

D2N2 European Structural Investment Fund 2014-2020

SUMMARY

- 1.1 The EU Structural Investment Funding Strategy 2014-2020 (ESIF) Programme promotes sustainable economic growth and will be delivered through the D2N2 Local Economic Partnership (LEP). The ESIF Programme has been operating for just over a year with the first calls issued in March 2015.
- 1.2 The next phase of open calls for European Regional Development Fund (ERDF) and the first European Social Fund (ESF) open calls and opt-in specifications are expected to be issued during April, May and June 2016.
- 1.3 The Council has been working with partners to develop collaborative proposals to respond to ESIF calls.

RECOMMENDATION

- 2.1 To agree for officers to continue to work with partners to develop collaborative bids for the ERDF calls and submit Expressions of Interests to meet deadlines.
- 2.2 To agree for officers to continue to work with partners to develop collaborative bids for ESF open calls and opt-in specifications to meet deadlines.
- 2.3 To delegate to the Strategic Director of Communities and Place and the Director of Finance, the agreement of the final ERDF and ESF Expressions of Interests and bids, in consultation with the Cabinet Member for Communities & City Centre Regeneration.

REASONS FOR RECOMMENDATION

- 3.1 D2N2 has an indicative allocation of over £200m through the European Structural and Investment Fund Programme (ESIF) 2014-2020. The programme promotes sustainable economic growth and provides an opportunity for the Council to access funding to help deliver its economic priorities.
- 3.2 The timescale to respond to ERDF and ESF calls is limited, with applicants having a maximum of eight weeks to submit Expressions of Interest and bids.

- 3.3 The Council has been working with partners across D2N2 to develop collaborative bids to respond to the ERDF and ESF calls and specifications and is in a good position to work in partnership to respond to this funding opportunity.



SUPPORTING INFORMATION

- 4.1 The EU Structural Investment Funding Strategy 2014-2020 (ESIF) Programme promotes sustainable economic growth and will be delivered through the D2N2 Local Economic Partnership (LEP).
- 4.2 Open calls require the applicant to respond to a call document which sets out the local economic context and priorities along with details of the funding available and deliverables (outputs) to be achieved. There is a minimum 50% match funding requirement for open calls and Expressions of Interests are submitted through an open and competitive process.
- 4.3 Opt-in specifications require the applicant to respond to a detailed specification which sets out the activity to be delivered, outputs and results to be achieved and funding available. There is no match funding requirement as the ESF is matched at source by the Skills Funding Agency or Department for Work and Pensions. Tenders are submitted through a competitive process.
- 4.4 D2N2 are working towards issuing two ERDF open calls in April 2016;
- PA5 – Promoting Climate Change Adaption, Risk Prevention and Management (£3m).
 - PA6 – Protecting the Environment and Promoting Resource Efficiency (£2.8m).
- 4.5 A second ERDF Low Carbon call (PA4) is expected to be released early in the summer, there will also be a further ICT call (PA2) but it is not expected until 2017.
- 4.6 In May or June 2016 ESF open calls are planned to be issued for the following programmes;
- A Higher Skills Development - (£4.76m)
 - An Enterprise, Innovation and Pathways (£2.1m)
 - A Developing Sector Growth (£1.1m)
- 4.7 ESF opt-in specifications are also due to be issued in April and May 2016 for the following programmes;
- Careers Local (£2m)
 - Youth Engagement D2N1 (£3.2m)
 - Employ Local (£6m)
 - Skills Local (£7m)
 - Inspire Local (£7.5m)

OTHER OPTIONS CONSIDERED

- 5.1 The Council could delay submitting Expressions of Interests until later in the programme. This approach would result in a missed opportunity for the Council in accessing funding at this stage in the programme, further calls are not expected until 2018. The Council has been working for a considerable time to build partnerships and develop collaborative projects to respond to ERDF and ESF calls and opt-in specifications and is in a position to submit bids to meet the call deadlines.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Olu Idowu – Head of Legal Services Toni Nash – Head of Finance Diane Sturdy – Acting Head of Service – Organisational Development Alan Smith – Head of Economic Regeneration
For more information contact: Background papers: List of appendices:	Emma Dann 01332 643047 emma.dann@derby.gov.uk None Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

- 1.1 The EU Structural and Investment Fund 2014-2020 provides an opportunity for Derby to access European Funding to support the delivery of the City's economic regeneration priorities.
- 1.2 The Council is seeking approval to submit outline applications in response to expected ERDF calls and ESF calls and specifications. At this point there is no contractual commitment to becoming the Accountable Body or to confirm match funding allocations. Full consideration and appropriate approval will need to be given to the financial implications and the resourcing of bids before progressing to full applications and acceptance of funding.

Legal

- 2.1 Full consideration will need to be given to the legal implications of the City Council acting as the Lead Organisation, Accountable Body or Managing Organisation for a bid to the ESIF Programme.
- 2.2 Where initial applications are successful, legal advice will be taken to ensure efficient and legally sound delivery models are developed.

Personnel

- 3.1 Securing funding would support the work of the Council's Employee Commission and the external elements of the Employment Charter.

IT

- 4.1 None directly arising

Equalities Impact

- 5.1 The ESIF programme seeks to reduce social and economic disparities by supporting businesses and addressing skills employment and social inclusion. If the Technical Assistance bid is successful there will be additional staff with technical expertise to support the development of robust applications for ESIF and provide opportunities for the City Council to target projects at our most deprived communities with a particular focus on individuals who are furthest from the jobs market. One of the ESIF Programme cross cutting themes is Equality and the impact of projects on this issue will be a key part of the project assessment process.

Health and Safety

6.1 None directly arising.

Environmental Sustainability

7.1 None directly arising

Property and Asset Management

8.1 As capital projects are developed there will be a range of property and asset management issues that will need to be considered, including lease and management arrangements and how these projects may fit in to the Council's longer term investment income strategy. Full consideration will need to be given to these issues and Strategic Assets and Estates will be consulted with at an early stage to ensure they can be fully incorporated into projects overall 'thinking' development and management arrangements.

Risk Management

9.1 None directly arising

Corporate objectives and priorities for change

- 10.1 This Programme will contribute towards creating for the people of Derby:
- An inspiring start in life by improving educational attainment.
 - An inspiring working life by improving skills and creating jobs.
 - An inspiring place to live by improving inner city areas.