

APPENDIX A (ii)

Full Application Form

EUROPEAN STRUCTURAL & INVESTMENT FUNDS ESIF-Form-2-010

For completion by the Managing Authority ¹		
Project Number		
Date received		
Version number		
1.0 Applicant Details		
1.1 Applicant organisation	Bristol City Council	
1.2 Status of organisation	Local Authority	
1.3 For private sector applicants, what is the size of the enterprise applying for funding?	Small	
	Medium	
	Large	x

¹ Throughout this document, "Managing Authority" means the European Regional Development Fund Managing Authority (Ministry of Housing, Communities and Local Government), the London Intermediate Body (Greater London Authority) and the European Social Fund Managing Authority (Department for Work and Pensions)

1.4 Company/charity registration number (where applicable)	
1.5 VAT number (where applicable)	139563445
1.6 Applicant address	City Hall
1.7 Applicant address (row 2)	PO Box 3176
1.8 Applicant address (row 3)	College Green
1.9 Town / City	Bristol
1.10 County	Bristol
1.11 Postcode	BS3 9FS
1.12 Main contact	Robin McDowell
1.13 Job Title / Position in the Organisation	Economic Development Team Manager
1.14 Email	robin.mcdowell@bristol.gov.uk
1.15 Telephone Number	0117 922 2931
1.16 Mobile Number (optional)	0782 789 6586

2.0 Project Details	
2.1 Project Name	South Bristol Enterprise Support
2.2 Local Enterprise area(s) covered	West of England
2.3 Reference number of the call you responded to.	OC37R18S 0894
2.4 Name of European Structural & Investment Funds Investment Priority	PA 3 A and C
<p>2.5 Project Description – Fully describe how the project will be delivered. You should avoid overly technical terminology. Your response should be understood by a non-expert. In your response please cover There is no word limit but you are encouraged to keep this description <u>focussed</u> on the activity of the project:</p> <ul style="list-style-type: none"> • What the project is, including the specific activities undertaken as part of the project • Where the project will be delivered • Over what timescale • Who will deliver it • Who will benefit from the project • What the benefits will be <p>For capital funded activity, please complete Annex 2(c)</p> <p>Please refer to organisation names (and job titles if necessary) rather than the actual names of individuals when describing project delivery arrangements and responsibilities.</p> <p>Please ensure your response addresses each of the listed bullet points. You may use sub-headings in your response if this is helpful.</p> <p>For ESF projects, please include a high level, end-to-end customer journey document e.g. flow chart as an annex to your application.</p>	

The South Bristol Enterprise Support Project ('the Project') will deliver tailored advice, coaching and grants to individuals and businesses across South Bristol; primarily targeting the South Bristol Regeneration Area, including industrial and development sites on the south western periphery (as defined in the South Bristol Sustainable Urban Development (SUD) Strategy).

Bringing together a leading consortium of key partners, with specific understanding of the unique challenges facing the area, the programme will offer a number of solutions to help businesses effectively start-up, grow and deliver economic investment to the South Bristol community.

It should be noted that the capital element of the project has been separated into a parallel ERDF bid between Outline and Full application, following advice from the SUD Committee and MHCLG representatives. Further details of how this will impact the project are provided in sections 2.7 and 2.8.

Strategic Overview:

"The South Bristol Regeneration Area (SBRA) represents 22% of the City of Bristol and 8.8% of the West of England population. It is distinctive in being one of the most disadvantaged areas, yet with great untapped potential, in one of the wealthiest cities in the UK." *Bristol SUD Strategy 2018*

The South Bristol Enterprise Support Project aims to meet several of the strategic aims of the South Bristol SUD Strategy. The project has been tailored to meet these priorities and contribute added value to the ongoing regeneration of the area by:

- i) promoting and enabling increased entrepreneurship and enterprise formation in the SBRA communities through both private and social enterprise models;
- ii) supporting existing businesses and social enterprises, across the wider South Bristol area, who do or will employ SBRA residents, at both early and later development stages, to survive and grow, creating jobs and local supply chains;
- iii) offering more specialist advice and financial support to strengthen both new and longer-established sectors of the South Bristol economy, including creative, cultural and film/media, digital manufacturing, software/apps development, and green tech, alongside construction, food service, small-scale manufacturing and engineering.

South Bristol (including the South Bristol Regeneration Area) has received significant investment over the past five years, which is raising the profile and perceptions of the area, and so beginning to change its economic prospects and quality of life. Key examples are the South Bristol Housing Zone (including Bristol City Council and Homes and Community Association investment to build 2,000 new homes at Hengrove Park, Hartcliffe Campus and other sites), new transport infrastructure (including the opening of the South Bristol Link Road and the new Hengrove Park to Cribbs Causeway Metro Bus

route), private corporate investments such as the redevelopments of Ashton Gate stadium, the Imperial Tobacco offices and Bailey Caravans production site) as well as the £12m ERDF co-funded Filwood Green Business Park. In addition, the Bottle Yard Film Studios adjacent to Hengrove Park are planning to expand their operations, with BCC's acquisition of the Kelston Gears site at Hawkfield Business Park, which has potential to be a major driver of new supply opportunities for local businesses in the construction, creative/media and service sectors.

However, this important investment has failed to successfully tackle the "enterprise deficit" in South Bristol and there remains a pressing need to boost local business start-up and growth in the Regeneration Area.

A key priority of the SUD strategy is to build upon the momentum of new housing, transport and economic investment by creating longer-term business start-up support and growth. Although there are a number of important business support services available throughout the city their impact in the SBRA has been limited:

"Bristol has one of the highest business start-up rates of major UK cities - over 4,000 new starts in 2015. However, the number in South Bristol was just 731, the lowest annual rate from 2009 to date. Furthermore, South Bristol has seen a steadily declining share of the City's jobs (18.4%) and the SBRA has just 4.4% of the City total." *Bristol SUD Strategy 2018*

The current structure of the existing business stock across the South Bristol area (4,935 units representing 22% of the City of Bristol total) is very heavily weighted towards SMEs (99% of units) and, within that, towards 'micros' (83.4%) with small businesses making up 14.4% (705 units) and medium-sized 2.2% (105 units).

The SBRA hosts just 25% (1260 units) of South Bristol businesses, and has very similar proportions of micro, small and medium businesses. (Source: UK Business Counts, Nomis, 2019). The sectorial profile, on the other hand, shows up some clear contrasts between South Bristol and the City of Bristol as a whole. A significantly larger proportion of South Bristol businesses are in the industrial and warehousing sectors – 36% (and 52% in the SBRA) compared to 22.3% in the City of Bristol –and a significantly lower proportion in office sectors – 16-18% compared to 29%. (Source: Land and Property Gazetteer, 2019).

The main rationale for this project is that, although a number of important business support services available throughout the city and wider region, their combined operational outreach and impact in South Bristol and the peripheral SBRA appears to have been limited. As evidence, the three Consortium members (YTKO, SSE and The Prince's Trust) involved in city-wide and regional SME programmes have analysed the extent of take-up of both pre and post start-up / early stage support by residents and

businesses based in the SBRA and wider South Bristol area over the 2017-19 period, and revealed a consistent under-representation in the City of Bristol population. In addition, the data from Business West and the new WECA Growth Hub points to the same conclusion. For example, of nearly 200 support enquiries received by the Growth Hub in 2019 to date, only 20 have come from businesses in South Bristol and just 3 from the SBRA.. Of 103 companies across the City of Bristol taking up support from Business West's Scale Up Coaching Grant scheme to date, onl 17 (16%) are from South Bristol, and 3 from the SBRA..

The Project has therefore been developed to meet the need for more locally accessible advice and support and in settings appropriate for would-be entrepreneurs from disadvantaged communities, and also relevant to both the emerging and established sectors of the South Bristol economy, and, in this way, tackle the enterprise deficit identified in the SUD strategy in a more diverse and intensive programme than has been offered previously. It is not just about creating robust start-ups and supporting SMEs to create jobs but also about removing barriers which are undermining the opportunities for entrepreneurs and creating links to communities and under-represented social groups and releasing talent which should form the backbone of a stronger SBRA and wider South Bristol economy in the future.

“Outreach into the SBRA neighbourhoods to raise awareness of individuals and groups and support them to assess their skills and resources, generate and test ideas for viable and sustainable private or social enterprise start-ups (drawing on evaluation and learning from the previous ERDF funded projects in South Bristol).” *Bristol SUD Strategy 2018*.

The Project will aim to engage those disenfranchised, hard to reach, communities into mainstream enterprise support. Working with our Consortium Partners who are already embedded in the SBRA local communities (such as Knowle West Media Centre, School for Social Entrepreneurs, The Prince's Trust and YTKO's OutSet Service) we will aim to build on successful work we've undertaken over the past three years with BAME communities and specialist projects to support female entrepreneurs. Several of the partners currently support over 50% BAME and female entrepreneurs across their services and it will be these sorts of impacts we would aim to achieve within the SBRA. In addition, to optimise support for start-up clients who were previously unemployed JSA claimants, the Project will build on its close working relationship with the New Enterprise Allowance contractor for SW England, People Plus Enterprise, to enable inter-referral of clients, adding value to the customer journey.

“Tailored advice and support for the development of other emergent sectors of the South Bristol economy such as creative, cultural, digital, software, food and drink.” *Bristol SUD Strategy 2018*

The main industrial sectors in South Bristol, are: construction and civil engineering (18% of units); retail and wholesale (17%); professional technical and scientific (13%); ICT

including film/media (9%); administrative and support (8%); food service (6%); manufacturing (6%); health (5%). It should also be noted that in the SBRA 25% of businesses are in the construction and civil engineering sector, and slightly lower proportions in the other key sectors. (Source: UK Business Counts, Nomis, 2019). As regards employment, the retail & wholesale and construction & civil engineering, manufacturing and health sectors account for about 50% of the 10,000 jobs in the SBRA (source: Business Register & Employment Survey, 2017).

The South Bristol Enterprise Support Programme offers significant added value in building a service which will offer specific and tailored content for the priority sectors identified in the SUD strategy. Specialist knowledge and experience to deliver credible content around creative, digital, food and drink; alongside strategic priorities such as construction and house building will ensure that our project meets the needs of the SUD strategy.

It will also seek an alignment to regional priorities as set out in the West of England Local Industrial Strategy (published July 2019) with a particular emphasis on Inclusive Growth, Productivity, Cross-Sectoral Innovation and Clean Growth. It will encourage and enable South Bristol businesses to focus on product and service innovation linked to the One City Plan priorities around house-building, new workspace and industrial estate improvement, sustainable transport, low carbon energy, zero waste and circular economy.

The Consortium Partners will also work in an open and collaborative way with other business support agencies and ESIF co-funded projects, and refer business clients, where appropriate, for alternative or additional expert support and funding from other West of England wide projects supporting business growth, including:

- Scale Up Coaching and Scale Up 4 Growth schemes run by Business West and UWE in North Bristol
- Business Acceleration Hubs for Sustainable Technologies and Advanced Engineering & Digital) run by the University of Bath
- Low Carbon Challenge Fund and Green Business Grants run by WECA Growth Hub

Project Activities:

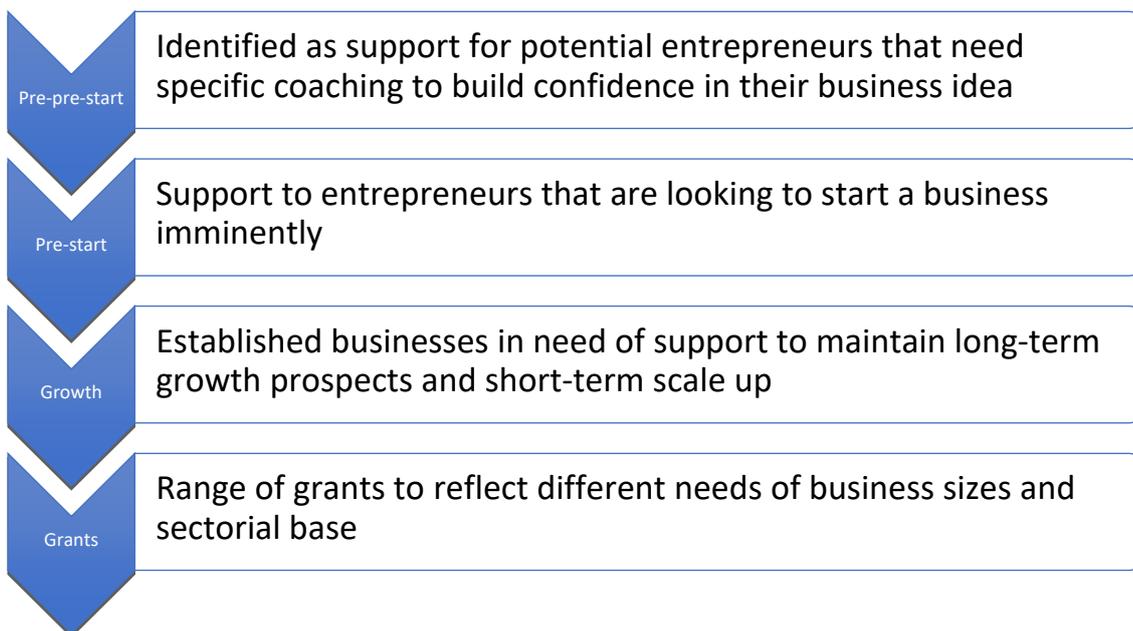
The South Bristol Enterprise Support project brings together a comprehensive service matrix across the needs of the start-up and growth in small and medium enterprises (SMEs) across the area. The project would go live in January 2020 and last for three years with engagement and support delivery focussed on access points within the SBRA, but not excluding individuals and businesses based in the wider area, who have potential to create employment and enterprises benefiting the SBRA.

Focused primarily on a network of existing business sites and community centres across

the SUD area (including Filwood Green Business Park, Cater Business Park, Knowle West Media Centre, Hartcliffe and Withywood Ventures, The Park Opportunity Centre and Hartcliffe Community Farm), the programme would deliver an integrated suite of enterprise coaching and support services, including seed finance in the form of grant schemes aimed at assisting start up and early to later stage growth

The South Bristol area contains some of the most deprived and hard-to-reach communities in the city as well as business and industrial estates under-served by public and commercial business support services. Our support offering has been tailored to the needs of the area – not just in terms of the development lifecycle of entrepreneurs and businesses which are in need of different staged support, but also in terms of the sectorial make-up.

Encompassing the full business formation and growth lifecycle, and promoting both private and social enterprise models, the Project will provide the services which SMEs have told us they need in the area to unlock hitherto unrealised entrepreneurial potential, via consultations (e.g. via the Federation of Small Businesses and South Bristol Business Group). The following diagram illustrates the four major enterprise support aspects.



The Consortium Partners offer slightly different models for business start-up support but all have an engaging workshop programme to explore ideas, test markets, understand logistical barriers and build a comprehensive business plan. Supporting these workshops is a programme of 1-2-1 coaching alongside outreach events to build peer to peer support across the South Bristol area.

Likewise, the growth programmes offer tailored coaching to focus on the areas which are

most in need of action. Whether that be finance management, marketing, scale-up needs, access to finance or internal productivity, all these elements can be tailored to the needs of the SME enterprise and their sector – helping to fast-track the benefits of a growing economy in terms of job creation, increased turnover and long-term survival. Again the programmes make use of a number of workshops, 1-2-1 coaching and outreach events.

Consortium Lead	Service Type	Target Beneficiary	Service Details
KWMC	Pre-pre-start	Hard to reach potential entrepreneurs	Intensive support to engage potential entrepreneurs – via 1:2:1 coaching, engagement with hard to reach communities etc. Bursary is available to cover expenses and facilitate attendance.
YTKO	Pre-start (private)	Established entrepreneurs	Introduction to Enterprise workshops, via the OutSet brand, to support entrepreneurs to explore business idea and start trading.
Princes Trust	Pre-start (youth)	Entrepreneurs under the age of 30	Enterprise Programme supports young people to explore their business idea in workshop format.
SSE	Pre-start (social)	Entrepreneurs creating social enterprises	Social enterprise programme supports people to explore their social enterprise idea in workshop format. Bursary is available to cover expenses and facilitate attendance.
KWMC	Growth (private)	Existing enterprises with a sector focus on creative, digital and manufacture	Workshop and 1:2:1 coaching programme aimed at SMEs to develop marketing, finance and business strategy growth. Tailored materials and resources for key sectors.
YTKO	Growth (private)	Existing enterprises with a sector focus on construction and food	Workshop and 1:2:1 coaching programme aimed at SMEs to develop marketing, finance and business strategy growth. Tailored materials and resources for key sectors. Additional capital and revenue grants are available to unlock further SME investment.
Princes Trust	Growth (youth)	Existing enterprises where the owner is under 30	Workshop programme aimed at SMEs (where the business owner is under 30) to develop marketing, finance and business strategy growth.

SSE	Growth (social)	Existing social enterprises	Workshop and 1:2:1 coaching programme aimed at social enterprise SMEs to develop marketing, finance and business strategy growth. Additional grant available defined against turnover increase in SME.
BCC - subcontractor	Growth (pre-scale up)	Existing enterprises demonstrating considerable growth	Grants to support growth issues, such as leadership and governance, for businesses which are not official Scale Ups (20% increase in turnover year-on-year).

Alongside the coaching and enterprise-support a range of grants have been developed to break down financial barriers for entrepreneurs and SME businesses including:

Consortium Partner	Grant Type	Start-up/ Growth	Grant Amount	SME Contribution	Intervention Rate
KWMC	Bursary to cover expenses and start-up costs.	Start-up	20 x £1,000	n/a	100%
SSE	Bursary to cover expenses and start-up costs – only for social enterprises.	Start-up	12 x £1,000	n/a	100%
SSE	Grant tied to turnover increase from social enterprise SME (£15k min. turnover)	Growth	6 x £4,000	n/a	50%
YTKO	Grant tied to SME investment	Growth	Capped at £1,000 per SME	£78,000	15%
BCC - subcontractor	Grant tied to Scale - up only SME investment	Growth	37 x 1,500	£55,500	40%

- Pre-pre start support bursaries - KWMC will deliver micro grant schemes for enterprise start up (without SME contribution). These will be available via a competitive process for a 100% bursary. Twenty 100% bursaries available at £1,000 each. The grant scheme will open in month 6 and close in month 16. The grants are aimed at pre-start up clients.
- Social enterprise bursaries - Grants up to £1,000 will be made to

participants on programmes with SSE. Grants of £1,000 have been shown to be a key ingredient in social enterprise Start Up support, enabling social entrepreneurs to try out an idea and learn from the process. These can be very effective when combined with the wrap around support that SSE Dartington provides. The grants of £4,000 are linked to the Trade Up programme for young social enterprises, which have been trading for at least one year, and with turnover of at least £15,000. These grants are paid to match pound for pound any increase in trading income over the course of the grant period. This way they incentivise social enterprises to increase their trading income and reduce reliance on grant income in the longer term. Like the Start Up grants they are supported by a programme of wrap around support.

- SME growth investment grants – YTKO offers grants to support capital and revenue investment for growing SMEs (£78,000 of total SME investment will draw down grants at an intervention rate of 15%). These grants are available to any South Bristol Regeneration Area SME and will support their investment in growth activities, in addition to the wrap around business support available.
- Scale Up leadership grants – These grants will be available to high-growth, scale-up, SMEs with a specific focus on leadership and management support. When businesses experience accelerated growth the leadership team often experiences structural issues and schemes which offer large grants to facilitate this development have proved impactful in the past – such as the Business West Scale Up Coaching Grant scheme. Unfortunately, there has been limited support for this scheme type in the SBRA and therefore Bristol City Council felt it was an important gap to fill. The exact structure of the grants will be left up to the market to define but there is a working premise of 37 x £1,500 SME contribution at an intervention rate of 40%.

