

Economic Development Sub Committee

Item No.

Report title:	Year end update on EU funding programmes, excluding France (Channel) England
Date of meeting:	12 May 2016
Responsible Chief Officer:	Tom McCabe
Strategic impact The impact of this work is to maximise the amount of European Union (EU) funding secured by NCC, as well as organisations or businesses across Norfolk. Aligned to NCC priorities, the EU Funding Team provides intensive support to ensure high quality, competitive bids are submitted.	

Executive summary

There is a wide range of EU funding which both NCC and Norfolk's businesses and organisations can benefit from. This report will focus on:

1. European Structural Investment Fund – an allocation to Norfolk and Suffolk to provide support for businesses to grow and innovate, for residents to overcome barriers into work and to provide support for development in rural areas.
2. European Territorial Cooperation – a programme of funds whereby organisations across Norfolk can join or create partnerships to bid with other areas of the EU.

Notable successes from this work include:

- NCC's priorities are well represented in New Anglia's allocation of European Structural Investment Funds. These funds will deliver economic growth by supporting businesses to innovate and develop while ensuring residents have access to good quality skills and employability provision.
- A successful bid to the LEADER programme bringing £9m of European funding to support businesses in rural Norfolk.
- Successful bids to secure funding for 5 staff members who will support applicants across Norfolk bid to access particular EU funding streams. With these key members of staff now embedded in NCC the local area will have far more support to develop competitive, successful bids.
- Creation of a post to provide intensive bid writing support to potential applicants.
- A successful bid to becoming the first English Managing Authority of the France (Channel) England programme which hugely increases Norfolk's capacity, reputation and influence in securing EU funds.

A variety of bids from across NCC departments and Norfolk organisations are progressing through the application process. The late start of these programme across the EU has meant that our first opportunity to submit bids was in mid 2015. We anticipate the number of bids submitted by NCC's departments to increase, particularly as the Council Corporate Bid Team continues its work in identifying funding priorities for each Service.

Recommendations:

Members receive this report annually going forward. Members are asked to note that following the initial investment of £250k:

- the FCE programme will see the council managing a €209m programme;
- EU Bids valued in excess of £21.3m from across Norfolk are currently being assessed.
- £7.4m secured by NCC for direct delivery to businesses in rural areas
- £13m secured to manage programme delivery and provide support to future applicants in the coming years.

1. Proposal

- 1.1. To continue the work of the EU team in securing additional funding for NCC and organisations across Norfolk. Internally this work will be directly linked to each department's identified priorities so that funding secured provides targeted support in key areas.

2. Evidence

- 2.1. Our aim has been to build capacity within NCC and across Norfolk to influence the shape of the current round of EU funding and maximise the amount of funding secured as a result.

The key activities which have delivered on our ambitions to date are:

- Influencing the local EU Structural and Investment Fund Strategy with Suffolk County Council and New Anglia Local Enterprise Partnership – this was critical to ensure that the activity which will be tendered in future years is a strong match to the skills needs and business needs of Norfolk as well as the wider New Anglia geography. The EU Structural and Investment Fund is made up of:
 - European Social Fund (ESF) which will provide skills, employability and social inclusion activity to move individuals closer to work, in to work and to progress within the work place. £35.6m will be available for this work
 - European Regional Development Fund (ERDF) which will provide funding for business growth, innovation and low carbon activity. There will be £35.4m available for this work
 - European Agricultural Fund for Rural Development (EAFRD) – this will support rural areas to overcome barriers to growth. There will be £9m available for this work.
- Development of the Norfolk Rural Development Strategy - available online at <https://www.norfolk.gov.uk/what-we-do-and-how-we-work/policy-performance-and-partnerships/policies-and-strategies/business/rural-development-strategy>). After wide consultation with the rural communities including key businesses, this strategy provided the evidence base which allowed us to secure the LEADER programme. 34 outline applications have been received from rural businesses and are being assessed by the team. To date, 4 projects with a total value of £147k have been approved, granting funding to:
 - Flint & Vine Vineyard in Earsham - £42.5k for a winery in the existing vineyard
 - Panther Brewery in Reepham - £26k for a new bottling line within the factory
 - Squilla and Squidge in Swanton Morley - £10k for a mobile artisan food wagon
 - Sunset Barn Care Farm - £68k for additional buildings for helpers and volunteers.
- The Rural Development Strategy is also being used to help the LEADER programme bid for additional ESF and ERDF funding for additional community led programmes.

