



European Union
European Structural
and Investment Funds

ESIF BACKGROUND INFORMATION SHEET

About The European Structural and Investment Funds Growth Programme

The European Structural and Investment Funds (ESIF) programme provides funds to help local areas grow. The funds support investment in innovation, businesses, skills and employment and create jobs.

Running from 2014 to 2020, there are three types of funds involved in the programme.

European Social Fund (ESF) focuses on improving the employment opportunities, promoting. The Managing Authority for this fund is the Department for Work and Pensions (DWP).

European Regional Development Fund (ERDF) supports research and innovation, competitiveness of small to medium sized enterprises and creation of a low carbon economy; social inclusion and investing in skills by providing help people need to fulfil their potential. The Managing Authority (MA) for this fund is the Department for Communities and Local Government (DCLG).

European Agricultural Fund for Rural Development (EAFRD) supports rural businesses to grow and expand, improve knowledge and skills and get started. The Managing Authority (MA) for this fund is the Department for Environment Food and Rural Affairs (DEFRA).

The ESIF is managed through Operational Programmes (OPs), which set out the strategy and priorities for the use of each of these funds. In England, a national ESIF Programme, consisting of three Operational Programmes was submitted by Her Majesty's Government to the European Commission for 'in principle' approval. Formal approval was given for the ERDF Operational Programme at the end of June 2015. The EAFRD Operational Programme has also been approved, whilst the ESF Operational Programme is expected to be approved in September 2015.

ESIF funding runs in 7 year cycles and the current Operational Programme runs from 2014 to 2020 (with an added 3 years to December 31 2023 to complete delivery and for closure of the last projects). England's 2014-2020 ESIF allocation totals €6,937.2 million, which is allocated amongst the 39 Local Enterprise Partnerships (LEP) areas. The Greater Birmingham and Solihull Local Enterprise Partnership (GB&S LEP) has received a notional allocation of €255.8 million.

Strategy for Growth: Delivering Growth

At the same time as the planning for the ESIF Programme, the GB&S LEP published its own "[Strategy for Growth](#)" plan, which underpins all of the GB&S LEP's activity and informs the LEP's ESIF Strategy.

The mission set out in the "Strategy for Growth" is to create jobs and grow the economy and in doing so, raise the quality of life for all of the LEP's population. The vision is to re-establish Greater Birmingham's role as the major driver of the UK economy outside London.

This means overcoming the area's output gap and establishing the preconditions for economic leadership on a worldwide scale. Our strategy is built from the views of our stakeholders and is designed to **apply focus on those things that matter most locally** to unlock the jobs and growth the region needs.

[The GB&S LEP's ESIF Strategy](#) outlines how the Greater Birmingham & Solihull Local Enterprise Partnership intend to distribute the European Structural and Investment Fund (ESIF) resources



allocated to GB&S LEP for the period 2014-2020. It outlines the strategic context, both national and European, and is grounded in our wider strategic approach as represented by the GB&S LEP's 'Strategy for Growth' published in May 2013.

The ESIF Funding Process 2014-2020 – the LEP Area level

The ESIF funding is allocated on the basis of national "calls" for proposals, with due regard for **local "strategic fit"**. HMG opened the first calls for project applications in March 2015 based on provisional approval of "agreed text" for the ERDF Operational Programmes prior to its approval in July.

The 'more established thematic' areas of ERDF were selected for the first calls. These consisted of: Strengthening research, technological development and innovation (Priority Axis 1), Enhancing the competitiveness of small and medium sized enterprises – SMEs - (Priority Axis 3) and Supporting the shift toward a low carbon economy in all sectors (Priority Axis 4) were included in the early (pre-approval) calls, as was a national call for local Technical Assistance projects.

For ESF the only areas of work called for in the first round were the Youth Employment Initiative (YEI) programmes (funds only available to certain LEP areas including GB&S LEP) and local Technical Assistance.

A second round of calls for Priority Axis 1, Priority Axis 3 (specifically the Growth Hub) and Priority Axis 4, and a first call for Preserving and protecting the environment and promoting resource efficiency (Priority Axis 6) were issued on 31 July 2015, with various closing dates from mid-September onwards.

Although the EAFRD Operational programme was approved early in 2015, the first calls on this are not anticipated until later in 2015.

All projects, which have been submitted (outline applications) are firstly subjected to assessment and approval by the Managing Authorities (MAs) based on the approved Operational Programmes. Those projects that are found EU eligible and compliant are reviewed by the ESIF sub-committee and recommended to assess whether they support the GB&S LEP's strategies and activities and 'scored' as 'Green' (fully strategically compliant at a local level); 'Amber' (partially strategically compliant at a local level); or 'Red' (non-compliant).

This provides advice to the Managing Authority (MA) on how well each project **meets local strategic needs**. The MA uses the information to help identify projects that should submit full applications.