The project has been tailored towards the needs of the sectorial strengths of the SUD strategy in the South Bristol Regeneration Area. Although there will be no specific sector bias for the outputs the project has built a consortium with expertise tailored towards the needs of entrepreneurs and businesses in the area. This expertise includes coaching content, personnel and experience of the priority sectors:

Cross-cutting SME and Entrepreneurial support	
Focus on Construction	In the SUD area, 12.5% of all employees work in construction (compared to 4.8% nationally – Office of National Statistics). In 2018 construction was the largest SME sector of the UK economy and has received little focus despite a number of policy drivers – such as modular housing. YTKO currently delivers an engagement and confidence building programme for the sector called Building Growth SW supported by the West of England Combined Authority. This programme will act as an important gateways for potential referrals into the

	South Bristol Enterprise Support project.
Focus on Food	The Enterprising West of England programme identified that approximately 20% of all start-ups were associated with food and drink. As Bristol aims to become a Sustainable Food City the need to support this sector is becoming a priority and particularly in start-ups where South Bristol has a lower rate in food and drink compared to the rest of Bristol. YTKO has delivered tailored support programmes towards this sector and has developed an extensive ambassador network of food and drink SME business owners.
Focus on Creative	<p>Taken as a whole, the Creative Industries provide about 15,900 jobs in the Bristol and Bath area. The region's creatives are estimated to be 50% more productive than the UK average, and since 1999, there has been a 106% increase in productivity in Creative Industries across Bristol and Bath.' (Bazalgette 2017 p.63)</p> <p>From 01/06/2016 - 26/06/2019 KWMC has supported 165 individuals from the South Bristol Regeneration Area with creative and digital technology enterprise development. There is a growing demand for enterprise and growth support from small creative and tech businesses (start-ups and SMEs) as is evidenced by the high demand and over-subscription to the KWMC Network for Creative Enterprise (NfCE) ERDF project and 'Making It' a DCMS tech /employment funded programme.</p>
Focus on Youth	The Princes Trust Enterprise programme helps unemployed young people from a variety of backgrounds, including the hardest to reach, moving them away from joblessness to set up their own businesses – 57% said that one of their primary motivations was to follow their own interests, 29% quoted a need for more flexible working arrangements and 24% of those aged 18-24 noted that they could not secure a job and so it offered an alternative to unemployment.
Focus on Social	Social Enterprise Works (SEW) was commissioned by the West of England Local Enterprise Partnership to provide a baseline of the social enterprises and trading voluntary and community organisations in the West of England LEP area including location, turnover and number of employees. Their survey results suggested 600 social enterprises with turnover of £378 million and 10,000 jobs. Voscur reported that there are over 300 CICs in Bristol and the SUD strategy highlighted the importance of a support service tailored to meet the

<p>Focus on Underrepresented Communities</p>	<p>needs of social enterprise.</p> <p>As mentioned, the Project Consortium members are all embedded in the South Bristol Regeneration Area.</p> <p>The Prince's Trust has been working with hardest to reach groups in an entrepreneurial setting since 1983, encouraging 80,000 young people in the UK to set up themselves in business when they have faced barriers to other opportunities.</p> <p>Knowle West Media Centre works in partnership with YTKO's OutSet service to provide business engagement aimed at BAME and female entrepreneurs from the SBRA. YTKO also manages the Council's Community Gateway Partnership initiative to run events and workshops with local community partners.</p> <p>SSE has been based out of the Filwood Green Business Park and most of the partners have run workshops and events to engage businesses across the commercial business parks such as the Bottle Yard Studios.</p>
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The Consortium brings together an exciting and collaborative partnership of leading support providers in the South Bristol area. Each partner has experience with previous ERDF programmes in Bristol and has a unique set of resources and expertise in SME business and entrepreneur support:

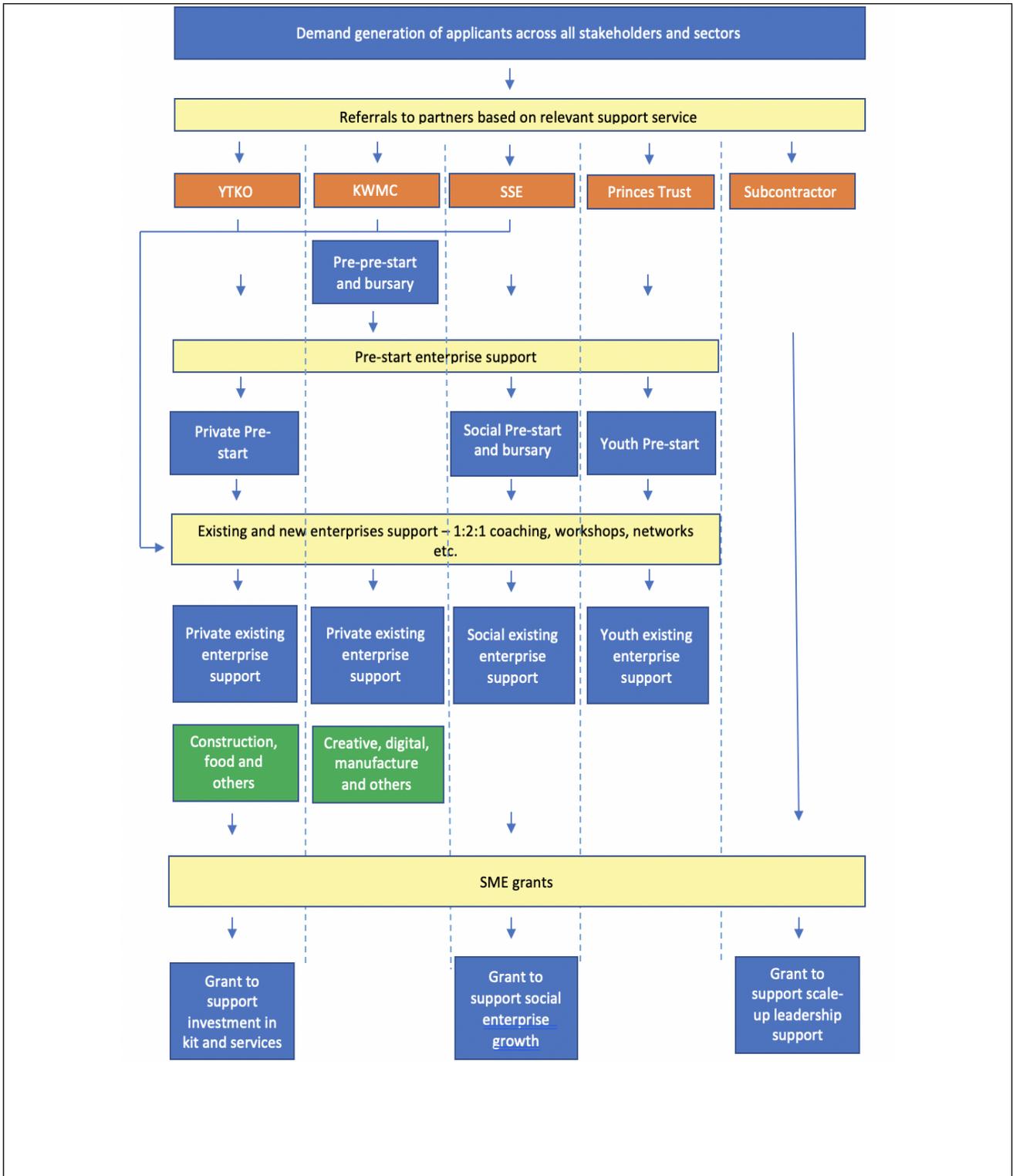
- Bristol City Council – lead accountable body and manages several sub-contractors as part of the ERDF Enterprising West of England programme (closing December 2019). Output delivery for BCC will be undertaken by a procured sub-contractor.
- YTKO Ltd – Currently responsible for the investment readiness and start-up programmes (focusing on hard to reach communities) in the ERDF Enterprising West of England project (closing December 2019).
- Knowle West Media Centre – Delivers a number of enterprise support solutions across a range of key sector-based programmes including creative, media, manufacturing and digital technologies. Recently delivered the Network 4 Creative Enterprise ERDF project (closing June 2019).
- Princes Trust – Leading young person support organisation and currently works as part of the ERDF Enterprising West of England consortium (closing December 2019) focusing on young entrepreneurs from the hardest to reach communities.
- School for Social Entrepreneurs – Specialist enterprise support agency targeting social enterprises and third sector organisations. Working with ERDF

programmes in the Heart of the South West and West of England.

The partners will undertake the following activities and outputs:

Services / Activities Type	Outputs	BCC	KWMC	YTKO	SSE	PT	Total
Pre start up	P11		30	20	30	65	145
Existing business diagnostic	P13	37	25	60	25	16	163
Existing business growth	C1	37	23	43	23	16	142
Grant only enterprise support	C2	37			6		43
Non-financial enterprise support	C4	37	23	43	23	16	142
New enterprise support	C5		8	5	10	16	39
Private investment match	C6	£55,500		£78,000			£133.5k
Jobs created	C8	37	12	20	12	16	97
New to Market Products	C28		8	5	4		17
New to Firm Products	C29		8	15	12		35

An example of the support service model is included to demonstrate how entrepreneurs and SME businesses will be referred between the partners below based on their requirements of support service:



2.6 Will the project involve Delivery Partners? If yes complete 2.6.1	Yes	x	No	
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<p>2.6.1 Delivery partner name & address including postcode, and their Company / Charity registration number.</p> <p>(Please refer to organisation names rather than the actual names of individuals)</p>	<p>Role and confirmation that they will defray expenditure (will they provide match funding)</p>	<p>Is an SLA in place and if not when it will be?</p>
<p>YTKO Ltd</p>	<p>YTKO will deliver the private sector SME growth outputs – with a focus on construction and foodservice; amongst other sectors.</p> <p>YTKO will also deliver the start-up support for individuals with an established business idea.</p> <p>To support these workstreams YTKO has a grant programme available to unlock £78,000 SME financial contribution during the project.</p> <p>YTKO confirm they will defray expenditure.</p>	<p>SLA has been drafted and will be signed by all partners before start date of project; once Full Application has been approved by SUD Committee and MHLCG.</p>
<p>Knowle West Media Centre</p>	<p>KWMC will deliver support for the pre-pre-start entrepreneurs who have yet to define a business idea and require closer coaching to realise an actual business.</p> <p>Their experience in the South Bristol area and engagement with communities of hard-to-reach-learners, particularly with regards to the creative and digital industries means they are well placed to attract the most disenfranchised of potential entrepreneurs.</p>	<p>SLA has been drafted and will be signed by all partners before start date of project; once Full Application has been approved by SUD Committee and MHLCG.</p>

	<p>KWMC will also undertake support to existing private sector businesses with a focus on creative arts and digital manufacturing – linking into technology specific businesses using the new Sensor Research and Design Facility.</p> <p>KWMC also have a grant scheme to offer tailored to their support programme.</p> <p>KWMC will contribute £150,000 of capital match to the programme.</p> <p>KWMC confirm they will defray expenditure.</p>	
Princes Trust	<p>The Princes Trust will undertake support for young people (under 30) to start up and grow their business.</p> <p>The Princes Trust will contribute £75,000 of cash private match.</p> <p>The Princes Trust confirm they will defray expenditure.</p>	<p>SLA has been drafted and will be signed by all partners before start date of project; once Full Application has been approved by SUD Committee and MHLCG.</p>
Dartington Hall Trust – School for Social Entrepreneurs	<p>The School for Social Entrepreneurs will undertake support for individuals looking to start up and grow social enterprise businesses.</p> <p>They will also broker a grant scheme for start-up and growth of entrepreneurs and SME businesses.</p>	<p>SLA has been drafted and will be signed by all partners before start date of project; once Full Application has been approved by SUD Committee and MHLCG.</p>

	<p>The SSE will contribute £54,000 of private cash match.</p> <p>The SSE confirm they will defray expenditure.</p>	
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2.7 Outline Application Conditions

Explain how you have addressed each of the conditions made at the Outline Application endorsement stage. Add additional rows if necessary

Outline Application Stage Conditions & how they have been met

1 a) Attention is drawn to compliance with Procurement Law and in particular the Public Contracts Regulations 2015 (<http://www.legislation.gov.uk/uksi/2015/102/contents/made>):

- Applicants must refer to the Procurement Law ESIF Compliance Note in the development of the full application and in considering/applying their procurement processes (*Useful Links*, above refers);
- The managing authority reserves the right not to take forward the full application if any aspects of procurement are identified as being non-compliant at the full application stage;
- Applicants should note that procurements will be tested in detail in the lifetime of a project and by different independent bodies. In the event of non-compliance an irregularity will be declared and a financial penalty will be imposed in line with EU guidance. This can be up to 100% of the irregular procurement expenditure. The managing authority therefore recommends that applicants seek appropriate legal and/or technical advice to ensure compliance.

How has it been met?

All staff involved in advising on or writing this application have referred to the Procurement Law ESIF Compliance Note, the Public Contracts Regulations 2015 and Bristol City Council (BCC)'s Procurement Rules and Guidance, and created a Procurement Plan (file attached) which has been designed to ensure compliance with each of these according to the services and contract value being procured. Specialist procurement and legal advice has been sought within BCC for the creation of the policy and associated documents. All BCC and Partners' project delivery staff will receive a full induction which includes in depth instruction and training regarding procurement law compliance. Thus the South Bristol Enterprise Support project consortium will procure in accordance with the ESIF national procurement rules, and, in the case of Bristol City Council's procurements, with the Public Contracts Regulation and BCC's own procurement rules. All related documents and transactional evidence will be kept readily available for audit.

1 b) The applicant should prepare and submit with the full application a Procurement Plan. As a *minimum*, this should set out in respect of each procurement to be undertaken:

1. Timescales for each stage of the process;
2. The process being followed;
3. Person responsible for day to day delivery of the procurement;

4. Person responsible for gateway checks at each stage of the process;
5. Details of how you will ensure that contracts are procured compliantly – particularly where the procurement is being carried out by a team outside of the proposed project delivery team.

How has it been met?

Our Procurement Plan (file attached) sets out the timescales and gateway checks, the person/people responsible for each procurement proposed under the project and shows the overall approach and processes that will be followed by BCC and each partner to ensure compliance with the ESIF and public contract regulations.

1 c) The applicant must provide all core OJEU procurement documentation to the managing authority as soon as it is available. **Where procurements have already been undertaken**, the applicant should submit all relevant documentation along with a copy of the Procurement Review Form (ESIF-Form-4-005 OJEU Procurement Review Form), this will be provided by your appraiser.

Frameworks

Where an OJEU level contract has been let under a framework, the documentation set in the OJEU Procurement Review form is required along with the following additional documents:

1. OJEU Contract Notice for the Framework;
2. Details of the agreed Methodology for awarding contracts from the Framework.

This is not an exhaustive list and the MA may request additional information at any point. The Applicant will be required to retain a full procurement audit trail in line with the ESIF Compliance Procurement Law Guidance Note.

How has it been met?

Bristol City Council has significant experience of conducting compliant OJEU procurements as part of current and previous ERDF projects – such as the Environmental Business and Resource Efficiency (EBRE) advice / support contract as part of the 2017-19 Enterprising West of England project. Where applicable all procurement documentation will be provided to the Managing Authority. A Prior Information Notice has been issued via Contracts Finder but no procurements have been undertaken prior to submission and all future undertakings are detailed in the attached Procurement Plan.

2) The applicant to clarify the basis of the SME contributions arising under the delegated grant scheme to be operated by YTKO Ltd and which are proposed to comprise part of the private sector match funding. The clarifications to set out (a) why no C6 outputs are being generated given these SME contributions, (b) what intervention rate will apply under that grant scheme, (c) the total amount of SME match within the private sector match funding total and (d) how the SME expenditure on “start up and growth related goods and services” to be claimed as SME match funding will meet eligibility rules regarding match funding.

How has it been met?

The YTKO SME contribution model is an established and compliant method of unlocking financial SME investment to support a business growth programme under ERDF. It has formed part of previous ERDF programmes in the West of England, Solent and East Dorset. A customer journey, documentation and delivery pack is attached in the annexes.

The model works by using funded support and business coaching to unlock additional capital and revenue investment by the businesses, alongside a financial grant, which would not have previously taken place without the intervention.

- a) Originally no C6 outputs were claimed as it was previously advised by MHCLG, as part of the Enterprising West of England project, that a C6 prevented a C4 being claimed (though there is no mention of this in the output guidance). As our model includes 12 hours of support to unlock the businesses' investment we were reticent to include the C6 outputs (though subsequently, we have been informed by MHCLG that both outputs are eligible under the model) – we have therefore added them into the outputs for this Full Application.
- b) The intervention rate is set at 15%. In YTKO's previous programme they received a variety of large and small grant applications and as such wanted to ensure that the business undertook the additional expenditure as a result of the grant and wrap around enterprise support on offer.
- c) The total amount of SME Contribution is £78,000.
- d) YTKO has attached a full briefing of their SME contribution model and processes in their annexes. Legal advice has been taken on the structure of this model and has been accepted in a number of previous ERDF regions.

3) Applicant to provide analysis to evidence the proposed enterprise support activities and delegated grant schemes do not duplicate existing provision in the South Bristol regeneration area and are complementary to other ERDF-funded projects.

How has it been met?

Bristol City Council has conducted a full and comprehensive analysis of all funded support in this area of the city to ensure that the South Bristol Enterprise Support programme is meeting a support gap and not duplicating existing provision. Full details are available in question 3.4.

4) Applicant to revise 'Fees' budget to not exceed 12 1/2% of the works budget of £2.1m.

How has it been met?

This is no longer relevant as the fees were connected to the capital workspace element of the Outline Application which is now not part of this Full Application.

5) Applicant to clarify why no C4 outputs are included in the Deliverables Annex and, if some are to be included, the rationale for some C1 outputs being claimed as both C2 and C4 sub-outputs.

How has it been met?

This was an oversight and has been corrected – please see the Output appendices.

6) Applicant to explain why no C6 outputs are being delivered by the project when the delegated grant schemes involve SME contributions and private sector backer contributions as the match portion of those delegated grant schemes.

How has it been met?

As previously mentioned in Q2 a) - originally no C6 outputs were claimed as it was previously advised by MHCLG, as part of the Enterprising West of England project, that a C6 prevented a C4 being claimed (though there is no mention of this in the output guidance). As our model includes 12 hours of support to unlock the businesses' investment we were reticent to include the C6 outputs (though subsequently, MHCLG have confirmed that both are eligible outputs under the model) – we have therefore added them into the outputs for this Full Application.

7) Applicant to justify the use of £150,000 of ERDF to fund the purchase and installation of equipment for the separate 'Sensor Research and Design Factory' project currently being developed by Knowle West Media Centre.

How has it been met?

