported
Link to other provision	If the applicant identifies other natural and heritage development activities in their area, they will be required to demonstrate how they will complement them and avoid duplication.
Link to other C2C activities	This activity is strongly linked to the environmental sustainability cross-cutting theme. This activity will also support Strategic Objectives 1, 2 and 3

C2C LAG Strategic Objective 3: Making work and training and skills development opportunities accessible to all CLLD residents

Local Development Need	In total there are 4,945 enterprises in the C2C CLLD area. Most are micro businesses having fewer than ten employees. However, the C2C area benefits from a pool of larger businesses that could provide opportunities for engaging with CLLD residents to build up employment potential. 44% of all Cornwall's large businesses are in the C2C CLLD Area. An online business survey was undertaken during the LDS consultation, and it is relevant to note these following points:

	- The majority of businesses were planning to grow but equally split between those planning to grow slowly or more quickly. - 30% of businesses were looking to move in the next five years and most wanted to stay in their neighbourhood. The C2C LDS identified the following opportunity: developing local assets and community hubs - eg multipurpose buildings including small scale workspaces, community learning, training and employment opportunities on housing estates.
Activity G	**Build or renovate community economic hubs and small scale and other workspace including in town and village centres (ERDF)**
Examples of what might be supported	Provision of workspace to meet private sector business needs (provision of workshop space to facilitate growth in new and existing enterprises / small-scale business incubation centre / new business units / refurbishment of existing company facilities to stimulate growth / refurbishment of existing buildings for use as coworking and hot desking spaces) Development or adaptation of existing community buildings to provide space for work Creation of new spaces (construction of small business units / expansion of existing company facilities) (Please note that feasibility studies will not be supported).
Examples of types of applicants	Businesses, social enterprises, town/parish councils, private landlords, charities.
Impacts sought	Communities have the capacity, skills and support to create community facilities that have sustainability and will support people on their economic journey. Businesses are able to create facilities that will support their economic journey.
Deliverables	**ERDF Outputs**
	P12: Square metres public or commercial building built or renovated in targeted areas: <u>110 m2</u> *(Note that the total m2 to achieve for the call is 250 m2 and that the outputs allocated to this activity could be amended depending on the projects approved)* C1: Enterprises supported

Link to other provision	If the applicant identifies similar workspace development activities in their area, they will be required to demonstrate how they will complement them and avoid duplication.
Link to other C2C activities	This activity is strongly linked to the environmental Sustainability cross-cutting theme. Supports Strategic Objectives 1, 2 and 3

6. Monitoring and evaluation of outputs

Applicants will need to demonstrate how the eligible activity funded by ERDF will achieve the Local Development Strategy outputs and results. For projects proposing to deliver activity against more than one Objective, the appropriate outputs should be selected. The project will be required to report on, and evidence, the achievement of the outputs separately under each Objective.

Further guidance on outputs and results is available in the CLLD Applicant Handbook.

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

Successful applicants will be required to participate in project and programme level evaluations as required by the LAG, as well as collecting ERDF output and results information.

Further guidance and support on monitoring and evaluation will be provided to projects at the full application and contracting stages.

7. Evaluation and scoring criteria

Once the Expression of Interest appraisal is complete, the Accountable Body will appraise it against the relevant criteria and seek LAG approval to prioritise the applications they wish to proceed with. Only those applications 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.

Invitations to progress to the Full Application stage do not in any way indicate or constitute a grant offer.

In the event that a project invited to submit a Full Application withdraws from the process a reserve list of Expressions of Interest will be kept and the highest scoring project(s) may be invited to Full Application.

8. Eligibility rules & eligible applicants

ERDF eligibility rules apply to all project expenditure, including match funding. A list of eligible and ineligible costs is available from the CLLD applicant handbook, or from the national ERDF eligibility rules.

If successful at the Full Application stage, applicants will enter into a Grant 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.

The 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

Applicants must be legally constituted both at the point of submitting an Expression of Interest 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. This rule wouldn't necessarily disqualify sole traders or unincorporated partnerships, however we would advise them to contact the CLLD team as early as possible to discuss eligibility.

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). 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 carry out due diligence checks and consider the applicant's track record, both positive and negative. It is acknowledged that some organisations will be new to European funding and will not have a track record.

9. Contribution rate and match funding

ERDF must not be used to replace existing funding sources or duplicate activity. 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 ERDF awarded will be the minimum in order for the project to proceed.

The maximum contribution rate is likely to be **45% of the total eligible project** costs subject to State Aid regulations.

The match funding cannot come from other European and public sources, but may include:
- Community foundations and trusts;
- Voluntary and community sector sources;
- Lottery distributors;
- Private sector contributions.

Before appraisal, 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.

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.

10. Cross cutting themes

The Local Development Strategies are each supported by 3 key cross-cutting themes as follows:
- Demonstrating **sustainability**
- Actively promote and implement **equal opportunities**
- Embed **innovation** in project design and delivery

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.

11. Capital projects

In developing the budget for the outline application, applicants seeking ERDF to support a capital project should note that:
- New build projects will normally be expected to achieve the Building Research Establishment Environmental Assessment Method (BREEAM) rating of 'excellent'; however BREEAM 'very good' will be accepted where this is the maximum feasible standard;
- Refurbishment projects will normally be expected to achieve the BREEAM rating of 'Very Good'.

Should BREEAM not provide good value for money in small capital projects it will be required that the project will consider and include a number of environmental enhancements to demonstrate good and best practices.

12. Partnership, additionality and value for money

The LAGs are keen to consider projects that include innovative ways of delivering outcomes, particularly where they involve partnership working and collaboration. Additionality: applicants must be able to demonstrate that the activity paid for by European funding adds value to new or existing activity.

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

13. State aid

Applicants are required, in the Expression of Interest, to provide a view on how their proposal complies with State Aid law. Grant funding to any economic undertaking which is State Aid can only be awarded if it is compatible aid. Guidance for grant recipients, explaining more about State Aid, is available HERE; it is important that Applicants take responsibility for understanding the importance of the State Aid rules and securing compliance.

The Community Led Local Development programme is not able to give legal advice on State Aid. It is the responsibility of the applicant to ensure that the operation is State Aid compliant.

14. Procurement regulations

All costs claimed must be recovered on an actual cost basis. Costs must be procured in line with National 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 seek and follow legal advice in respect of procurement requirements. Further information available HERE.

15. Key documents and guidance materials

The following key documents and guidance are available on the CLLD website
1. Expression of Interest Form
2. Expression of Interest Form - Guidance

3. CLLD Cornwall applicant Handbook
4. Finding the Core Neighbourhoods

16. Further information and support

Please note that this is a competitive call and to preserve impartiality the CLLD team are unable to enter into correspondence with applicants over their Expression of Interest. However, when relevant, it is possible to contact Nolwenn Baot (Programme Coordinator: 07538 259577 nolwenn.baot@cornwalldevelopmentcompany.co.uk) only to clarify the requirements of the call. All clarifications will be posted on the 'Active Calls' page on the website and on Contracts Finder.

17. Document submission

Completed Expressions of Interest must be submitted by the deadline (**5pm on 27th March 2020**) via **email** to: CLLD@cornwalldevelopmentcompany.co.uk