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| **North East Combined Authority** | |
| **Proposal Business Case - Small Scale**  Priority 2.6: support for employers | |
| **Proposal Name :** |  |

# Proposal Information

|  |  |
| --- | --- |
| Priority applied for: |  |

* 1. **Applicant Information**

|  |  |
| --- | --- |
| **Applicant Organisation** |  |
| Registered Address |  |
| Type of Organisation | Choose an item. |
|  |
| VAT No. |  |
| Company Registration No. |  |
| Charity Registration No. |  |
| Company Size if Private (see Funding Guidance) | Choose an item. |
| Contact Person at lead organisation |  |
| Position within the organisation |  |
| Telephone No. |  |
| Email Address |  |
| Proposal Location |  |
| Proposal Post Code |  |
| Start Date for the proposal: |  |
| Financial completion date: (Date by which all expenditure has been defrayed) |  |
| Proposal Completion Date (Date by which all outputs and outcomes will be achieved). |  |
| **Proposal Summary Description** (please give a clear and concise summary in a few sentences) | | |
|  | | |

## **Proposal Overview**

|  |  |
| --- | --- |
| **Project Name** |  |
| **Proposal Description**  Please provide an overview of your project, with reference to how the proposal addresses the requirements of the specification.  Please include details of:   * Which employers will you support? * Please describe your delivery model, including how you will test different approaches to engaging and supporting employers * Describe how you will understand, influence and address employers’ recruitment and retention activity, especially for people who have barriers to employment.   Response Limit: no more than **1500 words** – diagrams can be included and do not form part of the word count. Appendices should not be included. | |
|  | |

1. **Proposal Executive Summary**
   1. **Funding Summary**

|  |  |
| --- | --- |
| **FUNDING SOURCE** | **FINANCIAL VALUE** |
| **North East CA Funding Applied for**: Trailblazer | |
| **TOTAL NORTH EAST CA FUNDING:** |  |
|  |  |
| **Match Funding: please note match funding is not a compulsory element for the programme – however we recognize the benefits of match to maximise the impact** | |
| Public Funding (specify source/s) |  |
| Private Funding (specify source/s) |  |
| Other (specify source/s) |  |
| **TOTAL MATCH FUNDING:** |  |
| **TOTAL PROPOSAL COST:** |  |
| **Intervention Rate** (North East CA £ ÷ Total Proposal £ = IR %) |  |

## **Impact of North East CA Funding (Additionality)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Please select which of the following statements applies to this proposal** | | | |
| a) | Without North East CA funding the proposal would not proceed. |  |
| b) | Without North East CA funding the proposal would proceed but at a reduced scale and impact and/or with potential delayed timescales |  |
| **Short Explanation: 100 words** | | | |
|  | | | |

## **Investment Objectives**

|  |  |  |
| --- | --- | --- |
| **State clearly the aims and SMART (Specific, Measurable, Achievable, Realistic and Time bound) Trailblazer Investment Objectives of your proposal.**  **These should relate directly to the specification for priority 2 of the Trailblazer.**  **SMART objectives should be linked to Trailblazer outputs and outcomes achievement. All objectives should include metrics and a timescale.** | | |
| **#** | **Investment Objective Heading** | **Investment Objective SMART description** |
| **1** |  |  |
| **2** |  |  |
| **3** |  |  |

## **Net Zero Objective**

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| **Please provide a brief summary of how your proposal will contribute to Net Zero objectives, consistent with North East CA’s vision for “A Greener North East”**  **Short Explanation: 100 words** |
|  |

1. **The Strategic, Economic & Commercial Case**

## **Understanding and experience**

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| --- |
| Please outline the specific employers your project will support, with reference to growth sectors and foundational sectors. Describe any particular barriers these employers face in relation to inclusive employment practices and explain how your proposed delivery model will be tailored to meet their needs.  Please specify the geographic area in which you intend to deliver the project, and explain why this location is appropriate.  What experience do you have of delivering similar projects? Please provide examples that demonstrate your understanding of the context, and ability to engage employers.  Response Limit: no more than **1200 words**– diagrams can be included and do not form part of the word count. Appendices should not be included. |
|  |

