

**Cheshire and Warrington Local Enterprise Partnership
Performance and Investment Committee**

Title: ESIF Update

Agenda Item: xx

Prepared by: Tim Smith

Date of Meeting: 24th March 2021

1. ERDF (European Regional Development Fund)

The following projects are currently live.

<i>priority</i>	<i>project name</i>	<i>grant recipient</i>
1	Next Business Generation – Life Science Support Programme	BioCity Group Ltd
1	Northern Powerhouse Investment Fund	British Business Financial Services Ltd
1	SMART Cheshire	Manchester Metropolitan University
1	Innovation to Commercialisation (I2C)	University of Chester
1	UDF Cheshire and Warrington	Cheshire East Council
2	Digital 2020 Programme	Cheshire East Council
3	Cheshire and Warrington Growth Hub and Growth Advice Service	Blue Orchid Enterprise Solutions Ltd
3	Northern Powerhouse Investment Fund	British Business Financial Services Ltd
3	Enhancing SMEs International Trade Performance	Chamberlink Ltd
3	Support and Workspace for Business in Key Growth Sectors	Cheshire West and Chester Council
3	Pan-LEP Specialist Manufacturing Service	GM Business Support Ltd
3	Building Capacity and Capability in Health and Life Science Businesses (C&W)	Innovation Agency
3	Cheshire and Warrington Business Growth Programme	Northwest Universities European Unit
3	Helix Business Park, Newbridge Road, Ellesmere Port	Redsun Developments Ltd
3	Cheshire & Warrington SME Growth Grants	Blue Orchid Enterprise Solutions Ltd
3	Northern Powerhouse Export Grant Scheme	Department for International Trade (DIT)
3	UDF Cheshire and Warrington	Cheshire East Council
4	Northern Powerhouse Investment Fund	British Business Financial Services Ltd
4	Eco-Innovation - Cheshire and Warrington	University of Chester
4	UDF Cheshire and Warrington	Cheshire East Council

These projects are currently in the appraisal system. (Note – subject to confirmation from MHCLG.)

<i>priority</i>	<i>project name</i>	<i>grant recipient</i>
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1	BioHub: Accelerator and Scale-Up Programme	BioCity Group Ltd
1	Greater Innovation for Smarter Material Optimisation "GISMO"	Lancaster University
1	SMART Cheshire	Manchester Metropolitan University
1	Cheshire Advanced Manufacturing Centre (CAM)	Manchester Metropolitan University
1	Alderley Park Accelerator (extension)	BioCity Group Ltd
1	C&W 4.0	University of Liverpool
2	Digital Cheshire	Cheshire East Council
3	Pan LEP Specialist Manufacturing Service	GM Business Support Limited
3	Cheshire and Warrington Business Growth Programme	Northwest Universities European Unit Ltd
3	C&W Health MATTERS	Innovation Agency (the Academic Health Science Network for the North West Coast)
3	C&W Health Matters (extension)	Innovation Agency (the Academic Health Science Network for the North West Coast)
3	C&W Business Growth Programme (Phase 3)	Universities Economic Development Unit Ltd
3	Enhancing SME's International Trade Performance (extension)	Chamberlink Ltd
3	St James Business Centre	Wire Regeneration Ltd
3	Support and Space: The Port in Focus	Cheshire West and Chester Council
3	Support and Space: Winsford in Focus	Cheshire West and Chester Council
4	Cheshire & Warrington Low Carbon Investment Programme	Blue Orchid Enterprise Solutions Ltd
4	Energy Low Carbon Housing Support Ellesmere Port and Neston	Cheshire West and Chester Council
4	ECO-I North West	Lancaster University

There was insufficient budget available in Priority 3 to be able to support all the capital expenditure / rebuild / refurbishment projects, i.e.:

- St James Business Centre
- Support and Space: The Port in Focus
- Support and Space: Winsford in Focus

St James Business Centre was prioritised and that project is now nearing the end of the full appraisal stage.

There are unlikely to be any further calls for applications. Remaining ERDF funds are expected to be used for:

- further investment in the Reopening the High Street Safely Fund (RHSSF)
- contingency for foreign exchange fluctuations
- extensions and/or additional funding to existing, well-performing projects

The Government's Q&A on COVID19 response, updated in February 2021, and specifically relating to ERDF is here:

<https://www.gov.uk/government/publications/european-structural-and-investment-funds-coronavirus-covid-19-response/european-regional-development-fund-2014-to-2020-programme-questions-and-answers-on-covid-19-response>

2. ESF (European Social Fund)

The following projects are currently live.

<i>priority</i>	<i>project name</i>	<i>grant recipient</i>
1.1	Skills Support for the Workforce	People Plus
1.2/1.4	Journey First	Cheshire East Council
1.4	New Leaf	Torus Foundation
2.1	Accelerate Cheshire and Warrington	University of Chester
2.2	The Pledge	Changing Young Lives Ltd

Where projects were originally scheduled to finish in 2021, namely Skills Support for the Workforce and New Leaf, discussions with their co-financing bodies, Education and Skills Funding Agency and National Lottery Community Fund respectively, about possible extensions into 2023 are ongoing. Any final recommendations would be put forward to ESIF Committee for consultation.

These applications were submitted in March 2020 and the updated position is shown.

<i>priority</i>	<i>project name</i>	<i>grant recipient</i>	<i>position as at March 2021</i>
1.4	Parents First	Cheshire East Council	Approved by DWP, March 2021.
2.1	Level Up	University of Chester	Application withdrawn.
2.2	Cheshire and Warrington Pledge Plus	Changing Young Lives	Resubmitted as Project Change Request (PCR) to extend existing project until 2023 (with additional funding and output targets). Sent to ESIF Committee for comments, March 2021.