The MA then assesses all full applications against the [selection criteria](#), and seeks a final 'local needs' input from the ESIF sub-committee prior to approval. Successful applicants will enter into a Funding Agreement with the MA for the delivery of the approved project.

No Funding Agreements are issued until after the Operational Programmes have been approved by the Commission.



The ESIF Investment Priorities relevant to GB&S LEP ESIF Strategy are as follows:

ERDF Priority Axis 1: Strengthening research, technological development & innovation

- **Investment Priority 1a:** Strengthening research, technological development and innovation
- **Investment Priority 1b:** promoting business investment in research and innovation

ERDF Priority Axis 3: Enhancing the competitiveness of small and medium sized enterprises

- **Investment priority 3a:** promoting entrepreneurship, by facilitating the economic exploitation of new ideas and fostering the creation of new firms, including through business incubators
- **Investment priority 3c:** Supporting the creation and the extension of advanced capacities for products, services and development
- **Investment priority 3d:** Supporting the capacity of small and medium sized enterprises to grow in regional, national and international markets and to engage in innovation processes

ERDF Priority Axis 4: Supporting the shift towards a low carbon economy in all sectors

- **Investment priority 4a:** Promoting the production and distribution of energy derived from renewable sources
- **Investment priority 4b:** Promoting energy efficiency and renewable energy use in enterprises
- **Investment priority 4c:** Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector
- **Investment priority 4e:** Promoting low-carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multimodal urban mobility and mitigation-relevant adaptation measures
- **Investment priority 4f:** Promoting research and innovation in, and adoption of, low-carbon technologies

ERDF Priority Axis 6: Preserving and protecting the environment and promoting resource efficiency

- **Investment priority 6d:** Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure
- **Investment Priority 6f:** Promoting innovative technologies to improve environmental protection and resource efficiency in the waste sector, water sector and with regard to soil, or to reduce air pollution

ERDF Priority Axis 9: Technical Assistance

ESF Priority Axis 1: Inclusive labour markets

- **Investment Priority 1.1:** Access to employment for jobseekers and inactive people
- **Investment Priority 1.2:** Sustainable integration of young people
- **Investment Priority 1.3:** Youth Employment Initiative
- **Investment Priority 1.4:** Active inclusion

ESF Priority Axis 2: Skills for Growth

- **Investment Priority 2.1:** Enhancing Equal Access to Lifelong Learning
- **Investment Priority 2.2:** Improving the Labour Market Relevance of Education and Training Systems

EDF Priority Axis 3: Technical Assistance



How will I know when I can apply?

The details of all calls for proposals (open and closed) can be found on the [Gov.UK](#) website, where it is possible to search for calls by location, funding source, type or priority.

It is possible to sign up for information on the calls through dedicated email alerts from [Gov.UK](#) and the [GB&S LEP](#) web site.

[Programme guidance documents on selection criteria, eligibility rules, publicity requirements, funding agreements and state aid law](#) for the European Regional Development Fund and European Social Fund can be found on this link.

Guidance and forms to apply for funding through the European Regional Development Fund and European Social Fund - [Outline Application](#) and [Full Application](#)

[Useful Resources](#) - Publicity materials, regulations and a glossary for organisations running European Regional Development Fund and European Social Fund projects.

There are newsletters from GOV.UK and the GB&S LEP website that can be subscribed to which will give details on the nature and timing of the calls for funding applications.

Attendees at the roadshows/workshops will also be given updates on the above items as and when more information becomes available.

Additional Information

Solihull Council (SMBC) has set up a new dedicated mailbox to help people develop ESIF eligible projects or direct them to the relevant thematic groups. Whilst SMBC are not able to advise which projects will/won't be successful, it can provide some pointers. The mail box address is esif@solihull.gov.uk.

Further information relating to ESIF can be found on the following links:

GB&S LEP website - <http://centrefenterprise.com/european-funding-strategy-consultation/>

GOV.UK website - <https://www.gov.uk/government/publications/england-2014-to-2020-european-structural-and-investment-funds-growth-programme-handbook>.

Each LEP area has an 'ESIF committee' Chaired by the LEP and including HMG and representatives from across relevant sectors. Details of the management and governance arrangements can be found at www.gov.uk/european-growth-funding

Contact Details for Thematic Leads

Thematic Lead Priority Axis (PA)

[Pam Waddell](#) ERDF PA 1: Research and Innovation

[Mark Reed](#) ERDF PA 3: Enhancing the competitiveness of small and medium enterprises (SMEs)

[Tara Verrell](#) ERDF PA 4: Supporting the shift towards a low carbon economy in all sectors

ERDF PA 6: Preserving and Protecting the Environment and Promoting Resource Efficiency

[Rachel Egan](#) ESF PA 1 – Inclusive Labour Markets

ESF PA 2 – Skills for Growth