**3.2 Rationale for proposal**

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| --- |
| Please describe your approach to engaging employers and other partners to deliver joined-up, coordinated provision. In your response, please explain how you will:   * Establish effective referral pathways. * Work collaboratively to ensure employers receive the support they need. * Align your delivery with existing local projects and programmes, avoiding duplication and contributing to a more integrated employment support system. * Build a pipeline of good quality employment opportunities for individuals who are unemployed, economically inactive, or disadvantaged. This should be linked to other Trailblazer funded projects, and more broadly, to UKSPF projects and Connect to Work.   Response Limit: no more than **1000 words** – diagrams can be included and do not form part of the word count. Appendices should not be included. |
|  |

**3.3 Outputs/Outcomes**

|  |  |
| --- | --- |
| **The Outputs tab in** The Finance Tables (Form NE-F-005) has been completed based on the North East CA Outputs Guidance and/or the UKSPF Outputs and Outcomes Guidance.Any outputs outside of the guidance will be recognised as additional benefits or outcomes. | Choose an item. |

**3.4 Basis for Calculation**

|  |
| --- |
| **For each output/outcome, please outline the basis for your calculation.**  Short Explanation: 100 words maximum for outputs and 100 words maximum for outcomes |
|  |

**3.5 Value for Money**

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| **Please explain how your proposal represents value for money**, are outputs and outcomes commensurate with the funding requested.  Short Explanation: 100 words |
|  |

**3.6 Social Value**

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| --- | --- |
| **Please outline how your proposal will fit with the policy both during delivery and in the longer term.** | |
| Supporting local employment; |  |
| Enabling skills, training, and employment opportunities |  |
| Embedding fair employment practices |  |
| Supporting small, local, and third-sector supply chains |  |
| Encouraging equality and diversity |  |
| Promoting ethical sourcing practices |  |
| Reducing carbon emissions |  |
| Contribution to reducing child poverty |  |
| Improving environmental sustainability |  |
| As part of your application, please describe how your project will deliver social value. In your response, please address the following:   * How your project contributes to tackling economic inequality, fighting climate change, improving health and wellbeing, equal opportunity, and community integration. * Specific activities or outcomes you will deliver that generate additional social, economic, or environmental benefit beyond the core purpose of the project. * How you will measure and report on the social value you create. * How your project will create a positive impact on the resilience, capacity and functionality of the health and work ecosystem in the Noth East.   Response Limit: no more than **500 words** – diagrams can be included and do not form part of the word count. Appendices should not be included. | |

**3.7 Displacement & Complementarity**

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| **Please explain how your proposal is unique and will not duplicate other activity that is being delivered. Is the proposal going to be delivered as stand-alone activity and could it complement other existing provision?**  Short explanation - 100 words |
|  |

**3.8 Procurement**

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| --- | --- |
| **Set out your procurement plan covering all works, service contracts, and equipment, including proposed procurement methods, scoring and selection criteria. Confirm how these adhere to the procurement thresholds stated by North East CA in the Guidance to Applicants document.**  Short explanation - 100 words | |
|  | |
| **If any procurement processes for costs associated with this proposal have already started, can you confirm the following:** | |
| Procurement regulations were followed as set out above |  |
| The costs associated with this procurement(s) will only be incurred if the proposal as a whole is approved. |  |

# The Financial & Management Case

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| --- | --- | --- |
| **Please confirm the following** | | |
| a) | The Finance Tables (Form NE-F-005) has been completed and submitted as part of the application |  |
| b) | The Granular Breakdown within (Form-NE-F-005) has been completed with a good level of detail under each cost heading. |  |

**4.1 Cost Calculations**

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| **On what basis/assumptions have the cost estimates been made including inflation/cost of living rise? Where applicable, compare costs with other similar current proposal costs.** Please provide evidence of costing assumptions where available, e.g. quotations or previous budget costs  Short explanation - 100 words | |
|  | |
| **Where the proposal includes salary costs, can you confirm that these will be delivered in line with the North East CA Funding Guidance** | Choose an item. |