This was a miscommunication in the Outline Application. ERDF funding is not required for any capital elements of the Sensor Research and Design Factory. This is being funded by a grant to KWMC from BCC under the Open Programmable City Region project which is not already matched to any ERDF project. The capital costs of equipping the new factory have not yet been defrayed but are to be committed as match by KWMC to unlock complementary ERDF revenue funding for technical advice and support services to local entrepreneurs and existing businesses utilising the facility and its ultra-high speed fibre network for research and development of new creative and digitally manufactured products, including sensors for community-based product testing. This model forms the basis of sector-specific support which Knowle West Media Centre intends to offer.

8) Applicant to:

(a) explain why so many delivery partners are required to deliver the project and multiple grant schemes and how the complexity this introduces will be managed; and

(b) clarify the key terms of the four delegated grant schemes (YTKO, SSE, KWMC and the procured sub-contractor) proposed to be provided as part of the enterprise support activities, setting out for each the size of the scheme, intervention rate, source and value of match funding, max and min grant sizes and rationale for why a grant scheme is necessary for that segment of the project's enterprise support activities.

How has it been met?

a) The project brings together a unique set of delivery partners to offer a tailored support package to the SMEs in need of support across the area. Broadly the grant schemes are tailored to different sections of beneficiaries with no overlap. For example, pre-pre start up bursaries vs youth start-up bursaries; private sector growth investment vs scale-up leadership grants. A matrix to illustrate how the grants are different and meet the needs of the enterprise market is included in the answer to Q2.5.

Management of these different contracts will be the responsibility of the subcontractors and eligibility will be checked by Bristol City Council as part of the claim processes. In the Enterprising West of England Scheme there were several different grant schemes available and they all had defined markets in which to operate. We anticipate no difference in the SUD project and the grant schemes will be made available in a clearly defined matrix of support as detailed in Q2.5.

Keeping a clear demand generation gateway of potential clients and clear brokerage to the most relevant support service worked extremely effectively in the Enterprising West of England programme with all partners referring to each other on a regular basis.

b) SSE – offers a specialised grant scheme for start-up and established social enterprises. The grants range from £1,000 to £4,000 with the £4000 grants being linked to the Trade Up programme for social enterprises, which have been trading for at least one year, and with turnover of at least £15,000. These grants are paid to match pound for pound any increase in trading income over the course of the grant period.

YTKO – offers a private sector grant scheme with focus on unlocking new markets and realising growth. As detailed earlier there is a total of £78,000 SMEC investment, spread across businesses in the growth programme, against a 15% grant rate.

KWMC – will deliver micro grant schemes for enterprise start up (without SME contribution). These will be available via a competitive process for a 100% bursary. Twenty 100% bursaries available at £1,000 each. The grant scheme will open in month 6 and close in month 16. The grants are aimed at pre-start up clients.

Scale Up contractor – all partners are offering grants tied to early-stage development of SME businesses. As such there is a gap in the offering against high-growth, scale-up, SMEs with a specific focus on leadership and management support. When businesses experience accelerated growth the leadership team often experiences structural issues and schemes which offer large grants to facilitate this development have proved impactful in the past – such as the Business West Scale Up Coaching Grant scheme. Unfortunately, there has been practically no support for this scheme type in the SUD area and therefore Bristol City Council felt it was an important gap to fill. Bristol City Council expect to use a model where the SME will contribute investment (approx. 37 x

£1,500 and receive a grant £1,000 – at an intervention rate of 40%).
9) Applicant to provide evidence that there is adequate unmet demand in the South Bristol regeneration area for the proposed enterprise support activities and delegated grant schemes, for the forecast volume of outputs to be achievable.
How has it been met? The evidence forms part of our response to question 2.10 and 2.11.
10) Applicant to provide a revised table showing allocation of project outputs between Investment Priority 3a and Investment Priority 3c.
How has it been met? Output table is attached as an annex.
11) Applicant to set out its completed state aid legal analysis and chosen state aid route for each of the project beneficiaries.
How has it been met? A state aid analysis has been completed - please refer to clause 18 below.
12) (a) who will operate the serviced workspace to be built at Hawkfield Business Park; (b) whether this organisation is to be procured; (c) what are the state aid implications of the operator solution chosen; and (d) what will be the role of any operator and what activities will they undertake.
How has it been met? The capital workspace development no longer forms part of the Full Application in accordance with the notification sent to the SUD Committee.
13) Applicant to clarify how rental income generated from renting out the industrial units to SME tenants will be treated for ERDF 'Revenue Generation' purposes.
How has it been met? The capital workspace development no longer forms part of the Full Application in accordance with the notification sent to the SUD Committee.
14) Applicant to demonstrate how resource efficiency will be embedded in the enterprise support offer in line with the call requirements.
How has it been met? KWMC – Environmental sustainability is one of the key overarching aims of KWMC and is central to a significant proportion of our work and projects as well as being embedded in our wider programme of events and activities. The KWMC building, opened in April 2008 is testament to KWMC's commitment to environmental sustainability. KWMC:The

Factory is located in a BREEAM excellent rated building, Filwood Green Business Park.

Through the enterprise activity we will support SMEs to develop skills and knowledge in improving sustainability through exploring the use of materials, the circular economy, consideration of the full end to end journey of all materials used and low-carbon approaches to enterprise development. For example, by supporting the new businesses to explore processes around managing waste and using sustainable alternatives to acrylic/ply such as bio-plastics within workshops, talks, signage, mentoring.

YTKO – As part of the Enterprising West of England programme YTKO worked closely with a specialist resource efficiency subcontractor – The Planet Mark Start. As part of this work they developed materials on sustainability linked into their start up and growth programmes. Including workshops on branding and sustainability, growing a green business, and resource planning in a resilient and planet-friendly way.

Princes Trust – All young people attending programmes are informed about the requirement to save energy and use resources effectively. In addition to relevant resource efficiency content in coaching sessions we encourage use of public transport & sustainable transport options wherever possible. The Bristol Centre has a Sustrans emergency bike repair kit available for young people to use should they require it and young people are reminded that there are cycle lock-up facilities directly outside the building.

SSE – Many of the social enterprises SSE supports will have primary or secondary environmental objectives. 35% of the enterprises supported between 2017 and 2019 have explicitly environmental aims. As a result, SSE is piloting a new programme, which develops business resilience in the transition to a low carbon economy. Modules from this will be incorporated into future Trade Up programmes.

15) Applicant to supply a copy of their Counter Fraud policy, to include the project's procedures for managing conflicts of interest, which should also set out how any conflicts arising with SME applicants for grants would be managed. The policy should contain as an annex the project's template Conflicts of Interest Register.

How has it been met?

This is attached as an Annex.

16) Clarification C4 and C6 outputs: The applicant should clarify the number of outputs to be claimed as C4, and if C6 outputs will be delivered. The applicant is also encouraged to include the substantiating data that makes reference to (i.e. how data from "other previous projects" – quoted by the applicant- have been extrapolated to derive on the current outputs of this proposal) to understand how the activities have been costed.

How has it been met?

This forms part of the answer for question 6.1.

17) Match funding – governance process stage: The applicant is to clarify how the match funding is being covered (which amount is coming from BCC and which one from WECA) and to present appropriate records of decisions from the two funding sources

<p>indicating amount and conditions where relevant.</p>
<p>How has it been met?</p> <p>As the Capital workspace element has been removed from the project there will be a reduction in match funding coming from WECA. WECA and Bristol City Council are still committed to providing match funding towards the revenue activity and further details are included in Section 5 and in the financial annex.</p>
<p>18) Clarification of state aid: The applicant to clarify the provision of State Aid as two of the answers of the test are positive and the two remaining answers are a “maybe” in relation to potential distort of competition.</p>
<p>How has it been met?</p> <p>The project will not distort competition or distort trade between members states. There is no duplication of support services in the region and the service is a response to a market failure of business start-up and growth programmes in the South Bristol Regeneration Area.</p> <p>There is no export element of this local programme and will therefore have no impact on trade. Further details are available in the state aid processes included in the annexes of this bid.</p>
<p>19) Confirmation of Partnership frameworks: The applicant is to clarify that Partnership policy and governance frameworks have been defined in order to set up the consortium. A formal document (i.e. Memorandum of understanding) confirming a clear distribution of responsibilities is expected</p>
<p>How has it been met?</p> <p>A Memorandum of Understanding has been prepared and discussed between all parties, setting out the expectations of collaboration, and signed by the parties.</p>
<p>20) Equality and Diversity section, and community connectivity: The applicant is to provide the current Equality and Diversity Policy and Strategy of Bristol City Council, and address the question “what will be done to ensure people with disabilities can access the project?” on the application form. It is expected to explain how the community will benefit from this industrial development (i.e. community outreach activities to take place engaging the community).</p>
<p>How has it been met?</p> <p>The current E&D document is attached as an Annex. The Capital build will now no longer be part of this application however there is a commitment to make all workshops, coaching and events associated with the enterprise support activities accessible to individuals with disabilities including, street access, accessible resources (available before the sessions) additional support in the sessions etc. Please see the full answer in section 12 for more details.</p>
<p>21) Chosen location for the industrial development: The applicant should demonstrate</p>

the reasoning of the chosen location, and, in the case that it is to be next to Bottle Yard Film studios, to demonstrate that is not dependent on this organisation and it stands alone as a new project.

How has it been met?

Again not applicable as the capital build is not part of this application.

22) Longevity of project and decommissioning plan: The applicant needs to demonstrate the longevity of the project after the end of the funding period has been taken into account (i.e. if staff will remain covering for basic functions of the new facilities, which partner will cover their salaries? If SMEs still need support after the end of the project, which partner will be providing it?). Additionally, it is also expected a decommissioning plan in case the project is concluded earlier than anticipated.

How has it been met?

As previously mentioned, the capital build is now no longer part of this bid and therefore the longevity of such a facility is a separate consideration as part of an overall business case.

However, in terms of the enterprise support elements of the project the partners are looking to utilise this important South Bristol focused opportunity to develop an enterprise legacy in the area. At present the average business size in the SUD area is under 10 employees and through delivering a growth and support service the aim is to increase the size of enterprise – creating jobs, increasing investment and building a legacy in the area.

Larger organisations tend to invest in business services on a commercial basis and previous experience with enterprise coaching schemes has shown that this market tends to focus in areas where there is a growing SME base – such as the BNI, Action Coach or Federation of Small Business.

Developing a commercial SME base for enterprise support services is important as it will offer an ongoing revenue stream after the project is completed – in previous ERDF projects we have seen this uptake once a brand, and importantly SME-trust and credibility, has been established.

In terms of funded support the project consortium is in discussions with the Shared Prosperity Fund, West of England Combined Authority and even sector specific funders such as the Construction Industry Training Board to use the SUD programme as a lightning-rod for further investment into the area.

Finally, some of the partners have committed to continue to offer services after the funding has been completed such as Knowle West Media Centre who have established roots in the area. YTKO will offer their growth and start-up programmes online for any

legacy business clients and, working with the Growth Hub, we will be able to direct potential SMEs towards further funded support as it comes into the area.

Decommissioning Plan:

- Final Steering Committee meeting to review progress milestones and enact project closure tasks – including Summative Assessment publishing, final project report etc.
- Event to promote successes of the project to SMEs and partners
- Signposting to alternative support services and funded opportunities via website and social media
- Ongoing links to resources such as The Growth Hub, YTKO's Grow Smart and OutSet Online.

2.8 Any changes since Outline Application

What changes, if any, to your proposal have there been since the submission of your Outline Application? Add additional rows if necessary.

Change & Justification for the change

The major change to the project has been the removal of the main capital workspace element of the programme. However, it is fully the intention of Bristol City Council to continue with development of new light industrial workspace on either the existing Bottle Yard Studios site at Whitchurch Lane or a new site acquired by BCC in Dec 2018 at Hawkfield Business Park.

Justification: The reason for the change was due to feedback we received from the SUD Advisory Committee, via representatives from MHCLG, that they felt the workspace element was not advanced enough to be utilising funding within the first half of 2020. It was deemed too greater a risk for this to be included and that we should proceed with the enterprise support programme on its own. Bristol City Council (BCC) will continue to develop the business case for developing new industrial workspace in the area and work closely with WECA to secure a match funding allocation. This is subject to the outcome of feasibility and design studies being commissioned in September 2019. Bristol City Council intends to submit a new Outline SUD ERDF application for this workspace project, as agreed with MHCLG, by 30 September, and, if supported, submit a full application in March/April 2020. The workspace project will remain strategically linked to the SBES objectives providing 'grow on' space for early stage businesses in a variety of industrial sectors.

Following confirmation from the SUD Committee that a full application would be considered on just the enterprise support elements, the following further queries were raised:

Define the logic and benefits of separate phasing, including the provision of match funding against the two elements.

The separation of the two programme elements obviously allows for greater flexibility of the capital workspace delivery and Bristol City Council feel confident, in the light of findings of the 2018-19 Bristol Employment Land Study in relation to South Bristol that

there is a strong enough business case for ERDF / public intervention to increase the supply of new industrial workspace in the area.

The enterprise support element was always intended to support a number of different workspace facilities in the area, alongside entrepreneurs and SME businesses which remain disenfranchised from any enterprise facilities already in place.

Furthermore, the removal of the capital space allows for a longer period of enterprise support in the project and the prospect of exceeding output targets and generating increased impacts.

Match funding for the enterprise support element will not be affected as a result of the workspace being removed from the programme and discussions are already underway with the West of England Combined Authority to take forward the enterprise support elements of the project.

The Revenue programme picks up on previous work – define whether this continuity is justifiable as a benefit to the prospective companies, or just the delivery team in place?

The programme does facilitate momentum as most of the partners will have ERDF funded projects finishing in 2019. However, it should be noted that this is not just a case of “chasing available funding”. The Consortium has been carefully selected to meet the needs of the SUD commission with each offering a service tailored to the needs of the SBRA across social enterprise, pre-start, pre-pre start and specific sector specialisms in the area. Access to finance support, grants and community-based outreach programmes have been included to ensure effective enterprise engagement.

The current plan has the revenue programme ending before capital is delivered – if this was a key element of the original bid, what is the risk or loss of benefit from phasing?

The revised version of the project will have the enterprise support programme lasting the entirety of the three-year delivery window. It is likely the capital workspace (though no longer supported by this ERDF application) would be delivered just after the mid-point of the project around July-Sept 2021 so it is important that the enterprise support programme has significant impact beforehand and added value once the capital project is live.

Working in partnership with existing support infrastructure such as Filwood Green Business Park, Cater Business Park, Knowle West Media Centre, Hartcliffe and Withywood Ventures, The Park Opportunity Centre and Hartcliffe Community Farm the enterprise support programme will reach a much larger range of beneficiaries as opposed to being over reliant on occupiers of the proposed new development.

As the SUD Advisory Committee stated, it is important to de-risk the expenditure and phasing of the programmes so that the service can reach a range of different SME development stages and market /sectorial segments and so support a broader scope of activities. Once the workspace is completed then the established support service can

quickly build engagement in that locality and promote the opportunity to growing businesses to take up the new workspace.

The full bid should adjust the revenue programme for a better fit to the capital timeframe

The enterprise support element was never aligned to fit solely the capital works and, although the two will complement each other, the successful completion of the enterprise support programme is aimed at communities, facilities and groups across the SBRA and businesses across the wider South Bristol area. The project plan, timescales and budgets have been adjusted to reflect the enterprise support only nature of this full application.

Review siting of the capital element to speed the process, as stated before – Hengrove Park has a developed proposal but has not had planning permission agreed

The question of alternative site options for the workspace is now less relevant since the SUD Committee advised that the capital workspace element of the project be removed from the full application. However, BCC has considered the possibility of Hengrove Park, and directly developing the B1 small offices plot there, which forms part of the planning application, instead of light industrial units on the adjacent Bottle Yard Studios site(s). It has rejected this option for three reasons - planning policy will not readily permit B1c light industrial development (our preferred option for workspace) at Hengrove Park; BCC believes there is a reasonably good prospect of attracting a commercial office workspace developer for Hengrove Park; BCC lacks resource capacity in the near future to directly commission a small office development in addition to the Bottle Yard Studios expansion.

Change: The equipment requirements associated the KWMC Sensor R&D Lab, which is integrated with the Project as a new facility accessible to local start up and existing businesses in the creative and digital manufacturing sectors for product development and testing purposes, alongside some increase in the BCC salaries budget, has resulted in an increase in the overall budget from £1.550 m in the Outline to £1.715 m in this Full Application.

Justification: Equipment to the value of £150,000 for the Sensor R&D Lab at KWMC's 'Factory' project based at Filwood Green Business Park, was in fact included in the overall £2.55 m capital costs of the Outline Application (£2.4 m for industrial workspace plus £150k), but has now been transferred in to the Full Application, as the equipment is to be fully financed by KWMC and procured by them in early 2020, and constitutes their private cash match contribution to the Project with the intention of leveraging ERDF revenue to provide technical advice and support to local entrepreneurs and SMEs using the Lab.

As regards the increase in BCC salary costs, this is of the order of £24,890 and is attributable to changes in BCC pay grades projected for the same project management and support posts for year 2019-20 and the following 2 years from April 2020. There is no increase in the level of staffing resources proposed.

Change: The outputs have been altered slightly to reflect advice from MHCLG regarding

grant schemes and SME investment. The Pre-start outputs have also been slightly decreased and the SME supports increased.

Justification: Guidance from MHCLG helped to ensure that all outputs were logged correctly – for example C2 grants only count if they exceed £1,000. The movement in P11 and C1 outputs was to reflect a better balance between supporting pre-start and existing SMEs in the region. All other outputs have been brought into line to reflect this better-balanced delivery.

Output ref:	Outline Application	Full Application
P11	155	145
P13	105	163
C1	132	142
C2	64	43
C4	0	142
C5	39	39
C6	0	£133,500
C8	109	97
C28	17	17
C29	35	35

Evidence to Support the Proposal

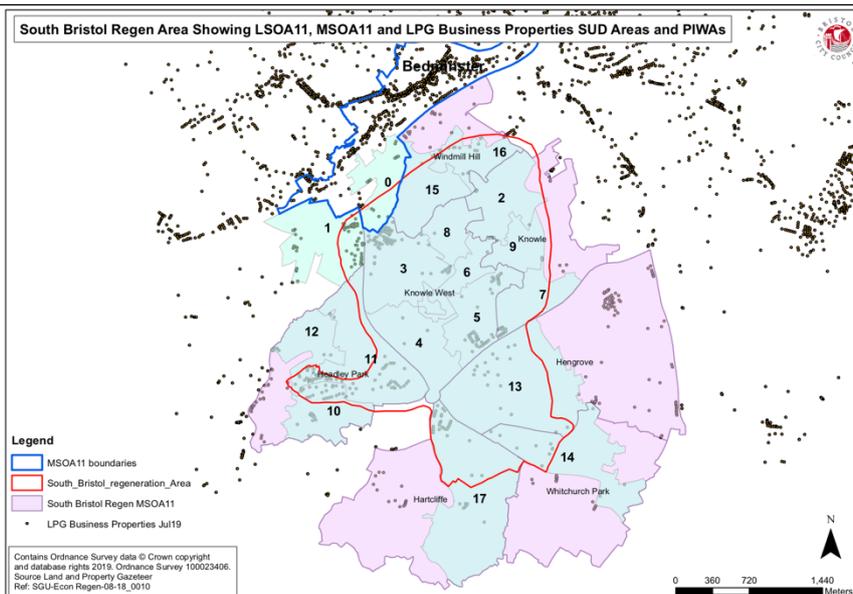
2.9 European Social Fund only. Proposed design: How does the proposed delivery model build on evidence of good practice, and what works most effectively for the target group?

