



Cheshire & Warrington Local Enterprise Partnership Performance and Investment Committee

Title: ESIF update

Agenda item: 8

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Date of Meeting: 19th September 2018

1. European Regional Development Funds

Since the European funds were launched on 20 March 2015 in Cheshire and Warrington we have successfully committed £31m of the £70m ERDF now allocated to the Cheshire and Warrington LEP area delivering business support programmes and establishing the Growth Hub and have invested in innovation initiatives, financial instruments, business incubation space, innovation infrastructure, jobs and training opportunities.

The European funds have therefore already played a key role in achieving our ambition as a LEP area in achieving our Strategic Economic Plan's ambition to become one of the nation's strongest performing economies.

Following a concerted effort the LEP is also now currently managing a £31m pipeline of new ERDF projects including a £15m Urban Development Fund and a new Growth Hub project which will bring the co-ordination of business support programmes and the initial portal for all business advice within the LEP. These new initiatives and additional strategically significant projects will almost fully commit the remaining European funds for the LEP area.

Although it must be recognised that some projects will eventually return funds they are unable to commit to eligible expenditure and HM Treasury are intending to adjust the current Euro-Sterling exchange rate for our allocation, which will introduce approximately a 12.5% uplift in current funds available, the LEP is issuing further calls for projects in October 2018 and March 2019 to commit any remaining funds, subject to funds being available and the strategic merit of proposed projects.

2. European Social Fund

Cheshire and Warrington Local Enterprise Partnership (LEP) has now also launched new calls to commit the remaining European Social Fund Programme against agreed strategic priorities for investment in skills and employment across the LEP area.

The calls for projects will support access to employment and provide students with relevant training and career guidance for opportunities in Cheshire and Warrington and employers with a critical role in inspiring and providing information on new career opportunities, technologies and business development needs and in aligning the world of work, training provision and education more effectively.

Call Details, by Investment Priority, are shown below. Some have already closed in early September and we will be assessing bids and other calls are closing late September.

Investment Priority		ESF remaining	call date
1.1	Access to employment for job seekers and inactive people	£7.4m	Closed
1.2	Sustainable integration of young people	£2.5m	Active
1.4	Active inclusion	£2.9m	Active
2.1	Skills for growth	£14.8m	Active
2.2	Improving the relevance of education and training systems to employer needs	£1.1m	Closed
		£28.9m	

Calls are posted on the Government's European Structural and Investment Funds (ESIF) website <https://www.gov.uk/european-structural-investment-funds>

The Department for Work and Pensions has also announced the intention for ESFA (Education and Skills Funding Agency) to reintroduce the practice of Co-Financing European Social Funds, which will be a valuable tool to enable the LEP to commit any remaining funds from the current calls.

The intention is that all remaining £28.9 ESF funding from the £50m ESF programme will all be committed by March 2019, with project activity to run for a maximum of three years.

Applications will be encouraged from consortia or strategic partnership arrangements rather than large numbers of small projects.

3. Rural Development Programme for England / Rural Growth Fund

From an allocation of £2.5m the RDPE fund in support of food processing, business support and tourism the calls have now closed as it has been over-subscribed. This may change if additional funding becomes available.

With a view to supporting rural businesses in the future Cheshire and Warrington LEP worked with the Cheshire and Warrington Rural Strategy Board and partner LEPs as part of the AgriTechWest Association to respond to the consultation on future (post Brexit) rural funding by the Department for Environment and Rural Affairs.

The Common Agriculture Policy currently deploys around €28BN in the United Kingdom with approximately €22BN of this devoted to direct payments. England, Wales and Scotland currently have differing approaches to the management of these funds and therefore it is an ideal opportunity to influence the deployment of future funds.