**4.2 VAT**

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| --- | --- |
| **Does the proposal include non-recoverable VAT?**  **If yes, please provide a VAT declaration from your head of finance (or equivalent) setting out the reasons VAT cannot be recovered from HMRC.**  Short explanation - 100 words | Choose an item. |
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**4.3 Governance & Management Structure**

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| Please describe how you will effectively mobilise and manage your project to ensure timely, high-quality delivery. In your response, please include:   * Your approach to mobilising the project to begin delivery by 1 September 2025, including key milestones and activities. * How you will ensure sufficient capacity and capability to deliver all aspects of the project within the required timeframe. * How you will manage competing priorities and operational pressures to maintain consistent, high-quality service delivery. * Your approach to capturing learning, including how you will identify what is working well, address what isn’t, and adapt your delivery accordingly.   Response Limit: no more than **1250 words** – diagrams can be included and do not form part of the word count. Appendices should not be included. |
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**4.4 Delivery Approach**

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| --- | --- |
| **If the proposal involves delivery partners, describe their role and if they are making a financial contribution.** | |
| |  |  |  |  | | --- | --- | --- | --- | | **Delivery Partner Name** | **Role** | **Financial Contribution** | **% of Contract Delivery** | |  |  |  |  | |  |  |  |  | |  |  |  |  | |  |  |  |  | |  |  |  |  | | |
| Confirm that a formal agreement between lead applicant and delivery partners will be put in place before submission of the first financial claim. | Choose an item. |

|  |  |
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| **Milestone** | **Forecast Date DD/MM/YY** |
| Proposal Start Date |  |
| Financial Completion Date – *please note all activity/expenditure must be completed by 31.3.26* |  |
| Anticipated Proposal Completion Date (date by which all outputs/outcomes will have been achieved) |  |
| *Please add any other key delivery milestones* |  |
|  |  |

**4.5 Risk**

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| Use the Table below to identify key risk and outline the proposed mitigating actions. | | | | |
| **Risk Description** | **Impact and Likelihood** | | **Response** | |
| **Consequence** | **Probability** | **Actions to avoid or reduce risk** | **Comments** |
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| **North East CA funding will be paid quarterly in arrears based on eligible expenditure and at the agreed intervention rate outlined in Section 2.1.** Please confirm the following: | | |
| a) | Your organisation has the financial capacity to deliver the proposal on these terms. |  |
| b) | Latest Audited Financial Statement has been provided (see end of this document). |  |
| c) | Statement of Financial Standing has been completed (see end of this document). |  |

## **4.6 UK Subsidy Control**

In awarding grant funding, North East CA is required as a public authority to comply with the UK’s subsidy control rules. The Subsidy Control Act 2022, which came into effect on 4th January 2023, can be found here:

<https://www.legislation.gov.uk/ukpga/2022/23/enacted>

and the statutory guidance to accompany the Act can be accessed via this link: <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1117122/uk-subsidy-control-statutory-guidance.pdf>

The statutory guidance recognises that:

*“in many cases, public authorities will need to work together with beneficiaries to establish details about the beneficiaries’ plans, incentives, and previous subsidies received in order to fulfil the subsidy control requirements”.*

As such, please set out, **by answering each of the questions below**, your organisation’s views on whether your project would involve the award of a subsidy or not. North East CA will then, as the body responsible for designing financial assistance measures and assessing them against the subsidy control principles (where necessary), consider your views when deciding how the project should be structured in a subsidy compliant manner.Your answers must provide full and accurate information, including all information required for North East CA to make an assessment of whether the subsidy control rules apply (and, if so, whether the award of a subsidy would be compliant with those rules)

*(You may wish to take internal or external legal advice to assist your organisation in completing this section. Please note that where* North East CA*, working with the applicant as necessary, cannot establish a compliant subsidy position, then we would be unable to progress your application)*

|  |
| --- |
| **Which organisations will benefit from the funding?**  Please list all the potential beneficiaries, including the applicant, any delivery organisations and contractors, and end beneficiaries (e.g. businesses, residents etc).  For ease, classes of beneficiary may be identified (for example, contractors could be treated as a single class of potential beneficiary). |
| Please list all potential beneficiaries in the space below: |
| Please outline potential beneficiaries with protected characteristics |
|  |