N/A

2.10 European Regional Development Fund only. Need for the project within the market– please describe the market failure(s) that your project will address. Please provide relevant evidence and research to support your case.

“South Bristol has a much lower business density – 50.8 units per 1,000 working age population – than in the City of Bristol as a whole (71.2 units per 1,000 working age population). The regeneration area of Knowle West, Hartcliffe and Withywood, Hengrove and Whitchurch Park has some of the lowest business start-up rates in the region.” – *South Bristol SUD Call 2018*

At the end of 2019 there will be a void of funded enterprise support services and nowhere will this be more acutely felt than in the South of Bristol. In our response to Q3.4 we detail some of the support services which are not reaching the most disadvantaged communities in this area of the city. The following map demonstrates the imbalance of businesses in the SUD area compared to the rest of the city.



Market Failure:

Social Enterprise Support services start up and growth - SSE Dartington supported 93 social entrepreneurs in Bristol between 2016 and 2019. 21 of these are from South Bristol postcodes. This continuing demand would be unmet as the funding is withdrawn from the area towards the end of the 2019. This is particularly acute towards the SME sector where funded support is so crucial in establishing long-term, sustainable, social enterprises:

“Government statistics identify around 70,000 social enterprises in the UK, contributing £24 billion to the economy and employing nearly a million people. There remains a steady stream of start-ups coming through: many are small, or micro, and selling directly to the general public. One positive of their smaller size is that over a third operate at a neighbourhood or local level, with reach into communities: more than half say they actively involve their community in decision-making. 28% of social enterprises are based in the most deprived communities in the UK and almost eight out of ten (79%) social enterprises recruit over half of their staff locally.” - *Social Enterprise UK State of the Sector Report 2017*

Pre-pre-start up – No enterprise support service in the area specialises in pre-pre start support. The reason being is this need has only recently been identified by Knowle West Media Centre, supported by information from YTKO’s recent Refugee-support programme, to demonstrate that some candidates find traditional start-up support too challenging. Without an engaged community service these entrepreneurs will continue to fall between the gaps of enterprise support.

Private Start-Up Support – YTKO’s OutSet brand is the leading business start-up

service in the West of England and has been working with Bristol City Council for over 10 years. As part of the Enterprising West of England service, over the past three years, OutSet has worked closely with several disenfranchised communities in the SUD area. Without the support of the South Bristol Enterprise Support project there is categorically no funded business start-up service to build sustainable, long-term businesses in the area.

Private Growth Support – YTKO’s GetSet for Growth programme has been funded in the area for nearly five years. As a service it specialised in helping sole traders, micro and small businesses – over 97% of all the businesses in Bristol. This support for businesses which are struggling to access new markets, manage financial pressures and improve profitability met a much under-represented market need in the city – other support programmes tend to focus on high-growth, scale-up SMEs. Obviously this service will now be discontinued as it formed part of the ERDF Enterprising West of England offering and will finish in 2019.

Sectorial Growth Support – Although the growth support service will be across all sectors there are going to be tailored resources available for specific sectors:

Construction – There is a recognised construction supply chain crisis in Bristol. With the ONS estimating that the South West of England will experience the second highest sector growth in the whole of the UK, and 27,000 new jobs needed in the next four years, the area is woefully underprepared. In the SBRA 12.5% of all jobs are related to construction which is over 3 times higher when compared to the rest of Bristol.

There is clearly a construction “hotspot” in the area but only 6% of the SMEs in the construction sector would recognise that business growth skills would be beneficial and there is no tailored support for mainstream construction SMEs in the West of England. Without this project the heart of Bristol’s construction supply chain is likely to be stagnant just when the city needs it most.

Foodservice – Bristol is well on the way to becoming a Gold Sustainable Food City but there is little in terms of sector-specific enterprise support for the food economy in South Bristol. Enterprising West of England has supported a large number of food businesses to realise sustainable, long-term, growth but this experience and tailored content will be redundant unless a continuation of the support is enabled. Over the past three years YTKO has supported over 1,000 Bristol-based clients and nearly 20% were foodservice businesses but in SUD there is only 5% of employees working in food-related industries.

Creative and Digital Manufacturing – As mentioned above the start-up rate for creative and digital SMEs is very low in the SUD area – just 0.5% of employees work in this sector in the SUD area. Without a tailored support service there is going to be continued underrepresentation of this sector in South Bristol.

Enterprise Support Services in Business Centres - Filwood Green Business Park, Cater Business Park, Knowle West Media Centre, Hartcliffe and Withywood Ventures, The Park Opportunity Centre and Hartcliffe Community Farm are all important elements of

the community landscape across the SUD area but none of them offer a comprehensive enterprise support service.

Grants and access to finance – the availability of grants in the area is tied to specific sectors (such as manufacturing) or stages of growth (scale-up). There are no grants available for small SMEs looking to expand or manage small-scale growth. There are also no grants available for early stage start-up SMEs and this is a particularly important barrier which often prevents businesses taking that important first step to engage a market.

2.11 European Regional Development Fund only. Demand for the project – please set out the demand for the project; what are the demand projections; how have these been identified?

Over the past three years Knowle West Media Centre has supported over 165 unique businesses in the SUD area. YTKO, Princes Trust, amongst other partners in the Enterprising West of England consortium have supported over 1,000 entrepreneurs and enterprises over a similar period of time.

The project has scaled up the outputs to reflect the continuing momentum and additional engagement which will be received as part of the new service offerings (sector specific support, new grant offerings etc.)

It should be noted that in the last twelve months there has been a specific focus of additional support in the SUD area from the Enterprising West of England partnership. There is little sign of demand for the support decreasing in the area and if anything demand is increasing compared to engagement in 2017. As such there is confidence across the project consortium that the outputs and demand expected can be realised and exceeded.

More details are included in Section 6.

2.12 Explain the impact for the project for each of the following:

- If the project did not receive European Structural & Investment Funds
- If the level of European Structural & Investment Funds was reduced
- If there was a delay in European Structural & Investment Funds

If the project did not receive funds:

The project would not proceed without funding. Although there are several partners with available cash match, such as the Princes Trust, Bristol City Council and the School for Social Entrepreneurs, this match is only available to undertake activities when matched with the ERDF funds.

The impact of the project not proceeding would be an absence of any enterprise support service in South Bristol:

- There would be no support service tailored to disadvantaged communities in Bristol.

- There would be no improvement in the business start-up and survival rate in South Bristol.
- There would be an increase to barriers to achieving the city's ambition to promote inclusive growth of SMEs.
- There would be a lack of sustainability and resource efficiency support for SMEs.
- There would be a breakdown in the available "soft" enterprise support landscape which would undermine the capital expenditure of building new workspace in the SUD area.
- Fewer jobs created in the area.
- Less investment in the area.

If the level of funds were reduced:

Again the project would probably not proceed. At present there is no excess in terms of delivery budget and for many of the partners a reduced operational budget makes little sense for the project to proceed as many partners would be making a financial loss to achieve the outputs.

A potential way ahead would be to reduce the outputs and scope of the project but this would adversely affect the strategic outcomes of the SUD commission.

If there was a delay in the funds:

Team members likely to become unemployed, or economically inactive, for longer periods and exclude themselves from the teams resulting in a loss of momentum, client pipelines and expertise.

Delay in delivering outputs as new teams would be required to be in place and training, engagement, relationship-building with partners would all need to start from scratch.

Recruitment of new teams would also inflate costs as several of existing roles are allocated to part time staff already on the payroll. Should the project not continue then these staff would be made redundant and a smaller recruitment pool available to fill the part time opportunities.

The risk of delaying allocation of funds from MHCLG which was the primary reason that the capital workspace couldn't proceed as part of this full application.

3.0 Strategic Fit

3.1 How does the project still address the strategic domestic priorities, needs / opportunities set out in the call specification at national, local and sub national level?

"A further project is required promoting entrepreneurship support and grants at community level, and designed around the needs of young people, women, black and ethnic minority and disabled people in order to make a greater impact on the low

business start-up and survival rates.” **South Bristol SUD Call 2018**

The South Bristol Enterprise Support project brings together a leading consortium of support services to meet the needs of a variety of entrepreneurs and SME businesses. The Princes Trust, YTKO's OutSet brand and Knowle West Media Centre are the recognised experts in reaching these underrepresented sectors in Bristol which is a key strategic aim of the SUD commission.

- Princes Trust: leading charity for engagement of young people in the city. The Prince's Trust has been delivering ERDF programmes in Bristol and around the South West since 2013. Initially this began with the Inspiring Young Entrepreneurs ERDF project 2013-15 which reached over 250 young people from Bristol postcodes. Since 2017, The Trust has been a delivery partner in ERDF Enterprising West of England (EWoE) 2017-2019 where we have reached over 600 young people who are interested in exploring their entrepreneurial ideas, yet who face significant barriers in order to do so.

It is anticipated that SBES will be a continuation of both these previous ERDF projects where The Trust has targeted recruitment and outreach to unemployed young people aged 18-30 in the most disadvantaged urban communities. By running our programmes in South Bristol hubs we aim to take enterprise into the heart of South Bristol to encourage an entrepreneurial culture and inspire a new generation of self-employment. The Prince's Trust have found that young people from the following key groups are underrepresented in enterprise: educational underachievers, care leavers, the long-term unemployed and offenders/ ex-offenders and will therefore target these groups as part of the project.

- YTKO's OutSet service: leading start-up service, since 2012, specialising in BAME communities and engagement across the city. In the past 12 months the service has supported Syrian Refugees, the BAME Enterprise HUB, Babassa and Black South West Network; amongst others.
- Knowle West Media Centre: currently leads the Women into Digital, Education or Training (WIDJET) programme to support women into enterprise. They are also combining resources with YTKO who have experience through the Enterprising Women scheme.
- SSE - Social enterprise has much to contribute to the target beneficiaries not least in terms of diverse leadership and inclusive employment. 89% of social enterprise leadership teams have a female director, 34% have Black Asian Minority Ethnic representation and 36% have a director with a disability. More than two-thirds are supporting individuals from disadvantaged groups, and more than four in ten employ them.

“The sustainable urban development strategy proposes a focus on products and services in emerging new sectors for South Bristol such as environmental, creative / cultural, information communication and technology / software, off site modular construction, digital and craft manufacturing activities. Such a project could promote social / community enterprise models alongside the standard private enterprise routes.”

South Bristol SUD Call 2018

Again the Consortium offers expertise in sector-specific enterprise support:

The Knowle West Media Centre has launched the Sensor Lab which provides leading facilities to businesses in the digital sector. This capital workspace boasts expert resources to boost the digital and technology sector in the city. There is also The Factory which is driving the digital manufacturing sector in the South of the City.

The Construction Skills Gap Analysis produced by WECA and CITB in 2017 identified that it was a priority to engage SMEs to boost productivity and build capacity for growth in the construction sector. Strategically the focus on craft trades is important and Bristol City Council's housing policy points towards a need to utilise SMEs at all levels of the supply chain and non-volumetric systems (such as SME-led offsite) will hold the solution to the current housing target to build 2,000 new homes a year.

YTKO has just launched the *Building Growth SW* project, in partnership with the Construction Industry Training Board, to help individuals from hard-to-reach communities enter the construction sector. The potential follow-on from this project would be to support start-up and growth activities under the South Bristol Enterprise Support initiative. Combining expertise with the Knowle West Media Centre's *We Can Make* programme would provide an important focus on the growth of construction SME businesses – particularly modular offsite opportunities.

The importance of focusing support on social enterprises cannot be understated. The inclusion of the Schools for Social Entrepreneurs as a core partner means that the programme partners will have the skills and expertise to deliver a strategically aligned offering to help promote social and community enterprise models alongside the private sector.

“Include advice services tailored to specific sectors of the South Bristol economy, and grant funding or equity/loan finance brokerage programmes.” **South Bristol SUD Call 2018**

The inclusion of a blended grant scheme is a very important element of the South Bristol Enterprise Support Programme. We have included support to finance business start-ups, private sector growth, scale-up and social enterprise growth. Having different options of finance and investment opportunities meets the strategic requirements of the call.

The West of England Combined Authority is about to launch the draft of the Local Industrial Strategy for the region. The initial indications are that this strategy will provide important political alignment with the programme.

“We recognise that improving management and leadership and investing in staff not only increases the productivity of businesses but also ensures better jobs for employees.” **WECA Local Industrial Strategy 2019**

All partners will provide business strategy to drive internal efficiencies, alongside external market growth and sound financial management. Effective leadership and business strategy will be the foundations of the enterprise support offering and all partners have considerable experience in supporting nearly 3,000 businesses to create long-term sustainable and effective growth.

“Achieving clean growth will increase our productivity, boost earning power and help protect the climate and environment upon which we and future generations depend.”

WECA Local Industrial Strategy 2019

Although the project is targeted at the strategic direction of Priority Axis 3 activity there is a commitment to achieve low carbon engagement where appropriate. This could be through the engagement of low carbon economy SMEs or delivery of support which is targeted at building resilient and sustainable business practices.

For example, YTKO has worked closely with the consultancy Planet First to drive the engagement of over 365 SMEs to apply low carbon practices and support the development of a sustainable business model and brand.

3.2 How does the project deliver the objectives of the relevant priority axes set out in the Operational Programme?

The South Bristol Enterprise Support project is directly aligned to the Priority Axis 3 for the SUD call:

Targeted outreach, engagement, coaching and mentoring to strengthen entrepreneurial and enterprise culture in the South Bristol regeneration area;

All partners in the South Bristol Enterprise Support project are experienced in delivering award-winning enterprise support services across both start-up and business growth. Perhaps the most important aspect of the Consortium, however, is the ability to bring together stakeholders from a wide variety of communities and networks to facilitate engagement with the South Bristol regeneration area.

Provision of advice and support for entrepreneurship and self-employment in particular amongst under-represented groups by developing entrepreneurial skills and attitudes with a focus on increasing the number of business start-ups;

As mentioned above the Consortium brings together an unrivalled network of outreach, particularly in the under-represented groups. YTKO's OutSet service and Knowle West Media Centre have been working together for over six years in the area to engage hard to reach communities. This work has resulted in nearly 50% of all supported entrepreneurs being from BAME backgrounds and nearly 60% being women. These important pathways led to the formation of the Community Pathways initiative to broker funding to smaller community groups in the Bristol region.

The Prince's Trust has been working with hardest to reach groups in an entrepreneurial setting since 1983, encouraging 80,000 young people in the UK to set up themselves in business when they have faced barriers to other opportunities.

In 2016/17, 343 young people with Bristol postcodes participated on the Prince's Trust Enterprise programme, which consisted of a four day workshop and mentoring. 17% went on to set themselves up as registered businesses. Out of these participations, 41% of the young people were economically inactive before the programme and 19% were from minority ethnic backgrounds.

In a further breakdown from these 343 young people: 27% regarded themselves as having a disability, 8% were ex-offenders or had an offending background, 8% were Looked After/Care Leavers, 3.7 % were single parents and 1 % were classified as Refugees or Asylum Seekers. 26 % of these young people had mental health issues, 11% were homeless or had insecure housing and 4% had substance misuse issues.

Provision of advice and support for new business and social enterprise start-ups to survive and grow, including grants or seed finance for start-up;

Both the services offered by School for Social Entrepreneurs and Knowle West Media Centre include grant schemes for start-up businesses. These seed finance schemes are very popular and can remove many financial barriers to undertaking early stage business start-up. YTKO is also a UK Government Start Up Loan Scheme provider and can offer business loans to start-up schemes which are deemed too risky for mainstream business finance.

Provision of land and premises for employment sites, including incubation space, managed workspace, or grow-on space;

Although the project won't be directly tied to a capital development for new incubation or workspace there is a commitment from Bristol City Council that the initially proposed capital build will continue in parallel with this support programme. The support service programme has extensive links with several commercial business hubs in the area including Filwood Green Business Park, Cater Business Park, Knowle West Media Centre, Hartcliffe and Withywood Ventures, The Park Opportunity Centre and Hartcliffe Community Farm.

Increasing growth capability in small and medium sized enterprises by improving access to business support services and finance, including grants for productive investment, and investor readiness initiatives;

The growth support elements of the programme will be aimed exclusively at SMEs to develop the three elements of robust business strategy, sound financial management and accessing new markets to accelerate growth. The majority of support will be aimed at existing SMEs which are looking to provide long-term, sustainable growth, but there will also be offerings for **scale-up** SMEs looking to grow rapidly and realise potentially lucrative exit strategies. These businesses will need specific support around leadership

elements such as recruitment, people management and governance structure.

Provision of advice to develop new business models or higher quality products, processes or services tailored to existing or emergent sectors of the South Bristol economy, including manufacturing, engineering, construction, creative, information communication and technology / digital, environmental technology and services, food and drink;

Knowle West Media Centre are experienced in delivering expert enterprise support for ICT, creative and manufacturing. The *We Can Make*, *Sensor Lab* and *WIDJET* projects, amongst others, are leading SME support in the South Bristol Economy. YTKO delivers the only construction-focused enterprise support service in the region. The *Building Growth SW* project will run alongside the South Bristol Enterprise Support project to provide considerable added value in building engagement with local communities and generating impact with the local construction supply chain. YTKO are also committed to building on their existing food and drink business coaching materials to develop a focused programme of support as part of this project. All programmes will have tailored support materials, expert coaches, peer to peer networks and workshops to build credible and attractive support in these sectorial spaces.

Advice and support for businesses and social enterprises to implement productivity improvements including through the provision of resource efficiency advice;

Each partner in the project consortium offers a variety of resource efficiency support. Particularly tied to the “resilience” for growth, inefficient resource management can lead to dropping profit margins. Tackling waste, diagnostics on productivity, coaching to find alternatives to limited resources and limiting environmental impacts are all crucial elements of the programme.

Provision of advice, consultancy support, mentoring, peer to peer support, and support for collaborative projects within a key sector, or linking sectors or clusters within the South Bristol economy, including shared facilities or co-production;

Although new capital workspace isn’t included in this project the Consortium is already engaged in a network of workspaces in the area and developing clusters with SMEs who are looking for workshop or creative spaces in the SBRA.

Cohesion and complementarity with existing business support, international trade and export activities and manufacturing advisory services in the West of England local enterprise partnership area.

The Consortium already has links with Export for Growth and the Department of International Trade programmes, which are both run by Business West who are keen to work with the programme as part of the Enterprising West of England legacy. There are also discussions underway with YTKO and WECA to ensure that any future enterprise scheme supported by the combined authority works in partnership with this SUD commission. There is also engagement with the SWMAS (based in North Somerset) to make sure that grants and enterprise support works cohesively. Referral of clients is

already taking place to best suit the needs of the SME.

3.3 Describe the medium to long-term results/impacts that the project will deliver.

Medium impacts:

The outputs of the project will support 145 entrepreneurs and 142 SME businesses, creating 39 new businesses and 97 new jobs. Alongside this activity the project will broker £133,500 of additional growth and start-up related investment in South Bristol businesses.

These impacts will lead to economic growth in the area. The new businesses and fast-growing SMEs will create job opportunities, while others will safeguard employment through coaching to stabilise their business over the longer-term.

The engagement with the hard to reach groups is important as it will help to target the most economically inactive in the community. Carers, young people not in employment education or training, long-term unemployed all engage well with enterprise schemes which can provide important savings to the public purse.