Finally, a funding call through the ESF National Reserve Fund, but for activity specifically in Cheshire and Warrington, has recently concluded, with the bid deadline closing on 11th March 2021.

<i>priority</i>	<i>Call name and description</i>	<i>ESF available</i>	<i>Applications received</i>	<i>ESF requested</i>
1.1/1.2	Cheshire & Warrington COVID-19 Response – Unemployed people <ul style="list-style-type: none"> - <i>newly unemployed</i> - <i>young people, including school leavers, NEETs and at-risk-of-NEET</i> - <i>over 50's</i> 	£2m	Torus Foundation “Newly Unemployed Project”	£1.174m

2.1	Cheshire & Warrington COVID-19 Response –The Workforce - <i>level 3 skills and higher</i>	£1.5m	Blue Orchid “C&W Management and Leadership Change”	£1.2m
2.2	- <i>STEM and digital skills</i> - <i>leadership and management coaching and mentoring, and entrepreneurial skills</i> - <i>support for job creation and start-ups</i> - <i>support for SMEs</i>	£0.5m	Changing Young Lives “C&W Pledge Access Programme”	£0.5m

There will not be any further calls for applications. Remaining ESF funds will be used for extension requests to existing, well-performing projects, through a faster Project Change Request (PCR) process. Criteria will include:

- no more than a 50% increase against original costs
- 2023 end date remains fixed
- must be the same type of provision and to the same target group(s)

The Government’s Q&A on COVID19 response, updated in February 2021, and specifically relating to ESF is here:

<https://www.gov.uk/government/publications/european-structural-and-investment-funds-coronavirus-covid-19-response/european-social-fund-2014-to-2020-programme-questions-and-answers-on-covid-19-response>

3. RDPE (Rural) Growth Programme

19 projects, totalling £2.65m, were contracted through 2 bidding rounds of the Cheshire and Warrington LEP area allocation of the programme. That represented full commitment of funds available, and that opportunity is now closed.



The European Agricultural Fund for Rural Development.
Europe investing in rural areas

LEP: **Cheshire and Warrington**
GROWTH Programme
2014 - 2020 European Agricultural Fund for Rural Development

Theme and Description	Food Processing	Support for investments in processing/marketing and/or development of agricultural products
	Business Development	Support for investments in creation and development of non-agricultural activities
	Tourism Infrastructure	Support for investments for public use in recreational infrastructure, tourist information and small scale tourism infrastructure

CLOSED Rounds Growth 2014-2016 (R1) Growth 2017-2018 (R2)	Food Processing		Business Development		Tourism Infrastructure		Total Growth Programme	
	Projects	Value	Projects	Value	Projects	Value	Projects	Value
In Process: FA in Process	0	£ -	0	£ -	0	£ -	0	£ -
Contracted: Project Ongoing	0	£ -	4	£ 620,559.24	0	£ -	4	£ 620,559.24
Contracted: Project Closed	4	£ 745,348.70	9	£ 890,497.97	2	£ 394,524.16	15	£ 2,030,370.83
Unsuccessful Application/Project*	2	£ 200,000.00	18	£ 1,869,773.80	18	£ 2,217,225.48	38	£ 4,286,999.28
Total Project Applications	6	£ 945,348.70	31	£ 3,380,831.01	20	£ 2,611,749.64	57	£ 6,937,929.35
Committed		£ 745,348.70		£ 1,511,057.21		£ 394,524.16		£ 2,650,930.07
Total Paid		£ 743,972.69		£ 1,195,534.46		£ 358,930.96		£ 2,298,438.11
Claims to be paid		£ -		£ 303,849.87		£ -		£ 303,849.87

Committed values are those originally awarded in the Grant Funding Agreements. These values will fluctuate in-line with approved project variations.

A National Reserve Fund ran until 31st October 2020, giving a further opportunity for applications. 80 Cheshire and Warrington bids were received, totalling £8.13m. The fund has been considerably oversubscribed, and 70 of those applications have been unsuccessful. That includes withdrawn applications and projects, rejected applications, applications that failed completeness checks, and terminated projects that never started. However, 3 projects are now live, and a further 7 are at full application stage.

Growth 2019-2020 (R3) Open	Food Processing		Business Development		Tourism Infrastructure		Total Growth Programme	
	Projects	Value	Projects	Value	Projects	Value	Projects	Value
In Process: EOI in Process	0	£ -	0	£ -	0	£ -	0	£ -
In Process: EOI Endorsed to FA	0	£ -	0	£ -	0	£ -	0	£ -
In Process: FA in Process	1	£ 248,373.86	4	£ 532,266.44	2	£ 296,054.21	7	£ 1,076,694.51
Contracted: Project Ongoing	0	£ -	3	£ 310,798.63	0	£ -	3	£ 310,798.63
Contracted: Project Closed	0	£ -	0	£ -	0	£ -	0	£ -
Unsuccessful Application/Project*	9	£ 1,101,300.00	31	£ 3,328,902.24	30	£ 2,310,480.96	70	£ 6,740,683.20
Total Project Applications	10	£ 1,349,673.86	38	£ 4,171,967.31	32	£ 2,606,535.17	80	£ 8,128,176.34
Committed		£ -		£ 310,798.63		£ -		£ 310,798.63
Total Paid		£ -		£ 15,740.62		£ -		£ 15,740.62
Claims to be paid		£ -		£ 295,058.01		£ -		£ 295,058.01

Committed values are those originally awarded in the Grant Funding Agreements. These values will fluctuate in-line with approved project variations.

Tim Smith
March 2021