|  |
| --- |
| **Which organisations are regarded not to be in receipt of a 'subsidy'?**  Subsidy is defined at s2(1) of the Subsidy Control Act 2022 as meaning financial assistance which:  (a) is given, directly or indirectly, from public resources by a public authority,  (b) confers an economic advantage on one or more enterprises,  (c) is specific, that is, is such that it benefits one or more enterprises over one or more other enterprises with respect to the production of goods or the provision of services, and  (d) has, or is capable of having, an effect on—  (i)competition or investment within the United Kingdom,  (ii)trade between the United Kingdom and a country or territory outside the United Kingdom, or  (iii)investment as between the United Kingdom and a country or territory outside the United Kingdom. |
| **Please list all beneficiaries regarded as not to receive a subsidy in the space below. For each beneficiary, please explain why they are considered not to be in receipt of a subsidy. You may find it helpful to refer to the definition above, and the guidance notes below. Again you may also wish to seek legal advice on completing this section.**  **Guidance notes:**  Section (b) of the above test is generally the most relevant in determining whether an organisation is receiving a subsidy or not. You will note a subsidy requires an “economic advantage“ and for that advantage to be given to one or more “enterprises“.  So, for example, you might assert that any contractors will not receive a subsidy as they will not be receiving an “economic advantage” because their payment will be at market rates only. You would need to explain how this market rate payment will be demonstrated, for example (i) that their appointment will be via a procurement process or (ii) by benchmarking the rates payable.  Likewise, no subsidy is present where the recipient is not an “enterprise“. This term is used to describe an organisation offering goods and services. So, for example, it may be possible to assert that a local authority or public body receiving a benefit is not an “economic actor” (so long as they are acting within their capacity as a public authority exercising public powers, rather than offering any goods or services).  **Flow through**  Depending on the structure of the project, it may also be possible to assert that an organisation acts as an intermediary, with any benefit from the subsidy flowing through to third parties, and thus the intermediary is not itself in receipt of subsidy. For this model to be applied you would need to confirm that:   * The totality of any benefit under the project is passed on to those third parties; * No residual benefit is retained by the intermediary; and * The intermediary is reimbursed on a cost recovery basis only, with no profit element   Please note the “flow through” example above is not exhaustive and there may be other available routes as to why the proposed funding does not involve a subsidy. |
|  |
| **For those organisation’s that are regarded as being in receipt of a subsidy, please set out how you propose that the funding might comply with the Subsidy Control Act 2022.  If you consider your project does not involve any subsidy, this section can be left blank.**  **Options for subsidy awards include:**   1. **Minimal Financial Assistance (“MFA“)**   The 'Minimal Financial Assistance‘ (MFA) provision allows an enterprise to receive up to and including **£315,000** of subsidy over a time period covering:  - the elapsed part of the current financial year, and  - the two previous financial years.  Please see sections 36 and 37 of the Subsidy Control Act 2022 for further details. Please note cumulation rules apply to MFA, as such the following should all be taken into account during the current and previous two financial years when assessing your eligibility:   * MFA; * SPEI assistance; * aid given under the EU State aid de minimis regulations either before the end of the implementation period of 31 December 2020 or after this date, if by virtue of the Northern Ireland Protocol; and * subsidies given as small amounts of financial assistance (SAFA) under Articles 364(4) or 365(3) of the UK-EU Trade and Cooperation Agreement  1. **The Subsidy Control Principles**   Before giving a subsidy via this route, North East CA must consider the 7 principles\* below and must not give the subsidy unless we are of the view the subsidy is consistent with those principles:  **Common interest**  A. Subsidies should pursue a specific policy objective in order to—  (a)remedy an identified market failure, or  (b)address an equity rationale (such as local or regional disadvantage, social difficulties or distributional concerns).  **Proportionate and necessary**  B. Subsidies should be proportionate to their specific policy objective and limited to what is necessary to achieve it.  **Design to change economic behaviour of beneficiary**  C. (1)Subsidies should be designed to bring about a change of economic behaviour of the beneficiary.  (2)That change, in relation to a subsidy, should be—  (a)conducive to achieving its specific policy objective, and  (b)something that would not happen without the subsidy**.**  **Costs that would be funded anyway**  D. Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy.  **Least distortive means of achieving policy objective**  E. Subsidies should be an appropriate policy instrument for achieving their specific policy objective and that objective cannot be achieved through other, less distortive, means.  **Competition and investment within the United Kingdom**  F. Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition or investment within the United Kingdom.  **Beneficial effects to outweigh negative effects**  G. Subsidies’ beneficial effects (in terms of achieving their specific policy objective) should outweigh any negative effects, including in particular negative effects on—  (a)competition or investment within the United Kingdom;  (b)international trade or investment  (\***Note:** For any subsidies in relation to energy and environment, please also set out your views on how and whether you consider that these respect the additional principles at Schedule 2 of the Subsidy Control Act 2022, along with the above principles)  If selecting option (a) “Minimal Financial Assistance”, please confirm that you have read and understood the rules and procedural requirements set out sections 36 and 37 of the Subsidy Control Act 2022 and that your eligibility includes any other relevant awards that must be cumulated as set out above. Where your project involves you awarding such MFA assistance to third parties, please also confirm that you will follow the above rules and procedural requirements in administering those awards.  If selecting option (b) “The Subsidy Control Principles” please describe, for each principle, your organisation’s views on how your project respects that principle. This will assist North East CA, as ultimate decision maker, in making the necessary assessment.  Please note that, as above, this section only needs to be completed in respect of those awards which are subsidies in the first place. |
|  |