An independent report from NEF Consulting in March 2015 found that a much higher proportion of unemployed or economically inactive clients enter enterprise (49%) following support relative to national baselines (11%). NEF also reported that clients who remain unemployed after engaging with this type of service (36%) is significantly lower than the national baseline (74%). When the social and economic value to clients, the State and the wider economy are taken into account, NEF conservatively calculated that a leading enterprise service generates approximately £4.12 for every £1 spent.

Long-term impacts:

In the longer-term employment opportunities would continue to increase and investment would be generated by continued growth of local businesses. Based on similar enterprise programmes we have seen additional jobs created as a result of our intervention and continued business investment in capital and revenue services – in some cases this can be as much as a 100% increase on outputs post-project.

The increase in economic development activity would also improve the business case to unlock further commercial workspace construction. These impacts will lead to increased prosperity in the area, more housing, placemaking infrastructure (like community facilities, transport links, community centres etc.)

The project supports local people, who in-turn employ local people and contribute to the business economy in South Bristol. This commitment will create business value by contributing to a culture of responsibility, improving employee engagement and building trust and credibility with external stakeholders, including local government and private investors. These relationships will provide entrepreneurs with crucial information about emerging regulatory trends, market forces and other external influencers that help businesses to prosper.

3.4 Has the applicant identified any organisations offering the same or similar activity? Explain how the proposed project adds value to and doesn't duplicate this, and does not conflict with national policy?

As part of preparing this Full Application we have conducted a comprehensive analysis of the support currently available in the West of England region and any likely duplication with the South Bristol Enterprise Support programme:

- The Enterprising West of England Scheme, funded by ERDF, will finish in 2019 and at present there are no plans for it to be continued.
- Network 4 Creative Enterprise Scheme run by Knowle West Media Centre will finish in 2019 and will not be continued.
- Social Enterprise and Innovation Programme – Currently delivered by the School for Social Entrepreneurs and finishes end of 2019
- The WECA Growth Hub currently offers an initial level of support and diagnostic advice with businesses. However, as there is no ERDF funding this function is not at all comprehensive and is predominantly conducted over the phone or in short “drop-in surgeries”. The role of the Growth Hub is to act as a gateway to further support providers and the Consortium has a good relationship with the Hub which results in regular referrals.
- SWMAS currently has several funded support programmes on offer. These are tied to the manufacturing sector and predominantly grant based. However, the support offering is mainly focused on North Somerset as much of their funding is tied to the development of Hinkley Point C.
- Export for Growth is a project run by Business West (with some ERDF funding) to help support SMEs to trial export. Over the past three years several of the South Bristol Enterprise Support partners have referred businesses to this service but they are predominantly the larger SMEs with great expectation to grow. As such the only potential overlap would exist in the scale-up support offering and should the business be keen to explore exporting (rather than more strategic enterprise support) then they would be referred to this service.
- Scale Up Coaching Grants is an ERDF grant scheme run by Business West in Bristol. Again, this programme is aimed at large SMEs looking to undertake large-scale tailored enterprise support in mainstream business networks – such as Enginshed or the NatWest Accelerator Hub. Our programme would be primarily aimed at accessing the hard to reach communities and supporting sole traders, pre-starts, microbusinesses and small SMEs.
- The West of England Combined Authority has recently released a low carbon grant scheme to support purchase of capital elements to reduce an SME's carbon footprint. Obviously these grants are tied to low carbon capital

investment rather than enterprise support and therefore don't really overlap with the proposed activity.

- Future Bright is another WECA programme to support individuals on benefits to improve their skills and access higher-paid employment opportunities and receive grants to overcome these employment barriers. The programme is aimed at employed individuals and any candidates which want to explore entrepreneurship have been referred to the partners in the project consortium – YTKO was recently awarded a prize for being a leading network partner with Future Bright.

- The University of West of England has a number of ERDF-backed programmes including: Future Space, Launch Space and Scale UP coaching grants. Most of these activities are tied to their campus in South Gloucester so there is an obvious geographic gap.

- Engine Shed Two is being built next to the Temple Meads Enterprise Zone and elements of this development (partnership between Bristol University and Bristol City Council) will influence the South Bristol area. However, the development is an almost entirely capital and workspace project with little engagement towards SMEs.

- The BAME Enterprise Hub, headed up by Black South West Network, is developing a start-up and enterprise support service in East Bristol. Again the Consortium will provide support where applicable but the geographic gap should prevent any overlap or duplication.

- Community Innovation Fund is a loan scheme, rather than grant scheme, delivered by SSE.

- The One City Funds are a philanthropic collaboration with the City Mayor's Fund to broker funding into socially advantageous schemes. These funds will be tied to loans (rather than grants) and the South Bristol Enterprise Support Consortium works closely with the governance processes (including representation on the funding decision committees) to ensure that no duplication occurs.

- Power to Change has several community business grants available but nearly all of them will be unavailable within the ERDF funding window.

- The City Leap is a major financial investment vehicle to procure a large energy provider to invest in Bristol's energy infrastructure. There are elements of the programme which will include support for SMEs but this is likely to form a capital-based low carbon based programme rather than traditional enterprise support.

- There is a new Food Business Incubator in North Somerset but this is

again out of area and an existing relationship is already in place to exchange clients (according to location) and build on lessons learnt.

- Building Growth SW is a CITB funded skills and training programme to help individuals explore a career in construction. Any sole traders identified in the programme will be referred into the SUD commission – pending location.
- ESF projects – there are a number of skills related ESF programmes in the process of being launched by WECA. Many of these schemes are tied to disadvantaged communities and hard to reach learners and any relevant referral pathways will be utilised to improve the customer journey and quality of service.
- Digital and technology investment – there are also several sector specific investment funds from WECA which will provide important capital grants to innovative SMEs. However, nearly all these are tied to further or higher education institutes and looking at quite niche areas – like quantum technology.

A particular strength of having an extensive and established Consortium of leading stakeholders is the ability to work closely with other support offerings as they come online in the area. As part of the project Consortium Meetings there will be a standing risk to look at duplicating support with other providers in the area. This risk will be updated, assessed and mitigated as part of the ongoing project governance. A key element of this will be to ensure that every entrepreneur and SME has the most appropriate support service available to them at any given time.

4.0 Project timetable		
4.1 Start date (date from which eligible expenditure will be incurred)	01/01/2020	
4.2 Financial completion date (date by which eligible costs will have been defrayed (European Social Fund – contractual completion date)	31/03/2023	
4.3 Practical completion date (date by which all outputs will be achieved. European Regional Development Fund only)	31/12/2022	
4.4 Activity end date (date by which all the activities described in the funding agreement will be completed)	31/12/2022	
4.5 Other milestones - complete the schedule below with detailed project delivery dates as relevant for the implementation, on-going development and delivery of the project.		
Milestone	Start date	Completion date
Assignment of skeleton delivery team	Jan 2020	Feb 2020
Agree and sign SLAs with partners	Jan 2020	Feb 2020
Procurement of partner services and resources – see procurement plans attached	Feb 2020	For the lifetime of the contract
Recruitment and induction of full delivery team	Feb 2020	Mar 2020

Draft procurement documents for Scale-up support service	Mar 2020	Apr 2020
Guidance, equality and diversity, sustainability training	Mar 2020	Apr 2020
Tender and procurement of Scale-up support service	Apr 2020	Jun 2020
Planning and launch activities	Apr 2020	May 2020
Create marketing strategy and confirm year one of the project delivery plan	Jan 2020	Mar 2020
Demand generation in partnership with engagement networks and partners	Feb 2020	For the lifetime of the contract
Community outreach/engagement	Feb 2020	For the lifetime of the contract
Partner and contract meetings	Monthly from January 2020	For the lifetime of the contract
1:1 coaching and workshops – start-up and growth including diagnostics and in-depth support	Apr 2020	For the lifetime of the contract
Financial claims and data returns to MHCLG	Quarterly from March 2020	For the lifetime of the contract
Narrative progress report	Quarterly from March 2020	For the lifetime of the contract
Baseline and output data input and analysis	Quarterly from March 2020	For the lifetime of the contract
Consortium meeting	Quarterly from March 2020	For the lifetime of the contract
Write summative assessment brief	Oct 2021	Dec 2021
Tender for and procure evaluator	Jan 2022	Mar 2022
Initial meeting with evaluator	Apr 2022	Apr 2022
Carry out evaluation	May 2022	Sept 2022
Publish summative assessment	Oct 2022	Nov 2022
Final report and claim	Dec 2022	Dec 2022
4.6 Please provide any necessary commentary on the milestones above including any dependencies.		
n/a		

5.0 Costs and Funding This is an overview. Costs by LEP area are required within the financial annex, if applicable.						
		ESIF (a)	Public	Private	Total (d)	ESIF

		(£)	Match (b) (£)	Match (c) (£)	(£)	Contribution rate (%) (a)/(d)x100
	ERDF capital	189,000		189,000	378,000	
	ERDF revenue	668,530	482,530	186,000	1,337,060	
Sub Total	ERDF	857,530	482,530	375,000	1,715,060	50%
Sub Total	ESF					
Sub Total	YEI					
TOTAL		857,530	482,530	375,000	1,715,060	50%

5.1 Please provide a breakdown of the sources of funding and detail as to whether or not they are secured and if not when they will be.

Name of match funder	Status (inc. date if not yet secured)	Type cash or in-kind
Knowle West Media Centre - £150,000 capital	Secured	Cash
Bristol City Council - £55,500 SMEC match	Not yet secured – will form part of the programme	Cash (SME contribution)
West of England CA - £482,530 public match	Application due 25/09/19. Decision on 6 th Dec 2019	Cash
YTKO - £78,000 SMEC match	Not yet secured – will form part of the programme	Cash (SME contribution)
The Prince's Trust - £37,500 cash match	Secured	Cash
Dartington Hall Trust / SSE - £54,000 cash match	Secured	Cash

5.2 Please confirm that you have submitted a very detailed, granular budget breakdown.	Yes	<input checked="" type="checkbox"/>
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5.3 For each line item (not cost category) provide the justification for its inclusion i.e. relevance to the project and the assumptions / research undertaken to come to the figures. For salary costs, please indicate any job role not 100% funded by the project and provide evidence of the hourly rate using the simplified cost methodology.

For all partners, costs have been estimated based on many years of experience of similar projects across regions including: Cornwall, Devon and Somerset, Bristol and Swindon.

All resources, and therefore costs, are modelled on the resources, capacities, and conversion rates achieved in these projects. This provides a very high level of certainty in the forecasting of outputs and outcomes, and in the level and skills of the staff

required, and in the amount and impact of the demand generation needed to achieve the 'pipeline' of prospective clients.

Salaries and local costs such as offices are 100% dedicated to this project are based on many years of operations in the region. We have a high degree of certainty regarding all identified costs.

As in all cost estimates made for the entire project, the assumptions are based on three variables: many years' experience in delivering similar services in the area; intimate knowledge of local and national markets and suppliers, including up-to-date prices and availabilities; and a database of results (outcomes, impact and other performance indicators) from the implementation of a range of services and supplies. Therefore, the partners have extremely high confidence in the availability of the right goods and/or services, the suitability to meet the objectives, and the cost effectiveness resulting from the implementation of the purchased goods and services.

Budget breakdown for this programme is based on the specific requirements needed to ensure effective delivery, especially as its targeted towards deprived, disadvantaged and often economically inactive or unemployed communities. In many cases, support activities have to start at a level of personal confidence, developing skills and abilities that enable the beneficiary to start considering enterprise as a pathway towards sustained employment and business growth. As a result, one-to-one coaching and small seminars/workshops are an essential component in the success of the support delivery model. This requires investment in high-quality staff, with as much face-to-face interaction as possible.

As a result, 60% of the total project budget is allocated to staff. 12% is for face to face client consultant time. 4% of the budget is provided for marketing, including online marketing, reflecting the existing connections and community engagement of the partners which will enable low-cost outreach and demand generation. 1% of the budget covers office and information technology costs, and only 1% for rents rates and utilities. The remaining is based on a flat rate of 22% of the salaries, travel and session costs.

5.4 Please indicate which simplified cost option you are proposing to use for indirect costs.

15%	X	25% ERDF only		40% ESF only		None	
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5.4.1 If you have ticked 25% (ERDF only) please provide a detailed justification in line with the eligibility rules.

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5.5 Please advise whether or not the project budget includes any VAT you cannot

recover from HMRC (recoverable VAT). Note we may need confirmation of this by way of a letter from the applicant's finance department.				
Project does include VAT which will be irrecoverable from HMRC and a letter is attached.				
5.6 If irrecoverable VAT will be claimed, please describe how this is captured through the claims procedure and how your financial processes will ensure that it is not being claimed as part of the normal VAT return.				
Bristol City Council, as lead accountable body, runs a sophisticated accounting system for ERDF projects in which all project expenditure is flagged as being irrecoverable as regards VAT. The nominal ledger therefore includes all expenditures as inclusive of VAT, and a checks and balances system ensures that none of these items can be included within the regular VAT returns, for VAT reclaims. Additionally, each project is balanced against claim totals and payment totals, which again include VAT at the prevailing 20% rate. Any totals not balancing are referred to the financial controller for immediate action.				
5.7 If the project covers more than one Local Enterprise Partnership area or more than one Category of region, explain how the costs have been shared between areas.				
N/A				
5.8 Have you or will you incur any at risk costs since your notification letter, which you intend to include in an ESF / ERDF grant claim? If yes, how much and on what?				
N/A				
5.9 <u>European Regional Development Fund only</u> - Will you project generate any income? If yes, please provide details of how and complete annex 2b on revenue generating projects.	Yes		No	X

6.0 Outputs and Results (Results are ESF only)				
6.1 Please explain in detail how you have estimated each of the outputs and results for your project, demonstrating clearly how each of the proposed outputs and results directly links to your specific project activities and objectives.				
The ERDF and ESF Indicator Annex Tables for Full Applications can both be found here on GOV.UK.				
The project outputs are based on extensive experience across the partners who have all delivered similar programmes in the past in the SUD area and across the wider LEP areas.				
145 x P11 (split between pre-pre-start and private and social enterprise pre-start)				
The 30 pre-pre-start P11s reflect the work that Knowle West Media Centre are				

conducting in the SUD communities to engage the most disenfranchised individuals who will require intense support to realise a business ambition. As these outputs represent perhaps the most significant investment of time, in terms of quantity of output, we kept the number relatively low, but yet still an important number considered this is a new format of start-up support.

The 85 private pre-start supports demonstrate the strength and experience of delivering pre-start work in the region from partners such as YTKO's OutSet service and the Princes Trust. This will form the majority of the start-up support.

The 30 additional social enterprise pre-start supports will offer important opportunities to explore ideas within the third sector community of the South Bristol.

Together the 145 x P11s offer 14% of the start-up support available in the Enterprising West of England contract – the easiest to compare as it contained many of the same partners and offered a similar support across the entire West of England region. Obviously compared to the SUD area this equates to a similar proportion of potential enterprises and provides an improved value for money proposition as it builds on existing momentum.

163 x P13 and 142 x C1 (split between private and social sector SMEs)

The throughput from P13 to C1 is very high (in other projects it is around 50% P13 to C1) but we have found through experiences with previous ERDF programmes in the region that nearly all businesses want to utilise the support once they have been properly taken through the diagnostic phase. As such we are using our experience to reduce the number of P13s so as not to create an unmet, and frustrated, client base.

The split between social enterprise and private sector again reflects the SUD commission briefing with just under 25% being in the social enterprise sector.

43 x C2, 142 x C4, £133,500 x C6 and 39 x C5

The split of grant, non-grant and new enterprise support is based on the lessons learnt from previous ERDF programmes in the region.

The 43 x C2 grant supports currently sit under the subcontractor and SSE delivery models. As mentioned before there are a number of grant schemes in the project but these aren't displacing the 12-hour supports while the subcontractor will be brokering grants for SMEs to find their own specific enterprise supports to help with their scale-up journey. This type of grant model is extremely popular in other ERDF programmes however, the relatively low number here (43 compared to 150 in EWOE) demonstrates that the demand in the SUD area is expected to be low.

The 142 x C4s follows on from the P13 diagnostic engagement and will be the most popular form of SME enterprise support. We expect nearly half of these SMEs to be new enterprises as a result of the 145 pre-start programmes which we will undertake.

97 x C8

At present the job creation target is a result of learnings from previous metrics we have recorded in other ERDF programmes. In the Enterprising West of England project we supported a total of 521 businesses with a target to create 232 jobs. However, this (approximate) 2:1 ratio was exceeded and therefore we have an expectation to create a much higher rate of C8s compared to C1s (3:2). Furthermore, we are supporting a large number of new enterprises and entrepreneurs (EWOE was predominantly a growth programme) and therefore expect the number of sole-traders created to be high.

17 x C28 and 35 x C29

It is important to realise the innovation in the SUD area. We expect a number of the organisation to be linked to innovation of materials and services in manufacturing, food, digital and construction. With focus on these growing sectors, and tailored support, we would expect to see a good number of new to the market products. Furthermore, targeting the most in-need sectors, with traditionally inefficient internal processes, leaves lots of opportunities to create new to the business products or solutions.

6.2 Please explain your approach for forecasting each deliverable; including the specific base-lining/research you have undertaken to ensure your projected profiles are realistic and achievable and any assumptions which impact on your forecasts.

The outputs were influenced by a number of ERDF programmes which had delivered similar projects in the region. Enterprising West of England, Network 4 Creative Enterprise, Social Enterprise and Innovation, and Scale Up Business Coaching Grants have all been in the West of England over the past five years and present a useful bank of information to help create a baseline for the outputs.

Combining this baseline with macro-economic data on the SUD area we were able to create a model which factored in outreach and demand generation activities to give us a realistic approach to output generation.

Compared to other programmes in the region we have:

- almost doubled the number of job conversions (44% to 82%)
- increased the rate of enterprise creation (15% to 25%) which is more aligned to national averages
- increased the conversion rate of P13s to C1s (33% to 84%)
- provided a more realistic number of C28s against C29s (in the past this was a flat rate)
- Reduced the demand generation rate as there are better conversion factors – more aligned to support and outreach programmes rather than generic growth support.

In terms of profiling outputs we have assumed a usual S-Curve where the launch of the programme will build steady efficiencies and a ramp down towards the project close. However, should the timescales of the project be realised we will have a shallower S-Curve as the project will capture momentum from previous activities in the area.

7.0 Project Management and Governance

7.1 Fully describe the project management and control systems that will be established for the project, demonstrating that the project (including any delivery partners) has the appropriate capacity to meet the requirements of European Structural & Investment Funds.

For ESF Only – Please also include an explanation on how your project will deal with suspected fraud, in line with published [ESF Anti-Fraud guidance](#). This includes providing a statement on how you will deal with suspected fraud in your organisation and if appropriate, with your sub-contractors.

The project will follow an established methodology placing the delivery partners and beneficiaries at the heart of the governance. In order to maintain a responsive project we would utilise two levels of project management.

Project Consortium: This strategic group would consist of the Core Delivery Partners and Lead Accountable Body – Bristol City Council, YTKO, Princes Trust, Knowle West Media Centre and the School for Social Entrepreneurs. At a later date the Consortium would add representation from the beneficiary SMEs across all the service options.

The Consortium Group will be responsible for managing the project, maintaining KPIs, assessing and owning risks, approval of project reports, strategic policy engagement and supporting the evaluation process. The Steering Group would meet quarterly and be hosted at each of the members alternatively.

