European Update 31st August 2018, from Network for Europe Cheshire, Cumbria, G Manchester, Lancashire, Liverpool CR

Headlines

Exchange Rates for ESF and ERDF - more money locally Calls ESF+ and European Pillar of Social Rights Pre-consultation on UK-Shared Prosperity Fund

Five Years

ESF and ERDF can continue to be spent until the end of the programme (ie 2023) - roughly half of the money has been committed so far.

£600m extra for ESF and ERDF, distributed across England - exchange rate change

Until now, the LEP areas have had an allocation for ERDF and ESF based on the pre-devaluation rate (0.78), despite the actual figure since the referendum hovering around 0.88. Nationally, ERDF has been reporting using the 0.78 rate, while ESF has been reporting using the current rate. It has now been agreed to bring the local allocations up to a more realistic level, confirmed in letters sent out to the local LEP level ESIF committees towards the end of August.

ERDF is using the figure of ± 0.9033 , (this was the August rate - higher than most of the last two years).

ESF is using the figure of £0.87, which is perhaps more prudent - but the new LEP level ESF allocations will wait until the ESF OP is formally approved (likely by October). While the OP keeps the same split between P1 and P2, P2 becomes more flexible (not just employed people), and allocations between the sub-priorities of P1 will change.

It is expected that LEP level committees will begin immediately to look at what they want to spend the additional money on - it is over 10% more (£315 million nationally for ESF). If the money is not committed within a year, it is likely that it could be retained centrally, and re-allocated, although the preference is for the LEP areas to commit.

ESF Calls

Our July update had details of the five **Cheshire and Warrington** calls - deadlines between 4th and 28th September.

The current list of expected calls suggest a **Cumbria** call, week commencing 10th September $(\pounds 1.8m \text{ for } 2.2 - \text{Engaging Employers})$, but other calls, originally proposed for February and March might well be cancelled.

Liverpool is also (finally) expecting to issue a call w/c September 10th (Apprenticeship levy - $\pounds 2m$ for 2.1 and $\pounds 1m$ for 2.2), and perhaps another w/c 22nd October (1.2 - supported internships). Note the Cumbria and Liverpool calls are not fixed, and may change/disappear.

The large number of Invitations to Tender for ESF from the ESFA across England were expected in August, but not clear what has happened to them.

ERDF calls

Next batch due in October (although there was one call in August for Technical Assistance for Smart Specialisation).

YEI-ESF Youth Employment Initiative

In the North West, this is only available in Liverpool City Region - and covers NEET young people (under 30). It seems that these projects have finally secured extensions.

For some, these were extension in time only, but another $\pounds 9.8$ m has been allocated from Europe, $\pounds 5.3$ m to the Third Sector directly, and the rest to the Combined Authority.

Liverpool - direct bidding and CFOs

Liverpool has always focussed on direct bidding, with relatively small amounts through national ESFA or other national Co-Finance Organisations. This direct bidding has generally encouraged the involvement of third sector organisations, although they have had to collaborate more closely to cope with the current fashion for large bids in England. Currently the third sector in Liverpool runs projects totalling £25m ESF, approaching 40% of the amount committed to date for LCR.

Community Led Local Development

The Farnet Handbook on evaluating CLLD has been published. Although not every part of England is using European Funding for CLLD, this is a helpful handbook about evaluating local, bottom up, partnership based development.

https://webgate.ec.europa.eu/fpfis/cms/farnet2/library/guide/evaluation-clld-handbook-lags-and-flags_en

European Pillar of Social Rights

This was proclaimed by the European Parliament, the Council and the Commission on 17th November last year, and is well worth reading. There are three chapters -

Equal opportunities and access to the labour market

Fair working conditions

Social protection and inclusion

There are five Policy Objectives for the new ESF+ and ERDF for 2021-27.

ESF+ supports Policy Objective Four - "A more social Europe by implementing the European Pillar of Social Rights".

The UK Shared Prosperity Fund will replace the Structural Fund money (mainly ESF+ and ERDF) that we would have received if we had stayed in the Union.

 $https://ec.europa.eu/commission/publications/european-pillar-social-rights-booklet_en$

UK Shared Prosperity Fund

Regional pre-consultation meetings have been taking place since July (invitation only) - the first two, in the Midlands didn't invite the third sector (apparently no time), but we have been informed that this has changed for the remaining events. The North East event on 25th July included the sector, as will the North West event on 11th September in Preston.

Further information by emailing <u>ukspf.engagement@communities.gsi.gov.uk</u>

A Green Paper is expected to be published before the end of 2018 for discussion, before the White Paper appears.

It would seem that initial proposals are to make the LEPs fit for purpose, with a single mission to deliver Local Strategies to promote productivity.

They would then use the UK Shared Prosperity Fund to raise productivity - it is suggested that this will tackle inequalities.

Technical notices

On 23rd August our Government published the first Technical Notices as preparation just in case we crash out of Europe with no deal at the end of March 2019. These are short papers. They include - Government's guarantee for EU-funded programmes (ESF and ERDF and 43 others) State Aid Erasmus+ Horizon 2020 www.gov.uk/government/collections/how-to-prepare-if-the-uk-leaves-the-eu-with-no-deal

ESF Project Bulletin

The August update was available from 7th. It confirms the UK Government will guarantee funds if we leave Europe with no deal. It confirms the importance of claiming, as the programme reaches the first set of deadlines, and there is a feature on a Lancashire ESF project (Access to Employment, led by Preston's College). It also lists recent changes to guidance, and new Action Notes. Email <u>ESF.2014-2020@dwp.gsi.gov.uk</u> and subscribe direct for your copies of the Bulletin.

ERDF Practitioner Network

The August Update was sent out by DCLG on 22nd. It confirmed the changes to foreign exchange for planning at LEP level, and mentioned a call for Technical Assistance for Smart Specialisation (due 31 August with close 12 October). Each year, a booklet is produced celebrating ERDF projects - they are asking for suitable text (and photos) for the 2018 version. It refers to the importance of claiming, and has some case studies. It explains that gsi. will be dropped from emails in September (but with a transition period for a few months).

So the new address to subscribe to the updates is <u>esif@communities.gov.uk</u> (it was <u>esif@communities.gsi.gov.uk</u>)

ESIF Programme Bulletin

The August update was sent out on 30th. It confirms the extra guarantee, to cover a no deal Brexit, and refers to the "Technical Notices" to prepare for a no deal, currently being published. There is an update on the programme, and on the response to the EAFRD rural calls, and a reminder of claims (to hit programme targets) - including browser versions required for using EClaims. It refers to the change to the Foreign Exchange planning rate at LEP level. It refers to the RDPE rural newsletter, and the government's ERDF and ESF YouTube channels.

Email esif@communities.gov.uk and subscribe direct for your own copy of the Bulletin.

Civil Society Strategy

Following on from the previous strategy (Big Society), the Government published on 9th August its Civil Society Strategy. It refers to strengthening five foundations (People, Place, Civil Society, Private Sector, Public Sector).

It does seem to accept now that civil society voice is valid, and charities and others should not be afraid of speaking up about poverty, and other matters that concern them.

The Ministerial Foreword says - Big societal challenges, including the future of social care, community integration, and housing, are being tackled through solutions that bring together public service, business, and communities.

It says we remain near the top of global league tables for philanthropy and volunteering. <u>https://www.gov.uk/government/publications/civil-society-strategy-building-a-future-that-works-for-everyone</u>

Network for Europe

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European Union European Structural and Investment Funds