

Angeliki Stogia

Social Enterprise Lead

European Social Fund: 2014-2020

Aim of the session

- **Raise awareness of European Structural Investment Fund**
- **Greater Manchester landscape**
- **Outline ERDF and ESF funding priorities**
- **Where can the Sector enhance/deliver/develop activity?**

New Economy

What we do for GM:

- Research & Analysis
- Policy & Strategy
- Economic Think Tank

GMCA

GREATER MANCHESTER
COMBINED AUTHORITY



Greater Manchester
Local Enterprise Partnership



The Greater Manchester Economy



2.7m people



1.14m jobs



93,000 businesses

Source: ONS

Gross Value Added

Source: ONS, GVA estimates 2012

GM ECONOMY, 2011

£48.2bn

BIGGER THAN

WALES
ECONOMY, 2011

£47.3bn

NORTH EAST
ECONOMY, 2011

£41.6bn

NORTHERN
IRELAND
ECONOMY, 2011

£29.9bn

Skills and Employment in GM

- **GM is the largest city based economy outside SE England – GVA of £48 billion**
- **Local Enterprise Partnership leads the drive for growth**
- **Skills and Employment Partnership:**
 - *Enabling discharge of statutory 16-19 duties*
 - *Maximising the impact of skills and employment policy and delivery on growth*
- **Membership: employers, colleges, providers, local authorities, funding agencies, JCP, unions**

Labour Market Issues

For young people:

- **High unemployment (21%) and NEETs**
- **Poor employer perceptions of young peoples' job readiness in UK**
- **Falling 16-18 apprentices but vacancies persist**

For adults in work:

- **Two fifths of employers struggle to recruit to associate professional roles**
- **One in seven employers report that staff are not proficient in their role**
- **230,000 GM working households claim tax credit**

For adults out of work:

- **Sustained high levels of worklessness for past two decades**
- **Low attainment: 38% of unemployed and 42% of economically inactive adults do not have a level 2 qualification**
- **Growing issues around low pay, no pay and quality of available work**

Greater Manchester Strategy

“By 2020, GM will have pioneered a new model for sustainable economic growth...where all residents are able to contribute to and benefit from sustained prosperity”

Preventing and reducing youth unemployment

Employer-led skills system

An integrated skills and employment offer

- **GM Growth and Reform Plan – programmes that respond to GMS priorities**
- **Skills and Employment Partnership – responsible to developing and delivering S&E programmes**

The Greater Manchester ESIF

- **GMS defines activities, ESIF implements**
- **Part of wider growth and reform plan**
- **Match via SFA, DWP, Big Lottery, local & private**
- **Responding to three EU thematic objectives:**
 - Employment & supporting labour mobility
 - Education, skills & lifelong learning
 - Social inclusion & combating poverty
- **Funding allocation**
 - In July 2013, BIS allocated the GM LEP €415m for the 2014-20 Programme
 - This is approximately £356m which is split as follows
 - £195m ERDF (55%) / £161m ESF (45%)
 - Minimum 20% dedicated to social inclusion
- **Challenges/Issues**
 - Eligibility – ESF won't fund everything
 - Additionality – delivering the best, most impactful programme for GM
 - Links to GM Growth & Reform Plan – GMS strategic alignment
 - Match Funding – need this to access ESF resource

ERDF

ERDF will deliver the Growth Programme's objectives to promote a more competitive and sustainable knowledge based economy.

The main investment priorities will be:

- developing sites and premises linked to growth sectors;
- investing in science, innovation and knowledge based economy;
- supporting the development of more competitive business base;
- Seizing the growth potential of a low carbon economy and increased resource efficiency.

ESF

The ESF will deliver the Growth Programme's objectives to promote employment, social inclusion and skills.

The main investment priorities will be:

- helping more unemployed and inactive people to enter and progress in employment;
- increasing the number of young people who are in education, employment or training;
- tackling barriers to work faced by the most disadvantaged groups;
- helping more people improve their skills;
- making skills provision more responsive to the needs of the local economy.