**Latest Audited Financial Statement**

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| --- | --- |
| **Your organisation’s latest audited financial statement has been provided in support of the application** | Choose an item. |
|  | |

**Financial Standing Statement**

|  |  |
| --- | --- |
| **STATEMENT OF GOOD STANDING** | |
| **The applicant and any other partner organisation are required to complete the following statement of Good Standing, signed by a Financial Director, Partner or equivalent.**  Where the applicant or partner organisation is unable to provide such confirmation, they may supply a qualified confirmation together with an explanation of any mitigating circumstances. Business Cases submitted along with any such qualification confirmations may be accepted or rejected at the discretion of the North East CA.  We confirm that:   * We have full power and authority to enter into an Agreement with the North East CA and (require confirmation as to who the organisation will be entering into an agreement with if successful) * Neither the organisation nor its directors are in, or in expectation of, a state of bankruptcy, insolvency, compulsory winding up, administration, receivership, composition with creditors or any analogous state or subject to relevant proceedings or, (if the respondent organisation is a registered Provider of Social Housing), placed in supervision by the Regulator; and * Neither the organisation nor its directors have been convicted of a criminal offence relating to business or professional conduct, or are being investigated for, or subject to proceedings that are underway regarding the same, nor have the above committed an act grave misconduct in the course of business; and * We have fulfilled our obligations relating to the payment of social security contributions and taxes; and * In the last three (3) years, in aggregate, we have not paid, or been required to pay, liquidated damages or general damages under contract or tort, exceeding an amount equal to 5% of the turnover shown in our most recent audited consolidated accounts; and * Our accounts have not been qualified by auditors in the last three (3) years or, if they have, details are attached, and that there have been no material post balance sheet events. This statement applies to the accounts for the years (please confirm the dates of the accounts to which this statement applies). | |
| **Signed** |  |
| **Date** |  |
| **Name** |  |
| **Position** |  |

**Sign Off**

|  |  |
| --- | --- |
| **Please ensure the appropriate signatures are completed on the Business Case.**  **To be signed by the applicant prior to submission for appraisal.** | |
| Declaration I declare that to the best of my knowledge and belief, the information given within the Business Case and in the supporting material is correct.  I understand that acceptance of this Business Case does not in any way signify that the North East CA has agreed to invest in the project.  I understand that should the project be approved a copy of the final, signed Business Case will be returned.  I understand the requirements of the Freedom of Information Act 2000.  I understand the implications of the subsidy control rules and the potential implications to our organisation if any breach of those regulations occurs.  I am duly representative of the applicant organisation to sign off this business case and accept the offer letter. | |
| **Signed** |  |
| **Name** |  |
| **Position / Title** |  |
| **Company / Organisation** |  |
| **Date** |  |