Delivery Partners: This operationally focused group would have monthly meetings with the Lead Accountable Body to discuss progress and respond to issues. All relevant subcontractors would also be invited to the meetings. The Delivery Partners will take responsibility for day to day activity such as demand generation, support delivery, communications delivery, updating risk etc.

Issues and risks which are raised by the Partners will be escalated to the Consortium Group if they are not deemed time critical.

Reporting: The Project Consortium will review the project progress with updates from each partner – any relevant delivery contractors will provide updates prior to the Consortium meeting. The Project Consortium will also review the combined claim documentation to monitor output progress, marketing activity, risks and pipeline generation. They will also disseminate best practice and changes to guidance as applicable.

Wider Partnership: This broader stakeholder group currently accounts for local outreach partners, larger employers and promotion partners. Throughout the programme we would build this group further through newsletters, joint events and workshops with local partners. The intention is to create a wider pool of support and networks to ensure a lasting legacy for the project.

Information about the management structure and risk register are attached in the project Annexes.

7.2 Please describe the individual posts within the team that will be delivering the project:

- How is the team set up to manage and deliver the project?
- Identify which posts are not 100% funded by the project.
- What resources, expertise, skills, responsibilities and experience do they have?
- Will existing staff be employed, or will new staff be recruited (if yes, how)?
- What are the reporting lines and accountabilities of individual posts?

Please include details of Delivery Partners (if relevant).

Please attach a structure chart (organogram) and job descriptions for project delivery staff: See the 'Supporting Documents checklist'.

Please refer to job titles rather than the actual names of individuals when describing project management and governance arrangements and responsibilities.

Bristol City Council:

- Project Manager – 1 FTE 100% dedicated to the ERDF project (to be appointed)
- Project Support Officer – 0.6 FTE 1720 methodology (to be appointed)

YTKO:

- Head of Construction – 0.1 FTE fixed percentage 1720 methodology (existing staff)
- Project Director – 0.2 FTE fixed percentage 1720 methodology (existing staff)
- Senior Business Advisor – 0.5 FTE 100% dedicated to the ERDF project (existing staff)
- Senior Business Advisor – 0.5 FTE 100% dedicated to the ERDF project (existing staff)
- Finance – 0.1 FTE fixed percentage 1720 methodology (existing staff)

Knowle West Media Centre:

- Project Manager – 0.8 FTE fixed percentage 1720 methodology (to be appointed)
- Materials and Innovation Enterprise Producer – 0.8 FTE fixed percentage 1720 methodology (to be appointed)
- Pre-start up Engagement Coordinator – 0.8 FTE fixed percentage 1720 methodology (to be appointed)

Princes Trust:

- Contracts Manager – 0.1 FTE fixed percentage 1720 methodology (existing staff)
- Head of Operations – 0.1 FTE fixed percentage 1720 methodology (existing staff)
- Contract Management Executive – 0.2 FTE fixed percentage 1720 methodology (existing staff)
- Operations Manager – 0.2 FTE fixed percentage 1720 methodology (existing staff)
- Operations Executive – 0.8 FTE 100% dedicated to the ERDF project

(existing staff)

- Operations Executive – 0.8 FTE 100% dedicated to the ERDF project

(existing staff)

SSE:

- Head of School – 0.1 FTE fixed percentage 1720 methodology (existing staff)
- Business Manager – 0.2 FTE fixed percentage 1720 methodology (existing staff)
- Business Coach – 1720 methodology (to be appointed)
- Lead Learning Manager – 0.3 FTE fixed percentage 1720 methodology (existing staff)
- Marketing Associate – 0.2 FTE fixed percentage 1720 methodology (to be appointed)
- Project Administrator – 0.7 FTE fixed percentage 1720 methodology (to be appointed)
- Project Facilitator – 0.5 FTE fixed percentage 1720 methodology (to be appointed)

7.3 If this application form has been drafted by individuals who will not be involved in the delivery of the project, how will you ensure that the project delivery team understands the rationale and detail of the project?

This application has been developed and finalised by operational staff, alongside senior staff at Bristol City Council, all of whom are creators, deliverers and developers of enterprise support programmes. They are also involved at a senior and consultative level with the delivery of current enterprise support programmes in the region.

Additionally, we have developed a comprehensive induction process for all delivery teams, and for the customer service support staff. This is an intensive introduction and briefing to all aspects of the service.

Other parts of the partner support given include project monitoring and reporting, key issues, risks and mitigation, and state aid considerations.

Examples of all of the workshop content, checklists, handouts and guides are also made available to staff at induction, and a continual improvement policy provide updates and enhancements to all materials delivered.

7.4 If applicable, how will you ensure that Delivery Partner(s) comply with the requirements of European Structural & Investment funding? How will you monitor and manage the performance of Delivery Partner(s) and or sub-contractor(s)?

Bristol City Council have developed a partner handbook to issue to all delivery partners. The guide helps to support partners to ensure that all paperwork, processes, governance and delivery of service is compliant with all ESIF requirements.

The handbook will be finalised and issued at the first Consortium Meeting alongside an induction to the topics.

Quality assurance and underperformance: Bristol City Council as Lead Accountable Body will undertake checks to ensure compliance is maintained – firstly with regards to the progress of achieving outputs but also against the paperwork, spend and processes of the delivery partners and subsequent subcontractors. In preparing each claim all outputs will be reviewed and paperwork checked against latest guidance.

Bristol City Council have experience of delivering several ERDF projects and maintain knowledge in the leadership team of how to manage partners and subcontractors effectively.

Should a delivery partner or contractor be experiencing slippage in achieving outputs, measures will be put in place to increase monitoring – up to fortnightly checks – and further information on remedial measures to ensure quick and effective steps are taken. This will also be added to the risk register and relevant processes applied as part of the Consortium Meetings.

7.5 Please describe how you will collate, calculate and verify deliverables to ensure that interventions are recorded and an audit trail is retained to prove their validity

Bristol City Council and partner CRM systems are fully aligned for ERDF output and outcome capture, have up to 64 data fields for each beneficiary, including location, sectors, ages, diversity and equality criteria, turnover and employees. We record jobs created and safeguarded, full or part time, businesses assisted, finance raised, source and a range of other data.

We also collect substantial qualitative information on clients and their businesses which looks in detail at all important aspects of their business. These diagnostic scores are recorded, together with the results from post intervention benchmarking, and captured on the system to provide evidence of the skills impact.

The system is used to record all client 1:1 meetings, durations, key actions, attendance at workshops, duration of time spent on client support, inbound and outbound referrals, key milestones, outputs and outcomes. Emails can be sent through the system for comprehensive support audit trails, and future actions/follow ups, and reminders are flagged.

Clients sign a range of hard-copy evidence records during their progress through the service, including jobs created or safeguarded, support provided, business assisted declarations, workshop attendance records and so on, which are kept securely in their personal file, with the data also entered into the CRM system for comprehensive real-time monitoring, reporting and analysis. Exceptionally secure data protection systems and processes in place and we abide by the Data Protection and GDPR Acts at all times.

All partners are experienced at delivering EU funded programmes so have robust systems in place for data recording and evidence collection and storing, during and post project. As part of the Project Consortium Meetings all partners will be kept up to date with data protection regulations and these will be transposed into their Service Level Agreements.

<p>7.6 If applicable, what checks will be carried out to ensure the end beneficiaries (for example, businesses or learners) benefitting from the proposal or individuals engaged as part of the proposal is eligible and belongs to the target group?</p>
<p>Each Delivery Partner will carry out evaluation on all workshops and 1-2-1 coaching sessions. This data will be fed back via the quarterly Claim Reports and reviewed as part of our regular internal audit processes.</p> <p>In addition, feedback will be gathered from the beneficiaries via the Consortium Meeting where we will invite recipients of the different services to join the members and provide important information about their customer journey.</p> <p>Important eligibility checks will be carried out across all potential clients as part of the client registration process. This initial diagnostic will establish that the potential SME is based in the SUD area, is an eligible SME, micro business or sole trader and has not received in excess of the EU state aid de minimis (currently €200,000 over a three-year period) of public funding or support.</p>
<p>7.7 Describe the controls put in place by the applicant to check that it is maintaining compliance with the eligibility rules during the delivery of the project.</p>
<p>The Service Level Agreement will also stipulate the need for compliance with the eligibility requirements. In addition, the Project Manager will spot check and audit the Delivery Partners' compliance with eligibility rules. This will form a standard part of the claims process on a quarterly basis.</p> <p>In terms of determining the size and type of business there will be checks against the paperwork which includes a signed declaration from the business or entrepreneur, and any relevant public record or register (such as Companies House). There will also be paperwork checks to determine if the de minimis has been exceeded and a signed declaration from the business.</p> <p>Finally postcodes will be sampled and checked against the business website or registered office (can be checked again on Companies House if a limited company) to make sure they are within the SUD area.</p>

8.0 Financial Management and Control (In all responses reference delivery partners where appropriate).

8.1 Describe the financial management and control procedures for the project; including the process for compiling, authorising and ensuring only eligible and defrayed expenditure is included in European Structural & Investment Funds claims for payment.

Please refer to job titles rather than the actual names of individuals when describing Financial Management and Control procedures and responsibilities.

Bristol City Council have a Principal Accountant and Senior Accountant allocated from its Budget support team that enable the Growth and Regeneration Directorate and Economy

of Place Division to undertake effective financial management & control, the processing of Grant claims, data collection, reporting and auditing. Financial management of the project will be overseen by the Growth and Regeneration Finance Business Partner, with day to day transactions and quarterly claims preparation and reporting undertaken by the Project Manager and Senior Accountant with support from the Accounting Support officer.

We will maintain full records related to both BCC and individual partner transactions and processes, in a secure on-line document management system commencing from the ERDF offer letter and budget confirmation, to include original invoices, purchase orders, payment advice, bank statements, contracts, payroll information, budget and progress reports, recruitment, correspondence and other legally required records.

The originals are scanned in by the accounts payable team and we can view the scanned copies in our "Unit 4 Business World (ABW) system" used by Accounts Payable team. This enables a clear audit trail for all income and expenditure related to the project.

All new members of staff in both the lead and partner organisations working on EU funded projects, from project administrators to project directors, will have a comprehensive induction about ERDF rules and regulations on eligible expenditure, and procurement. This will cover internal timescales within the consortium each quarter for submitting expense claims and supplier invoices so that they can be checked, paid and evidenced prior to inclusion on a claim.

Within BCC Budget support, there are various control processes in place and system control mechanisms on ABW. Following the procurement process, an order is raised and goes through an approval process (value will determine which approval route). Once the order is issued and the goods or services received, an invoice is sent in by the provider and it is checked against the order and approved.

Steps as follows: The local administrator receipts the invoice electronically and enters it to ABW (BCC accounting system) after comparing it with the purchase order, and checking that the product or service was received, and procured according to guidelines. The administrator codes the invoice to the Council's ERDF project cost centre and accounting category. The invoice then passes to the Project Manager to confirm in ABW that it is in order for payment.

Quarterly claim submissions to MHCLG on behalf of the consortium will be prepared by the Project team collating financial and outputs information across the Partners using a common set of templates, and checking this in conjunction the Accounts team, including verification that payments for invoices and salaries have been made. A list of defrayed expenditure items will be sent to the Project Consortium members for additional checking and confirmation (where necessary).

Prior to claims submission, a final audit will be carried out by a different member of the Finance Team to ensure a) that purchase descriptions are clear and intelligible, so that someone with no familiarity with the project within the Managing Authority team should be easily able to understand the purpose, and b) that there are no ineligible items on the

claim.

We will also closely monitor on a quarterly basis outputs, forecast and financial performance against budget within BCC and across the consortium. This forms a major part of our internal / external reporting systems and processes.

The Council has considerable experience from its role within the previous round of ERDF contracts. We have taken this recent experience and adapted our financial management and control processes accordingly. These now include more active contacts by phone or email, and an in-person finance meeting between the Lead Accountable Body and Partners (including the BCC Senior Accountant).

We will mandate that each Partner attends with the appropriate personnel and we spend as long as required familiarizing the Partners with the claim forms, requirements and time frames, all of which they will have received in advance in a pack.

This has proved invaluable (in the past) in ensuring the accuracy of the claims financial information and, most importantly, building a good rapport between key senior team members from day one of contract delivery.

The Council's Project Manager and Finance team, as needed, will maintain regular contact with the MHCLG contract management team to ensure that any issues can be dealt with swiftly.

8.2 Please describe the document management system for the project and how the audit trail will be maintained and accessible for the period required under the terms of the European Structural & Investment Funding Agreement, this includes retrieving original invoices and ensuring evidence of costs incurred is available.

The document management system to be used for the project will be Microsoft Dynamics. Microsoft Dynamics is a business process management software that manages and integrates financials, operations, and reporting forming a secure repository of electronic copies of all financial information related to quarterly claims and all contract procurement documentation.

In parallel with this system, the specific accounting systems and processes to be used within BCC and each Partner for financial control have already been summarized above. Given the large volume and variety of transactions across the consortium, additional measures are needed to streamline and reinforce the audit trail.

8.3 Please set out your organisation's financial policy which describes processes, roles and schemes of delegation.

Bristol City Council abide by the CIPFA code of practice on accounting which states that a true and fair view of the financial position, performance and cash flow is in place (including the Group Accounts where a Local authority has material interests in subsidiaries, associates or joint ventures).

The Schemes of Delegation explain who can take which decisions on behalf of the Council. They come from the Council's constitution where the Mayor has executive powers and Full council who have non-executive powers

In the constitution, powers are delegated to the Chief Executive, the Strategic directors and a few other statutory officers like Service Directors for Finance and Legal. These individuals then delegate many of their powers to officers within the scheme of delegation.

The full paper can be found [here](#): with summary

The Economic Development Manager has delegated authority for European funding management:

3. City Growth, Investment and Infrastructure including Culture Function	Post authorised to carry out function
All functions relating to Culture including (but not exclusively): - bidding for small scale funding Bids - Awarding of small scale arts grants - Support of the cultural sector - Operational running of our Cultural Venues -Events in the city	Head of Culture
Functions relating to Economic Development including (but not exclusively): - European Funding Management, Delivery and resource procurement - Managed workspace provision and management	Economic Development Manager

The tables below is a extract highlighting some of the relevant Roles and Responsibilities within BCC's Service area as well as Corporate Finance:

Service Roles and Responsibilities			
Strategic Director	Service Director	Service Manager (Budget Manager)	Cost Managers
Ensure Directorate meets its financial objectives	Ensure Service Area meets its financial objectives	Continuous monitoring on ABW of revenue and capital spend	Continuous monitoring on ABW of revenue and capital spend
Monthly review of Directorate revenue and capital forecasting and report significant variances	Monthly review of Service Area revenue and capital forecasts and report significant variances	Monthly reporting to Service Director on revenue and capital budget positions, variances and forecast to year end on ABW	Monthly reporting to Service Manager on revenue and capital budget positions, variances and forecast to year end on ABW

Roles & Responsibilities – Finance

Co-ordinate quarterly reporting to Cabinet	Support to budget managers and cost managers for revenue and capital budget monitoring
Final accounts and external reporting requirements	Investigate and report on complex business issues – financial implications
Maintain U4BW	Review, challenge and support YTD and monthly revenue and capital forecasting
Control account analysis	Validate and quality assure budget variances – work

	with managers to support the identification of action plans to mitigate variances
Maintain self-service toolkit for budget managers	Exception reporting and reporting to DLT's, SLT's and variance analysis for quarterly reporting to cabinet
<p>8.4 If applicable, how will you ensure that Delivery Partners/financial beneficiaries engaged in the delivery of the project will comply with the requirements relating to defrayal of expenditure?</p>	
<p>As mentioned at 8.2, Partners' invoices and SME beneficiaries' evidence of expenditure related to grant payments are checked and approved at several stages within the BCC project team before being included in quarterly claims.</p> <p>Prior to payment, invoices over certain value thresholds must be verified by the Partner's Accounts Manager and/or by an independent member of their Management Team.</p> <p>All Partners are mandated to supply 100% claim evidence to their Accounts teams, where a random sample of 20% will be checked for accuracy. Once verified the combined transaction list is submitted to the BCC Accounts Team where another random sample of 20% is checked as further quality assurance. Only when the BCC Accounts Manager is fully satisfied with quality of partner information will Bristol City Council's transaction list be added and the claim submitted to MHCLG.</p> <p>These checks and the separation of duties within BCC and each Partner's financial teams, involving staff at arm's length from the project and the finance functions, are designed to maximize the avoidance of errors and strengthen financial control.</p> <p>Any queries raised by MHCLG as part of claims assessment will go back to the BCC Accounts Manager who will then liaise directly with the other finance teams as required. The agreed operating procedure will be to allow 72 hours to provide an acceptable response to any queries raised. If the response is not received within 72 hours, or is deemed to fall short of what the BCC Accounts Manager feels is acceptable, the item in question will be removed from the claim.</p> <p>It is the responsibility of BCC as Lead Accountable Body to ensure a timely turnaround of quarterly claims. Although due diligence is done on the financial standing and capacity of partners to maintain robust cash flow, BCC is aware that delays in processing claims can have a significant financial impact on small local SMEs as well as local / regional / national third sector organizations who may not have anywhere near the same level of cash liquidity as a local authority. Thus we will aim to implement appropriate measures and standards, in line with the Council's financial regulations and policies, of management, control and document accessibility to minimize the cash flow exposure beyond what is absolutely necessary.</p> <p>Through the 'induction process' and ongoing management of partners outlined in 8.1 8.2</p>	

and above, BCC will assure a robust process in terms of financial operations and control. In addition, regular contact between the operational leads, combined with monthly in-person meetings and evidence review of each Partner by the Project Manager, will ensure that the Partners are meeting the required transactional quality standards and financial delivery targets as committed and profiled. Where operational performance falls short, we will support Partners through a formal performance improvement plan. This will include making clear the importance of maintaining the highest standards and profiles of spend within a clear and defined time frame.

If necessary the Council will look to ramp up activity, in addition to measures specified in the SLA, in order to support Partners to maintain agreed performance profiles.

8.5 Please explain how the accounting software and systems used will be capable of maintaining separate records for the project and producing detailed reports to demonstrate where the European Structural & Investment Funds is being spent. If applicable, please describe how your partner's software/systems will manage project finances.

We will put in place a claims team, experienced in MHCLG and EU data collection, reporting and auditing. We will maintain full records from offer letter and budget, correspondence, variations, original invoices, bank statements, contracts, payroll information, progress reports, recruitment and legal requirement records. This enables a clear audit trail for all income and expenditure related to the project, with links between each stage.

Partner claims will be evidenced from expenses in the form of receipted invoices, pay slips, receipts, supported by BACS documentation and, if necessary, bank statements.

Bristol City Council will check all claim data and aggregate this onto a single claim form. Separate nominal ledger accounts are held for each accounting line per project, conforming to ERDF expenditure headings.

The BCC accounting system will be utilized to generate transaction listings for all the relevant projects/schemes funded by this grant. Cost centers will be setup in the system, so that each distinct project can be reported separately or as part of a larger scheme. Our ABW system generates relevant financial reports to support every grant claim we make.

8.6 As European Structural Investment Funds are paid quarterly in arrears it could be up to 5 months from spending money to receiving payment. Please explain how you are able to cash flow the project.

All partners are experienced in the organisation and delivery of ERDF projects, and fully understand the principles of ERDF funding.