GM 2014-20 European Structural & Investment Funds

GM EU Structural and Investment Funds 2014 – 2020

Types of investment

Competitive Places (£22m ERDF)

- Sites / premises
- Critical infrastructure

Science & Innovation (£52m ERDF)

- Science tech assets
- Tech business base
- Science Tech Skills

Competitive Business (£70m ERDF)

- Start up & Growth
- Business Finance
- Internalisation
- Leadership & Management

Low Carbon (£50m ERDF)

- LC investment vehicle
- LC infrastructure e.g. Heat Networks
- LC transport
- Low Carbon skills
- Whole building efficiency

Skills, Employment, Inclusion (£137m ESF)

- Support for young people / long term unemployed
- Employment support
- Employer led workforce development

Reform (£24m ESF)

- Employment & skills linked to public sector reform
- Support those affected by welfare reform
- Support those with health related matters
- Tackling other barriers to work / low skills

GM 2014-20 European Structural & Investment Funds

Current Planned Calls for Projects (further calls to be developed)

Competitive Places (£22m ERDF)

- Financial Instrument
- Grant ring fenced to FI

Science & Innovation (£52m ERDF)

1. Asset base science infrastructure

Competitive Business (£70m ERDF)

1. Inward Investment and Trade
2. Sector Programmes / Manufacturing Advisory Service / Low Carbon Support
3. Growth Hub & Services
4. Start Up Support
5. Access to Finance
6. Innovation

Low Carbon (£50m ERDF)

- Low Carbon Financial Instrument
- Grant ring fenced to FI

EAFRD (£460k)

1. Tourism and Business

GM 2014-20 European Structural & Investment Funds

Planned Lots

Skills, Employment, Inclusion (£161m ESF)

- A1. Early intervention progs for 15-18 yrs olds (NEET)
- A2. High quality information, advice and guidance and career provision for young people (15+)
- A3. GM young residents progress into employment
- A4. Ensure the supply and demand meet future requirements 19-24 yr olds
- B1. GM residents progress into employment
- B2. Innovative to support marginalised groups to help bring them towards economic activity
- B3. Working Well extension
- C1. Skills provision responsive to the needs of the local economy and employers
- C2. Support for providers to better meet the needs of residents and employers
- C3. Skills investment and provider staff development to increase engagement with business and wider community
- C4. Develop recruitment and responsible practices to support disadvantaged groups
- C5. Activities to start and grow a business
- D1. Provision to up-skill the existing workforce
- D2. Increase access to advanced (higher level) skills for the most disadvantaged
- D3. Provide skills support at all level jobs for GM priority and growth sectors
- D4. Skills provision relating to removing the barriers some people face when entering employment
- E1. Social enterprise to adapt to the needs of GM
- E2. Develop the capacity of community and voluntary sector

POINTS TO CONSIDER

- European Commission has not signed off programme
- Partnership Agreement not signed so will push back start date.
- The design and development of tender specifications have included partner comments and experience and will be market tested in Feb/March 15
- ESF provision must be additional: looking at provision across GM to ensure no
- duplication
- Larger contracts are expected: both geographically and scale: Consortium bids, lead applicants?
- Looking more at PbR, Unit cost basis to reduce audit risk for providers.
- LEP will hold no contracts so this will be via the Opt In Organisation or
- Managing Authority
- Continued involvement from GMLPN during development stage

Next Steps

- **Market testing** – your views/knowledge matter: **Feb/Mar 15**
- Design & development of **draft tender specifications since Jun 14**
- Work with Opt in organisations to develop calls for tender: **since Aug 14 onwards**
- Calls for tender likely to be mid 2015
- Procurement is expected to be a mixture of larger projects managed via the opt in organisations, smaller ad hoc projects and projects who are able to bring their own match funding.
- Appraisals at a local and national level
- Successful programme begins: Likely to be mid 2015

Thank you

- Any Questions?



Brave New World? Salford VCSE conference

GM and the European Programmes 2014-20

**5th February 2014
Andy Churchill**



- **Voluntary and Community Sector Co-ordinator for the North West**
 - Information, Representation and Strategy
- **Supporting partnership working**
- **Funded by Technical Assistance from ESF and ERDF**
- **Funding from Liverpool LEP and Manchester New Economy**
- **Some Big Lottery funding (through partnerships)**
- **networkforeurope.eu**

Decision levels

- **European Commission**
 - Regulations
 - Finance
 - Partnership Principles
- **Member State - UK Government**
 - Partnership
 - Operational Programmes
- **LEP and Local Partners - Greater Manchester**
 - Working together
 - Delivering change



