

## **European Update 17th September 2018, from Network for Europe Cheshire, Cumbria, G Manchester, Lancashire, Liverpool CR**

### **Headlines**

ESF and ERDF direct calls  
£69m from Europe to North West - ESFA analysis  
UK-Shared Prosperity Fund - pre consultation meeting  
£600m more cash - letters

### **ERDF Direct Calls**

Following the large number of calls on 2nd March, there were four extra calls late August/early September. These were for Technical Assistance to support Smart Specialisation, plus Research and Innovation in Cornwall, and two for Sustainable Urban Development on Newcastle.

Next calls due in October 2018, as previously announced. The March 2019 call may drop back to April 2019.

### **ESF Direct Calls**

ESF calls continue to come out as they are ready.  
A new call for Cumbria was announced on 11th September (deadline 4th December). This is £1.8m for engaging employers, and is under Priority 2.1. Minimum bid is for £500k from Europe.

There are currently 15 calls open across England, totalling £55.557 million. This includes the three for Cheshire and Warrington (deadline 28th September), with £2.552m for Young People (P1.2), minimum bid 500k from Europe, £2.900m for Multiple disadvantage (P1.4), minimum £1m, and £14.8m for Large and Small employers working together (P2.1), minimum £8m (much larger than any other call).

<https://www.gov.uk/european-structural-investment-funds>

### **ESFA**

As previously reported, Education and Skills Funding Agency has now been able to identify match funding for the rest of the Programme, and as a national Co-Finance Organisation has had a set of calls. These are only available to organisations registered with them on Bravo Solutions.

Total money from Europe in this ESFA round comes to £323,258,004, spread amongst the 38 LEP areas in England. The largest amount is for the North West (over £69m), then the West Midlands at £62m and East Midlands at £45m. LEP areas had the opportunity to bid under four Investment Priorities, P1.1 (Unemployed), P1.2 (Unemployed Young People), P1.4 (Community Grants for third sector organisations), and P2.1 (Education and skills for employed). Fifteen LEP areas are involved in all four IPs.

The largest for any one LEP area is over £32m (Greater Manchester), and the smallest is Enterprise M3 (just under a million). Because of the rush to get the funding agreed and open the calls, there was not enough time to properly involve the Partners. Thus the bids are generic, with a small amount of text for each area, generally agreed with the LEP, not the LEP area partnership. The text for Community Grants still repeats a few of the errors in the original round. Nevertheless, this is a big step forward, with the opportunity to commit significant amounts of European funding for the second half of the programme.

For Community Grants (P1.4), just over £43m is available from Europe, spread across 28 LEP areas. These are small amounts of funding (up to 20k each) directed to small community and

voluntary organisations, developing social capital. Studies have show that pound for pound, Community Grants deliver more than any other form of ESF or ERDF funding.

<b>LEP area</b>	<b>£million</b>	1.1	1.2	1.4	2.1	Total
Cheshire & Warrington	6.600	0	0	0	6.100	12.700
Cumbria	2.385	0	0	0	3.285	5.670
G Manchester	9.920	7.866	4.937	9.901	32.625	
Lancashire	4.400	1.817	900	6.093	13.209	
Liverpool CR	0	2.250	2.700	0	4.455	
<b>Total</b>	<b>23.305</b>	<b>11.933</b>	<b>8.537</b>	<b>25.377</b>	<b>69.154</b>	

It is good news that three of our areas in the North West (Manchester, Liverpool and Lancashire) have committed to Community Grants. We had hoped that Cheshire and Warrington would do the same, but it seemed it didn't fit with their plans.

Despite being unable to commit the full amount for NEET Young People under IP 1.3 (YEI and ESF), Liverpool is looking to commit a further £2.25m from Europe to support work with NEET Young People.

Greater Manchester has its own local Co-Finance Organisation status, and Liverpool CR is expecting to get local CFO as well, so it was unclear if they would commit much, if any, of their local allocation to ESFA. But for many LEP areas, the advantages of channelling ESF through ESFA is that there is no need for local match, and ESFA takes responsibility for handling much of the paperwork currently involved in the programme in England.

### **Other Co-Finance Organisations**

Nothing is agreed yet, but Big Lottery is considering its continuing involvement in ESF, likely to be extensions to some existing projects (which will also need approval of LEP level ESIF committees). DWP sent out a letter on 5th September to the LEP level ESIF committees concerning contract extensions for its own Co-Financing for ESF, requesting a response by 12th October.

### **UK Shared Prosperity Fund**

The pre-consultation meeting of the North West took place on 11th September with a handful of third sector people present (much better than the first two events - in the Midlands, which had no third sector). There were significant numbers attending from the Government Departments involved, and a variety of "old faces" from those involved in ESF and ERDF from Local Government and elsewhere over previous years. There was good discussion, and hopefully London will get a clear message that funding needs to be devolved to the North West, and that we have a great deal of experience of working together in partnership to deliver change.

Next steps is for them to write a Green Paper for consultation, which is expected to arrive by the end of this year.

### **More money**

Last month we reported on the £600m extra funding from Europe, due to finally taking on board the devaluation of the pound a couple of years ago, following the referendum. This is now leading to an increased allocation at LEP level, for the ESIF committees to consider. Letters went out last month for ERDF (uprating the exchange rate to £0.9033). Letters have been sent in the last few days, confirming a more prudent £0.87 for ESF, giving the amounts by sub-priority (subject to the agreement of the Operational Programme with Brussels, expected next month).

## **No deal documents**

The second batch of documents (28) concerning the possible impact of leaving Europe with no deal were published by the government on 13th September. As well as the more publicised ones (mobile roaming charges, driving licenses, expiring passports, data protection, environmental standards, space programmes, VAT etc), there were documents on ESF, ERDF (and LIFE and Horizon 2020 and rural development funding).

The documents for ESF and ERDF repeat what we already know. The programmes will continue to closure (ie 2023), with guaranteed UK funding if there is no deal and we crash out of Europe.

“Organisations should continue applying for and delivering funding under current arrangements with confidence that the funding guarantee applies if there is no negotiated agreement between the UK and the EU.”

[www.gov.uk/government/publications/european-social-fund-esf-grants-if-theres-no-brex-it-deal](http://www.gov.uk/government/publications/european-social-fund-esf-grants-if-theres-no-brex-it-deal)

[www.gov.uk/government/publications/european-regional-development-funding-if-theres-no-brex-it-deal](http://www.gov.uk/government/publications/european-regional-development-funding-if-theres-no-brex-it-deal)

## **Community Led Local Development**

The 27 are preparing for the next round of funding from Europe, for 2021-27. The draft Regulations for ESF says that at least 6% of ERDF under the Investment for jobs and growth goal shall be allocated to sustainable development in the form of community led local development, integrated territorial investments or another territorial tool.

## **Network for Europe**

[info@networkforeurope.eu](mailto:info@networkforeurope.eu)



**European Union**

European Structural  
and Investment Funds