- Development of an Innovation strategy which provides an evidence base for ambitious businesses in Norfolk to diversify and grow. This strategy highlights the key sectors in Norfolk where we have potential to innovate on an international platform and will support areas such as advanced manufacturing (ie at Hethel Innovation Centre) and Lifesciences (ie at Norwich Research Park)
- The first English authority to secure the role of Managing Authority of the France (Channel) – England Interreg VA Programme. The programme will support projects worth €209m, and the Council will receive around €15m in programme management funding. The programme currently employs 18FTE bringing added value and expertise to the Council at no cost to us.
- The development of a successful partnership with New Anglia Local Enterprise Partnership and Suffolk County Council to provide marketing and project development support for both ERDF, ESF and EAFRD programmes. These projects total £1.340m and have created 5 FTE posts over 4 years in the council and further added value to the EU team. To date this has led to:
 - ESF tenders with a value of £10.7m being released which will be awarded in the coming months
 - 30 bids across Norfolk and Suffolk to the £35m ERDF funding allocation – these are currently being assessed at various stages
 - 14 bids across Norfolk and Suffolk to the £9m EAFRD funding allocation – these are currently being assessed at various stages
- The development of a new LEADER programme comprising over £9m of European Funds into local rural businesses. Norfolk County Council manages this programme, employing 5.4 FTE at no cost to the Council.
- The team has supported a large scale consortium of Voluntary Sector organisations bid to deliver a 3 year programme of social inclusion activity for our most vulnerable residents. By providing this support, smaller organisations without the capacity to access EU funding can benefit. If the programme is successful, and delivers high quality outcomes for participants it will move them closer, and into employment, reducing their reliance on oversubscribed NCC services.

The progress of non EU funded bids developed through the Corporate Bid Team is reported through Policy and Resources.

The team does not aim simply to increase our own capacity and expertise but has been working hard to promote awareness of EU funding, and raise the skills levels in securing this funding across the County. This has included:

- A programme of themed events which highlight available funding options. Themes have included, innovation and SME competitiveness
- A series of bid writing workshops raising the skills levels and capacity across the organisation. This should lead to a higher number of well written bids strictly linked to agreed priorities.

Our primary aim is to make the most of every funding opportunity which can benefit Norfolk's businesses and residents. However, it's important that internally we remain close to agreed priorities. Closely linked to the work of the Corporate Bid Team we are now developing a pipeline of future projects meeting the key challenges of NCC. This will ensure that when future opportunities are published

the Council is in a strong position to respond quickly and submit a well-developed bid. It is important for this work that we also maintain positive relationships with district council colleagues who will often be key delivery partners.

3. Financial Implications

- 3.1. From the initial investment of £250k we have been significantly more successful than anticipated in securing additional funding to help us manage key programmes to deliver economic growth across the county. As such, we have been able to use this funding to support our internal costs over a period of 5 years, rather than the 2 years originally anticipated. We will continue to improve and challenge the way we work so that we can continue this good practice.

4. Issues, risks and innovation

- 4.1. Risk management is undertaken at a project or programme level and is robustly monitored.

At the moment the primary risk is making the most of our capacity. We have been encouraging our own team, NCC's departments and external organisations to bid for EU funding. In most cases, while successful in securing the funding, it has required intensive support, both in respect of EU and national funding. The capacity building work, especially in bid writing is designed to mitigate against this risk.

5. Background

- 5.1. In December 2012 £250k was allocated to the Economic Development and Strategy Team to help the Council develop a new approach to European Funding. This work has two strands. Firstly it involves influencing how EU funding allocated to this area will be spent, so that it aligns with NCC's priorities and will provide critical support for local residents. Secondly, the team has been offering in-depth support to NCC's service departments and external organisations (businesses, voluntary sector and public sector) to write high quality bids for EU funding. The aim is to maximise the amount of funding being brought in to the County. The team has achieved significant success over last 3 years, generating additional income which will benefit businesses and residents over the coming years.

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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