All partners financial planning and management reflects the "payment in arrears" nature of ERDF, and in all cases partners have made the necessary provisions – typically through use of reserves and debt financing (overdrafts) – to ensure that there is sufficient

cash flow for project expenditure, and that cash outflows can be sustained for typically a period of between four and six months from date of expenditure to receipt of claimed funds.

Bristol City Council is similarly well versed in evidence and claim procedures, and prides itself on its swift turnaround and high accuracy, which enables partners to be in receipt of claim funds within one or two days of them being received – as lead partner – from MHCLG.

Please see relevant excerpt from Treasury Management Strategy [below](#);

“4 Borrowing

4.1 The capital expenditure plans set out in Section 3 provide details of the service activity of the Council. The treasury management function ensures that the Council’s cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury/prudential indicators, the current and projected debt positions and the annual investment strategy.”

The following sections are technical and have historically been the cause of financial irregularity. As a result some applicants chose to seek independent advice. If you do not take independent advice your responses should be consistent with the level of detail you would obtain from independent advice.

9. Procurement Requirements

9.1 Confirm that you have read and understood the European Structural & Investment Funds requirements for procurement, as set out in the published European Structural and Investment Funds National Procurement Requirements and that you/your Delivery Partner(s) can meet the relevant requirements	Yes x	No
9.2 Is your organisation a “Contracting Authority” as defined in the Public Contracts Regulations 2015?		
Yes		
9.3 If not, please set out the reason(s)		
9.4 Confirm that you have completed Annex 4a, listing all contracts that will be used to provide goods, works or services to the project, which have already been procured and awarded/contracted prior to this application, or which are in the process of being procured at the date of this application.		

For the avoidance of doubt this includes all previously procured contracts that will be used by the applicant and/or its delivery partner(s) to provide goods, works or services to the project.

Do not complete Annex 4a if you are using the ESF 40% Simplified Cost Option.

No. Annex 4A has not been completed, as no contracts have been or are being procured prior to the submission of this application.

9.5 Confirm that you have completed Annex 4b, listing all the contracts that will need to be awarded to deliver the Project but which have not yet been tendered/procured at the date of this application

For the avoidance of doubt this includes all contracts that will need to be awarded by the applicant and/or its delivery partner(s) to provide goods, works or services to the project during its lifetime.

Do not complete Annex 4b if you are using the ESF 40% Simplified Cost Option.

Yes

9.6 Describe the system that will be put in place to:

- Test that the contracts listed at Annex 4a can demonstrate compliance with the ESIF Procurement Requirements

Plan the tender processes listed at Annex 4b to ensure that they comply with ESIF Procurement Requirements.

- Ensure that all relevant documents are retained with a view to providing relevant information in the event of an audit or other investigation.

Please provide further information on any contracts you have referred to in Annex 4a in which there has been a single tender action, the use of a framework or dynamic purchasing system (in particular if this has not been set up by the applicant) or where the contract has been extended.

Bristol City Council and all partners will abide by the EU Treaty Principles and follow the ESIF National Procurement Guidance for procuring goods and services, to ensure sound financial management of public funds and secure the benefits of competitive purchasing and commissioning.

The procurement processes we will use for items listed in the attached annexes 4A and 4B are designed to provide sufficient and specific information to potential bidders about the tender opportunity; manage any potential conflicts of interest; offer impartial assessment of each bid against identical criteria; and provide selection procedure that selects a winning bidder on merit. Our procurement processes, documentation, associated policies, and tender brief have all been reviewed by a BCC Procurement Advisor with knowledge of ESIF / ERDF procurement rules expert and a BCC Legal Advisor for this project. They have confirmed our process and contract documentation to be fully compliant.

The value of the purchase or commission determines the depth of the procedure and the public advertising that is put into place. Copies of the full procurement policy (which has been assessed as fully compliant by our professional advisors) and other relevant documentation is available.

Documents to be retained by Bristol City Council will include electronic documents as appropriate to the specific purchasing and procurement process and use of our ProContract e-portal and management system as set out in our policy, such as:

- specifications of goods or services required, including budget, timescale, special provisions, any special terms or conditions, and indicative buying process
- Quotations and proposals and tender responses
- Request for proposal or invitation to tender or similar advertising
- Log sheets of dates/times of tender receipts
- Selection criteria
- Questions from bidders
- Assessor declarations
- Scoring and assessment documentation
- Contract awards
- Notifications to unsuccessful bidders

10 State Aid Law

10.1 Please list all the organisations (if known) which may benefit from the funding of the project. If they are not known, list the types of organisations that might benefit from the funding.

The beneficiaries will be individuals (potential entrepreneurs) and SME businesses eligible and qualifying for the programme. Individuals will not be liable for State Aid but any undertakings will be subject to the De Minimis approach to determine if they are in breach of State Aid legislation.

These individuals and business beneficiaries are unknown at present, but will likely be sole traders, social enterprises and micro businesses.

10.2 For each organisation or type of organisation that may benefit from the project, (including the applicant and any Delivery Partners) identify whether they meet the State Aid test. If you believe an organisation or type/ group of organisations is outside the scope of State Aid, please provide the reasons.

Applicants may wish to refer to the European Commission's "Notion of State Aid" guidance and the Department for Communities and Local Government's European Regional Development Fund guidance on State Aid law available at <https://www.gov.uk/government/publications/european-structural-and-investment-funds->

[state-aid-documents.](#)

For ESF Applicants should refer to the published [European Social Fund 2014 to 2020 State Aid Guidance](#) on GOV.UK.

Article 107(1) of the Treaty on the Functioning of the European Union (Treaty) provides that:

"Save as otherwise provided in this Treaty, any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the common market."

Bristol City Council (BCC) and the Delivery Partners have considered the Treaty, EDRF guidance and state aid implications for each group of potential recipients of EDRF funds for this project, and have concluded, as follows:

4 Lead Authority (BCC) and Delivery Partners beneficiaries:

Aid is being granted to BCC and the Delivery Partners through State resources and favours certain undertakings (i.e. BCC and the Delivery Partners). This is because Bristol City Council and the Delivery Partners are acting jointly as an economic entity in the delivery of support for South Bristol enterprises.

However the aid received by BCC and the Delivery Partners does not distort or have potential to distort competition nor does it affect trade between member states. BCC and the Delivery Partners will be acting as intermediaries and will not receive a benefit relative to any competitors. They will only receive payment for eligible costs defrayed. Payment for indirect costs will be limited to 15% of eligible direct salary costs, and therefore they will receive no benefit. The aid they receive is therefore compatible with the common market.

BCC and the Delivery Partners will procure all goods, works and services in accordance with the EU Treaty, BCCs Corporate Procurement Policy which is in line with the national Public Contract Regulations 2015 and ensure that any eligible costs defrayed are done so in accordance with the EDRF procurement rules. Any aid flowing through to third parties will be compatible with the common market.

5 Individuals beneficiaries in receipt of Pre-start up support

BCC together with its Delivery Partners (under the ERDF programme) will provide Pre-start up support. Pre-start up support will be provided to individuals and not to any undertaking carrying out economic activity. Because the support will be provided to individuals and not to an undertaking the support will not amount to state aid. In addition any funding provided to an individual will be on a small scale and will not

exceed €200,000 over a three-year fiscal period.

6 SME beneficiaries – Post-start up support

BCC together with its Delivery Partners will provide post-start support to SME's under the ERDF programme. The support will favour certain undertakings (i.e. SME's), may distort or threaten to distort competition, may have an effect on trade between Member States, and thus constitute state aid. However BCC and its Delivery Partners will ensure that the following measures are put in place before any undertaking receives aid:-

- a grant application process will be conducted. SME's and grant recipients will be required to go through an open, transparent and competitive process before receiving aid. This will ensure that any undertaking who receives aid will not receive a competitive advantage over its competitors;
- and before any EDRF funds are received by an undertaking an assessment will conducted to ensure that funds are defrayed in accordance with the de minimis exemption. The value of funds received by SME will be small scale and would be lower than €5000 per support intervention. The recipient will be asked to confirm that they have not received state aid (including any funds from this application) that exceed €200,000 over a three-year fiscal period calculated at gross grant equivalents (GGE). Only once confirmation has been received that the grant will be within the de minimis limits will funds be defrayed.

Not all public funding constitutes State Aid. Only a measure which satisfies all of the conditions set out in Regulation 107(1) of the Treaty for the Functioning of the European Union is regarded to be a State Aid. Where financing of the project constitutes state aid, the measure will still not require notification because measure will be put in place by BCC and the delivery partners to ensure that the total amount of grants (cash and in-kind)for the same eligible costs over any period of three fiscal years does not exceed EUR 200 000 ("de Minimis" rule)

To test whether a potential beneficiary is outside the scope of State Aid the following criteria have been applied:

Potential Beneficiaries	BCC and delivery partners	Suppliers to BCC and delivery partners (procured – contract for works/service	Individuals Pre-start up	SME Post-start up
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	Transfer of state resources	Yes	Yes	Yes	Yes
	To an undertaking	Yes	Yes	No	Yes
	Advantage	No Payment based on cost defrayed. No potential to include a profit margin. No economic advantage received over competitors, no distortion of trade between Member States	No. All goods, works or services to be procured via an open, transparent and competitive process. No economic advantage received over competitors no distortion of trade between Member States	No All grants procured via an open, transparent and competitive process. No undertaking, economic advantage received or distortion of trade between Member States	No/Yes All grants procured via an open, transparent and competitive process.
	Potential to distort competition	No – as above	No – as above	No – as above	Yes - potential
	Affects trade between Member States	No – as above	No – as above	No – as above	Yes - potential

	State Aid applies?	No	No	No	Yes
	Exemption Or Notification	N/A	N/A	N/A	Aid provided in accordance with De Minimis exemption

10.3 For each beneficiary and or type of beneficiary that the applicant regards as being in receipt of State Aid, identify which exemption(s) they will be using to provide the aid in accordance with State Aid law².

Name of beneficiary or type of beneficiaries	Name of Exemption	Scheme reference number
Individuals	Not subject to state aid	
Enterprises	De minimis	

Where a project is funded under an exemption based on the General Block Exemption Regulations (651/2014), the Applicant is required to either (a) confirm that the project falls within the scope of Regulation 6(5) or (b) to submit a separate document to demonstrate incentive effect in line with Regulation 6(2) containing the following information:

- (a) the applicant undertaking's name and size
- (b) a brief description of the project, including start and end dates
- (c) the location of the project
- (d) a full list of the project costs used to determine the allowable level of funding
- (e) the form of the aid
- (f) the amount of public money needed for the project.

10.4 If you intend to use exemption(s) to deliver the Project, have you read the terms of the scheme and meet all the relevant terms.

² For notified schemes the answer should include the full name of the scheme and the Commission reference number.

Yes

10.5 If you intend to use De Minimis, please outline what work has been undertaken to ensure that this is the most appropriate mechanism.

The activity value undertaken on an individual basis as part of the project is on a small scale and will not exceed €200,000 over a three-year fiscal period. We consider that all activity will have a negligible impact on trade and competition and is therefore suitable for state aid compliance under the de minimis regulations. Typical state aid amounts – calculated at gross grant equivalents (GGE) – would be lower than €5000 per support intervention, and only applied to SME's (not when the beneficiaries are individuals) - well within the de minimis limits. We therefore propose, for efficiency and customer satisfaction, to utilise de minimis for all aid given under this project. We will, as standard, gain written confirmation from all participants that they have enough de minimis allowance before proceeding with any SME post start support interventions.

Under the EC General Block Exemption Regulation, State Aid up to the agreed amounts per undertaking, at varying intensities, is allowed. The level of state aid in the SUD area would enable delivery of the project to be allocated under one of the GBER categories, since the state aid element of the total value of the project is 50% (the remaining 50% coming from other sources of match funding).

10.6 Are you subject to an outstanding recovery order in respect of State Aid?

No

10.7 For projects which involve vouchers / grants, what system will be put in place to assess the eligibility of beneficiaries, activities, costs, and compliance with aid intensity levels prior to the intervention?

N/A

10.8 Describe the system in place for collecting and recording the required information for audits and returns?

De Minimis

In all cases, clients that are undertakings will sign a declaration that they have not received any form of State Aid, or if they have, that it is less than the current State Aid threshold, prior to receiving support.

Upon enrolment, we will inform the recipient in writing of the prospective amount of aid and of its de minimis character, referring to the de minimis regulation;

All clients receive formal notifications of the value of the service provided.

These records will be available for audit.

11. Publicity

11.1 Please explain how the project will meet the European Structural & Investment Funds Publicity Requirements available at www.gov.uk/government/publications/european-structural-and-investment-funds-programme-guidance.

Branding and publicity requirements for 2014 to 2020 ERDF and ESF are disseminated to all teams, including HR and IT, (for publicity on job adverts and job descriptions, website), as well as our marketing teams. This forms part of the initial Project Consortium meeting and any future changes to the guidance will be updated to Partners immediately.

Bristol City Council has ERDF approved templates for press releases, email blasts, letterheads, printed literature, PowerPoint presentations, websites and various marketing collateral (business cards, email signatures, banner stands etc.), and a robust internal briefing and sign off process for any project material that is being created to ensure that the correct statement appears at the end of press releases, and that logo positioning and size follow publicity requirements. Additional template materials, drawn from section 2.6 of the ESIF publicity and branding requirements / guidance, will be provided as part of the Handbook to ensure compliance for online marketing via social media channels (Facebook, Twitter etc.)

All project offices have appropriate signage/plaques recognising EU funding support in accordance with requirements, and examples of evidence of our compliance are held at each project.

Our project partners will be managed in accordance with EU publicity requirements and we have never had a penalty or correction for non-compliant publicity.

11.2 For projects who have already incurred costs which they intend to include within their first claim, please provide confirmation and evidence to show how you have complied with these publicity requirements on expenditure incurred to date.

N/A

12. Cross Cutting Themes

12.1 Support for the Sustainable Development theme

How does the project respect the principle of sustainable development? In particular how does the project maximise positive environmental impacts or mitigate potential negative impacts (with regard to the “polluter pays” principle where appropriate)?

For ESF only, applicants should refer to [Action Note 019/18](#) published on GOV.UK which sets out minimum expectations for this specific Selection Criteria, aligned to the

ESF Scoring Framework.

Applicants must prepare and attach a Sustainable Development Policy and Implementation Plan along with their Full Application. Applicants should refer to the requirements regarding Sustainable Development Policy and Implementation Plans set out in the published [ESF Cross Cutting Themes Guidance](#).

Bristol City Council delivers services and works in accordance with its energy and climate change, waste and resource use strategies and in partnership with other civic organisations such as the Bristol Green Capital Partnership to ensure sustainable development and deliver positive environmental impacts. The overarching policy framework includes 'Our Resilient Future: a Framework for Climate and Energy Security' (2015) and including the targets to reduce Bristol's carbon emissions by 65% by 2020 and become carbon neutral by 2050 and reduce energy use by 30% by 2020 from a 2005 baseline, and 'Towards a Zero Waste Bristol – Waste and Resource Management Strategy' (2016) provide the basis on which the SBES project is managed and delivered.

Specific measures to maximise potential positive environmental impacts and mitigate potential negative impacts will include:

- Through the project's information and dissemination strand, proactively communicating ERDF opportunities and best practice in relation to environmental sustainability, e.g. in relation to enterprise support;
- Using targeted communication channels to promote the participation of the environmental sector in project activities and events, including dissemination through specialist organisations and networks (such the Bristol Green Capital Partnership, and other Bristol-based organisations, the West of England LEP Low Carbon Sector Group and other sector groups such as the cross-cutting SME Enterprise support Group);
- Adopting green working practices and communication methods, including use of home working, video/teleconferencing, electronic documentation and e-communication tools (including e-mail, websites, social media and e-newsletters) wherever possible;
- Where paper-based communication is unavoidable, using recycled / sustainable materials;
- Where travel is unavoidable, promoting the use of public or green transport options to project staff and event participants; and
- Wherever possible, using event venues which demonstrate a commitment to sustainability, including in relation to waste minimisation, recycling and energy consumption.

In terms of the enterprise support services, across all Delivery Partners, there is a

commitment to sustainability. In terms of content all programmes contain workshops or sessions on resource efficiency, waste and resilience. It is important that entrepreneurs and SMEs shape themselves to be ethical, sustainable and long-term in their thinking. We push our businesses to plan for a future where resources could be finite, where markets value ethical products (80% of consumers buy green but only 45% of businesses demonstrate these values) and where cutting carbon internally can lead to increases in profits. Furthermore, BCC is currently leading an initiative on the Going for Gold Award in Food Sustainability. The aims of Going for Gold will be integrated into the food sector elements of the programme to ensure that sustainability excellence is at the heart of the Project's enterprise support services (see Annexes for more information).

In terms of the markets we have made specific focus on the built environment which is perhaps the most unsustainable – buildings account for nearly half of UK carbon emissions. Supporting the construction sector to improve productivity and reduce carbon and waste could have a significant impact on the sustainability for the sector in the SUD area.

Food waste, availability and ethical production all form part of the core delivery of the coaching programme to food SMEs.

The Bristol City Council Sustainability and Implementation plan is attached as an Annex.

12.2 Support for the Equality and Diversity theme (for European Regional Development Fund this is defined as 'Equality and Anti-Discrimination'; for European Social Fund this is defined as 'Gender Equality and Equal Opportunities') (Application of Article 7 of Regulation 1303/2013) and the Public Sector Equality Duty (s149 of the Equality Act 2010).

How will you ensure that equality between men and women as well as gender perspective are taken into account and promoted throughout the preparation and implementation of the project?

What steps will you take to ensure accessibility for persons with disabilities are taken into account throughout the preparation and implementation of the project?

In light of the Equality Act 2010 how does your proposed project further the following aims:

- The need to eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act.
- The need to advance equality of opportunity between people who share a protected characteristic and people who don't.
- The need to foster good relations between people who share a protected characteristic and people who don't.

For ESF only, applicants should refer to [Action Note 019/18](#) published on GOV.UK which sets out minimum expectations for this specific Selection Criteria, aligned to the ESF Scoring Framework.

Applicants must also prepare and attach an Equal Opportunities Policy and Implementation Plan along with their Full Application. Applicants should ensure their Equality & Diversity Policy & Implementation Plan adheres to the ESF specific requirements set out in the published [ESF Cross Cutting Themes Guidance](#)

Bristol City Council is committed to promoting excellence in equal opportunities, valuing diversity and tackling social exclusion in everything it does. As such it has in place a new robust equality and diversity policy and implementation plan to ensure we continue to meet our obligations and promote good practice in this area.

The policy specifically addresses discrimination on the grounds of:

- age discrimination
- disabled people
- minority ethnic communities
- religious beliefs
- lesbians, gay men and bi-sexual people
- women
- trans people
- community safety

Within this policy framework Bristol City Council will actively work with project partners and contractors to embed procedures which not only meet the equality requirements as outlined in the 2010 Equalities Act but promote excellence. Specific measures to promote equality between men and women will include:

- Conducting recruitment in line with equal opportunities principles, including explicitly stating in job adverts that BCC and/or the relevant partner is an equal opportunities employer, that posts can be filled at part-time or at job-share where operationally possible and that equal pay principles apply.
- Seeking equal representation of men and women in the project governance structures;
- Considering the needs of those with caring responsibilities and in the design and delivery of events (e.g. venues, timings and formats);
- Using targeted communication channels to promote equal participation in events, including dissemination through established gender equality organisations and networks that exist within Bristol and the West of England.
- Monitoring service take-up and satisfaction rates amongst men and women,

taking remedial action to address any significant under-representation.

- Proactively communicating opportunities and best practice in relation to gender equality through the project's information, publicity and promotions strand.

Enterprise support Service

Entrepreneur and start-up support is in itself focused on addressing the equality and diversity issues, through being accessible to all, inclusive, flexible and tailored to suit the needs of individuals, and removing barriers. It's designed specifically to promote equality of opportunity in business creation.

For example, it has recently been estimated by the House of Commons that women constitute around 11% of self-employed people in the UK and 19% of small to medium size enterprises in UK are led by women (Source: Women and the Economy House of Commons Library briefing paper CBP06838 8th March 2019). The former enterprise support programmes engagement rate of 56% for women is significantly above the national average. As well as running women-only sessions, after starting a business the women received further support this includes, online promotion, networking, mentoring, training and tailored resources for female entrepreneurs which has mobilised a great community and has aided sustainability. The results show the project has made great strides in redressing the balance of male/female business owners within the SUD area.

The recently published Rose Review, to which the Delivery Partners contributed, highlighted that gender parity gap between male and female entrepreneurs in the UK has been worsening steadily since 2013. Whilst the number of men starting businesses rose steadily, the number of women becoming entrepreneurs has decreased. The report goes further to state that the declining trends suggests that targeted efforts to encourage women entrepreneurs needs to be maintained and reinforced constantly over time if they are to have lasting effect.

What steps will you take to ensure accessibility for persons with disabilities are taken into account throughout the preparation and implementation of the project?

As mentioned above, the programme is intended and designed to be accessible to all. Our approach focuses on the need to adapt society to enable (rather than disable) people with impairments. We support the United Nations Convention on the Rights of Disabled Persons and are committed to the maxim adopted by the Disability movement "nothing about us without us".

Our training and support services recognise that individuals with different abilities may need different facilities and approaches. All coaching and events will be delivered in venues that are physically accessible, provide hearing loops, colour corrected resources, scribes etc. and are also easily accessible by public transport.

Workshop participants are asked for details of any additional needs (e.g. health, medical, food, access) in advance and their preference for how these should be accommodated. All communications material, including the project website, will be

accessible by those with a vision or hearing disability with large print, audio typing or signing provision. All participants accessing the services of the programme will be required, and sensitively assisted, to fulfil data-collection requirements, including data relating to ethnicity, gender and disability.

Monitoring data will be used to highlight whether inequalities exist and, if so, to seek to explore the underlying causes of the inequality and to instigate their removal. There is also a blend of online resources available (over 40 hours of start-up and growth support, which serves to increase our reach to this audience even further, especially if they are housebound.

In light of the Equality Act 2010 how does your proposed project further the following aims: -

The need to eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act.

As previously stated, the project itself is focused on addressing the equality and diversity inequalities, reintegrating those who have been excluded, working continuously to be accessible and inclusive to all, flexibly tailoring to suit the needs of individuals, and removing barriers and supporting the development of new skills. It's designed specifically to promote equality of opportunity in business creation where possible counteracting inequality and discrimination.

We take steps to ensure the environments in which we deliver minimises the chance of discrimination, harassment or victimisation, by asking all clients to commit to a charter contract. Our workshops are held in venues that are safe, well lit, physically accessible and are easily accessible by public transport. Their timing takes into account carer requirements, particularly for parents looking after young children, therefore avoiding the "school run" and half-term holiday times.

We try to ensure, where possible that the delivery team has representation from both genders. For some cultural or religious groups, the choice of a female adviser is very important, and the positive role modelling which female business advisers present, is essential for our project to meet the needs of our diverse client group.

The need to advance equality of opportunity between people who share a protected characteristic and people who don't.

The Bristol City Council Equality and Inclusion Policy and Strategy 2018-2023 sets out the ways in which exclusion is manifest in communities that do not have legislatively protected characteristics yet experience exclusion. This exclusion may exist on the grounds of socio-spatial and socio-economic exclusion and as such the Equality and Inclusion Policy and Strategy has informed the South Bristol Sustainable Urban Development Strategy and the proposed target treatment area is representative of such socio-spatial and socio-economic exclusion(s). The cohort and delineated customer journey effect will bring different groups together from across the target treatment area

and will include people with protected characteristics and people that don't.

The need to foster good relations between people who share a protected characteristic and people who don't.

The project has continued to make considerable efforts to engage and foster strong relationships with all groups that are under-represented in enterprises and provide opportunities for all, including those from with a wider ethnic group and those classed as having a disability. The engagement rate with non-white BME ethnic group clients on the Enterprising West of England contract was 24%. This exceeds the BME ethnic group presence in the Bristol population, which is 16% (Source: ONS 2011 Census). The former projects engagement rate, with people classed as having a disability was 16%, which is reflective of the 16.7% of the Bristol population that are deemed to have a disability or long-term health issue (Source: ONS 2011 Census). We therefore feel that the project can demonstrate it has fostered excellent practices of providing opportunities for those people who share protected characteristics. Everyone on the programme has their shared interest in starting a business in common, the strong relationships are developed by focussing on our commonalities whilst at the same time respecting and accommodating our differences and what makes us unique.

Additional Action taken by BCC to promote excellence in equality and inclusion:

BCC is a signatory of the Ban the Box initiative. Ban the Box calls on UK employers to create a fair opportunity for people with convictions to compete for jobs by removing the tick box from application forms and asking about criminal convictions later in the recruitment process. This enables those with convictions to more fully engage in the labour market, this initiative will be shared with consortium partners and partners will be encouraged to enact these principles as part of the funded programme.

Stonewall Trans Allies Programme - BCC is currently undertaking the process of entering the Stonewall Trans Allies Programme, this includes training for staff on trans and non-binary specific equalities issues. The programme will include changes to our procurement and commissioning policy and will be operational by the time of the Project's commencement. Any additional materials or changes to policies required to be compliant will be shared with Consortium Partners at the earliest opportunity and will be included in the Consortium Partner Handbook.

For more information see our policy and the Bristol Equality Charter attached in the Annexes.

13. ERDF Only - Summative Assessment

Please refer to Project Summative Assessment Guidance (ESIF-GN-1-033) available on GOV.UK ESIF page

13.1 Have you read and understood the Project Summative Assessment Guidance and provided a logic model using the Summative Assessment Logic Model form? (A copy of the logic model should have been provided when you were invited to proceed to full application - if not please get in touch with your nominated contact)

Yes, we have read and understood the Summative Assessment Guidance and we have provided a Logic Model form.

13.2 Have you allocated a budget for the summative assessment, which does not exceed 1% of the project eligible expenditure **or** £100,000, whichever is the lower amount?

We have allocated a budget of £15,000.

For ERDF

General Data Protection Regulation (GDPR) and Freedom of Information Act 2000

The Ministry for Housing, Communities and Local Government is the 'data controller' for all ERDF-related personal data and controls and processes personal data (including sensitive special data) under the lawful bases of **Article 6 (1) (e) and Article 9(2)(b) GDPR respectively.**

As a data processor of ERDF personal data, your organisation must ensure that ERDF personal data is processed in a way which complies with requirements of the General Data Protection Regulation (GDPR) and **all applicable laws and regulations relating to processing of personal data and privacy**, including, where necessary, the guidance and codes of practice issued by the Information Commissioner and any other relevant data protection regulations.

You must also comply with the practices and requirements described in the ERDF programme guidance published by the Managing Authority.

By proceeding to complete and submit this form, you consent that we may process the personal data (including sensitive personal data) that we collect from you, and use the information you provide to us, in accordance with our Privacy Policy.

For ESF

The Department for Work and Pensions is the 'data controller' for all ESF-related personal data and it controls and processes personal and special category data under the lawful bases of **Article 6 (1) (e) and Article 9(2)(b) GDPR respectively.**

As a data processor of ESF personal data, your organisation must ensure that ESF personal and special category data is processed in a way which complies with requirements of the General Data Protection Regulation (GDPR) and **all applicable laws and regulations relating to processing of personal data and privacy**, including, where necessary, the guidance and codes of practice issued by the Information Commissioner and any other relevant data protection regulations.

You must also comply with the practices and requirements described in the ESF programme guidance published by the Managing Authority.

By signing and accepting this Full Application Form you are accepting and consenting to the practices described in the [Operating Policy in respect of ESF Online Applications](#)

You can also find further information about the Department for Work and Pension Personal Information Charter [here](#).

Declaration & Signature

I declare that I have the authority to represent Bristol City Council in making this application.

I understand that acceptance of this Full Application does not in any way signify that the project is eligible for ESI Funding support or that ESI funding has been approved towards it.

On behalf of Bristol City Council and having carried out full and proper inquiry, I confirm to the Department:

- Bristol City Council has the legal authority to carry out the project; and
- That the information provided in this application is accurate.
- I am not aware of any relevant information, which has not been included in the application, but which if included is likely to affect the decision of the Department whether to endorse the application.

I confirm to the Department:

- I have informed all persons in relation to whom I have provided personal information of the details of the personal information I have provided to you and of the purposes for which this information will be used and that I have the consent of the individuals concerned to pass this information to you for these purposes.
- That I shall inform the Department if, prior to any ESI funding being legally committed to Bristol City Council, I become aware of any further information which might reasonably be considered as material to the Department in deciding

whether to fund the application.

- Match funding will be in place prior to any award of ESI funding.
- I am aware that if the information given in this application turns out to be false or misleading Department for Communities & Local Government (DCLG, for European Regional Development Fund) and the Department for Work and Pensions (DWP, for European Social Fund) may demand the repayment of funding and/or terminate a funding agreement pertaining to this Application.

I confirm that I am aware that checks can be made to the relevant authorities to verify this declaration and any person who knowingly or recklessly makes any false statement for the purpose of obtaining grant or for the purpose of assisting any person to obtain grant is liable to be prosecuted. A false or misleading statement will also mean that approval may be revoked and any grant may be withheld or recovered with interest.

You should not commence project activity, or enter in to any legal contracts, including the ordering or purchasing of any equipment or services before the formal approval of your project and you have signed a European Regional Development Fund or European Social Fund Funding Agreement. Any expenditure before the approval date is incurred at your own risk and may render the project ineligible for support.

Signed For and on behalf of the Applicant Organisation			
Name (Print)	RICHARD MARSH		
Position	HEAD OF REGENERATION	Date	30/08/2019

Annexes

Annex 1	Supporting documents checklist
Annex 2	Article 61 Revenue Generating Projects (ERDF only)
Annex 3	Capital Project requirements (ERDF Only)
Annex 4 a	Procurement to date
Annex 4 b	Procurements forward look

Annex 1 Supporting documents checklist

Document	Notes	Applicant comments
Confirmation of match funding from each funder	Confirmation must be in place prior to the Grant Funding Agreement.	Letters attached
Detailed Granular budget breakdown	All costs must be itemised, eligible, appropriate for the project and profiled across the project period	Finance annex and individual budgets attached for each partner
Equality and Diversity Policy and Sustainability Policy	Applicant is responsible for ensuring that Delivery partners also hold relevant policies	Attached for each partner
Independent state aid advice.	If applicable	N/A
Job Descriptions		Attached for each partner
Organogram		Attached for each partner
Applicants procurement policy		Attached for each partner
SLA with Delivery Partners	Not applicable if there are no delivery partners. If not available, comment when it will be available.	Draft attached and will be signed if full application approved
ERDF only - Summative Assessment Logic Model	Using form ESIF-Form-1-011 ERDF Summative Assessment Logic Model - provided by your nominated appraiser	Attached
Capital project requirements	See additional checklist for capital projects at the end of Annex 3	N/A
<i>Project level</i> risk register	This should cover areas such as financial risk, output risks, delivery risks etc. please ensure that the register covers how these risks will be managed and mitigated.	Attached
ESF Only – High Level End-to-End Customer Journey	A visual, high level customer journey document e.g. flow chart	N/A
ESF Only – Anti-Fraud Statement	A statement on how you will deal with suspected fraud in your organisation and if appropriate, with your sub-contractors.	N/A

Annex 2

Article 61 - Revenue Generating Projects
Projects which generate net revenue must comply with Article 61 (1-8) of EU Regulation (EU) No. 1303/2013.
Is the project expected to generate any net revenue?
N/A
How will revenue and/or income be recorded and reported?
Explain how the audit trail for the revenue and/or income will be demonstrated.
For infrastructure projects, the economic lifetime of the fixed asset often exceeds the term of the European Structural & Investment Funds project. Will this be the case in your project? If so, describe how the net revenue will be monitored for the economic lifetime and what arrangements are in place to report on the final revenue position.

Annex 3

EUROPEAN REGIONAL DEVELOPMENT FUND Only:

Capital Projects (land and property)		
For each site where capital project activities will be undertaken, please provide the following information:		
Site name	Land Registry Number	Applicant's legal interest on the site
N/A		
If any site has been purchased for the project, please identify the site, the purchase price and the date on which the site transferred. .		
Please list all approvals needed for the project to proceed as envisaged: a) which have already been obtained b) which are to be obtained (include timescales)		
Please list all existing restrictions registered against the title and all charges registered against the title to on the project site(s) at the date of the Application, supplying up to date office copy entries where possible. Please provide details of any charges the Applicant expects to be removed or added to the site(s) in the 6 months following the submission of this application. Please list all options to purchase the project site(s) at the date of the Application or which are expected to be put in place within 6 months of the submission of this application.		
Please provide a clear statement on the sources of match funding. This should detail the source, the contribution amount, its current status and any conditionality.		
Please provide a clear statement on the intended use of the completed asset(s) and the sectors you are targeting for occupiers. Please provide details of any planned disposals.		
If the project is awarded European Regional Development Fund you will be expected to		

enter into DCLG's precedent legal documentation. This includes a Grant Funding Agreement, and a Deed of Covenant to protect the approved use backed by an appropriate restriction registered against the title, and may also include a Collateral Warranty (for the Quantity Surveyor) and/or a Legal Charge.

The following accompanying documents should be provided for all Capital Projects applying for European Regional Development Fund.

Accompanying documents for Capital Projects applying for European Regional Development Fund	Specification of document or acceptable alternative	Comment including name of document and explanatory description. Please advise whether a document is not applicable for the project.
Evidence that the applicant has/will have control of the site to deliver the project.	Freehold or leasehold title for the project, or signed Heads of Terms between applicant and vendor for land/building acquisition.	
Evidence of full planning permission and, where applicable, listed building consent.	Copy of full planning permission and evidence of obtaining any other consent required before the project activities can commence.	
Evidence of match-funding	Documents establishing the amount of match funding provided and any conditions attached.	

<p>When using value of land/buildings as evidence of match</p>	<p>Independent valuation report produced by a suitably qualified expert body listing:</p> <ul style="list-style-type: none"> • the land/buildings, to be used as match-funding; • their current condition/use; • the date purchased and consideration paid, where applicable; • the open market value at the date of the Application taking into account legal, planning or physical constraints to development; and • the open market value at the date of the Application if all legal, planning and physical constraints to development were not present. 	
<p>State Aid Report</p>	<p>A State Aid Report, addressed to the Applicant and produced by a suitably qualified professional organisation (e.g. a law firm or accountant) which (a) lists all the Project costs used to determine the State Aid intervention rate (b) gives an opinion as to whether each cost is eligible (c) analyses whether the proposed award to the Applicant meets all the requirements of the specified State Aid scheme and (d) sets out all the information required for Article 6 of Regulation 651/2014 (if applicable).</p> <p>If the Applicant intends to use the value of any land or buildings in the match funding calculation, the report must provide an express explanation as to how this is State Aid compliant, if necessary using the information set out in the independent valuation report.</p>	

Detailed Cost Plan prepared by a suitably qualified Quantity Surveyor.	As a minimum designed to the equivalent of RIBA Plan of Work Stage '3' which prices the schedule of works with quantities and rates, cash-flows the works and provides a development programme for completion of the project activities.	
Supporting design information	Architect drawings and plans, specification, schedule of accommodation, pre-project photographs and post-project Computer Generated Images (CGI).	
BREEAM pre-assessment	Completed by a suitably qualified BREEAM Assessor and specific to the project	
Environmental Impact Assessment where applicable		

The following accompanying documents MAY also be required for Capital Projects which are applying for EUROPEAN REGIONAL DEVELOPMENT FUND. A member of the Managing Authority should have advised you of the additional information required to support your application.

Additional information for Capital Projects	Specification of document or acceptable alternative	Comment including name of document and explanatory description.
Development appraisal for the project	This will include: <ul style="list-style-type: none"> ○ An assessment of end value of the completed development based on market assumptions of rent, yields, void periods, rent-free periods and floor areas and specification. ○ Estimated project costs of undertaking the development which may include cost of buying land/building, construction, professional fees. 	N/A
Independent valuation report prepared by a suitably qualified Valuation	To certify the valuation and end value assumptions in the development appraisal and provide a detailed view of market conditions including current property supplies, the development pipeline and demand.	
Independent cost consultancy report prepared by a	To certify the construction related assumptions in the development appraisal and comment of realism of cash flow and development programme.	

Funding Calculations	Three separate calculations showing (1) the State Aid eligible costs, subject to the relevant maximum aid intensity (2) the gap-funding calculation and (3) the European Regional Development Fund eligible costs. The lower of the three calculations represents the	
Market demand report prepared by an independent property	This will provide an in-depth analysis of current property supply, the property development pipeline and likely market demand including likely sectors	
Business Plan prepared by a suitably qualified property or economic development consultant	To certify assumptions submitted by the applicant for the Article 61 calculation, including: <ul style="list-style-type: none"> ○ Revenue stream based on projected occupancy levels, rents, service charges and any other income; ○ Operating costs including maintenance, 	
Independent valuation report prepared by a suitably qualified Valuation Surveyor and cost consultancy report prepared by a	Valuation report will confirm (a) the current open market value of land/buildings and (b) the projected open market value of land/buildings following European Structural & Investment Funds investment. Cost consultancy report will undertake assessment on the suitability of the proposed remediation strategy (in comparison to	

Annex 4a

Contracts that have been procured

Please provide details of all contracts that will be used to provide goods, works or services to the project and which have already been awarded prior to this application.

	Value of the contract ³ (Highest value first)	Anticipated value of works, supplies or services which will be provided to the Project under the contract	OJEU reference number (where applicable)	Name of supplier	Date of the contract ⁴	Description of works, supplies or services provided under the contract	Process used to select supplier e.g. OJEU	How was the contract advertised?	Core procurement documentation provided with the full application? *		
									Y	N	Comment:
1	£										
2	£										
3	£										
4	£										
5	£										

*Applicants should refer to the invitation to full application letter for details of any conditions relating to required procurement documentation to be submitted with the full application.

The Managing Authority reserves the right not to take forward the Full Application if any aspects of procurement are identified as non - compliant at the Full Application stage. Applicants should note that procurements will be tested in detail in the lifetime of a project and by different independent bodies. In the event of non - compliance/irregularity financial penalty will be imposed in line with EU guidance. This can be up to 100% of the procurement expenditure.

³ If the contract relates to recruitment managed by an agency, this will be the cumulative value of annual salaries

⁴ Estimated if procurement is underway

Annex 4b

Please note that the following table is in respect of Bristol City Council only and partner procurement plans are attached as annexes to this document:

A copy of the planned procurements for each partner is attached in individual Annex 4bs.