European Union

EN

Investing in Europe's future

Fifth report on economic, social and territorial cohesion

Report from the Commission

November 2010



EUROPEAN UNION
Investing in Your Future
European Regional
Development Fund 2007-13

economy



LOTTERY FUNDED



European Union
European Social Fund
Investing in jobs and skills

Investing in Europe's future

- Economic
- Social
- and Territorial
- Cohesion

Fifth report on economic, social and territorial cohesion



EUROPEAN UNION
Investing in Your Future
European Regional
Development Fund 2007-13

economy



LOTTERY FUNDED



European Union
European Social Fund
Investing in jobs and skills

- **Economic**
- **Social**
- **and Territorial**
- **Cohesion**



Europe 2020

EUROPE 2020

A European strategy for smart, sustainable and inclusive growth

- **Smart**
- **Sustainable**
- **Inclusive**

REGULATION (EU) No 1301/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 17 December 2013
on the European Regional Development Fund and on specific provisions concerning the Investment
for growth and jobs goal and repealing Regulation (EC) No 1080/2006

common to the ERDF, the European
 Cohesion Fund, the European
 and the Eu

The Regulations

REGULATION (EU) No 1304/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 17 December 2013

on the European Social Fund and repealing Council Regulation (EC) No 1081/2006

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE
 EUROPEAN UNION,

education, skills and life-long
 comprehensive

Having regard to the Treaty on the Functioning of the
 Union, and in particular Article 170,

20.12.2013

REGULATION (EU) No 1303/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 17 December 2013
laying down common provisions on the European Regional Development Fund, the European
Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the
European Maritime and Fisheries Fund and laying down general provisions on the European
Regional Development Fund, the European Social Fund, the Cohesion Fund and the European
Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006

cohesion policy, namely the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund, with the Fund for rural development, namely the European Agricultural Fund for Rural Development (EAFRD), and for the maritime and fisheries sector, namely measures financed under shared management in the European Maritime and Fisheries Fund (EMFF), common provisions should be established for these Funds (the 'European Structural and Investment Funds'). In addition this Regulation applies to the

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE
 EUROPEAN UNION,

the Functioning of the European



EUROPEAN
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or Four of this Regulation. In case of doubt about the interpretation of the provisions, Part Two of this Regulation shall prevail over the Fund-specific rules, and Parts Two, Three and Four of this Regulation shall prevail over the Regulations.

Article 2

Definitions

For the purposes of this Regulation, the following definitions shall apply:

(1) 'Union strategy for smart, sustainable and inclusive growth' means the targets and shared vision of the action of Member States and the Union, as set out in the Conclusions adopted by the European Council in 2010 as Annex I (New European Strategic Growth, EU Headline Targets), Council Directive of 13 July 2010⁽¹⁾ and in Directive 2010/707/EU⁽²⁾, and any revision thereof, and shared objectives;

(2) 'a strategic policy framework' means a set of documents established at national level which sets out a limited number of strategic objectives established on the basis of evidence and the implementation of those policies, and include a monitoring mechanism;

(3) 'smart specialisation strategy' means a regional innovation strategy designed in order to build competitive and sustainable business needs in order to address business needs in order to address business needs and market developments and avoiding duplication and smart specialisation strategy included in, a national or regional (R&I) strategic policy framework;

EUROPEAN UNION
Investing in Your Future
European Regional
Development Fund 2007-2013

for the employment
24.11.2010, p. 46).

Article 5

Partnership and multi-level governance

1. For the Partnership Agreement and each programme, each Member State shall in accordance with its institutional and legal framework organise a partnership with the competent regional and local authorities. The partnership shall also include the following partners:

- (a) competent urban and other public authorities;
- (b) economic and social partners; and
- (c) relevant bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting social inclusion, gender equality and non-discrimination.

2. In accordance with the multi-level governance approach, the partners referred to in paragraph 1 shall be involved by Member States in the preparation of Partnership Agreements and progress reports and throughout the preparation and implementation of programmes, including through participation in the monitoring committees for programmes in accordance with Article 48.

ment

p Agreement

Partnership Agreement
31 December 2020.

own up by Member
ed to in Article 5.
in dialogue with
raw up the Part-
e transparent for
tional and legal

support from

Agreement



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European Regional
Development Fund 2007-2013

for the employment
24.11.2010, p. 46).

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European Union
European Social Fund
Investing in jobs and skills

The Member States and the Commission shall ensure that environmental protection requirements, resource efficiency, climate change mitigation and adaptation, biodiversity, disaster resilience, and risk prevention and management are promoted in the preparation and implementation of Partnership Agreements and programmes. Member States shall provide information on the support for climate change objectives using a methodology based on the categories of intervention, focus areas or measures, as appropriate, for each of the ESI Funds. That methodology shall consist of assigning a specific weighting to the support provided under the ESI Funds at a level which reflects the extent to which such support makes a contribution to climate change mitigation and adaptation goals. The specific weighting assigned shall be differentiated on the basis of whether the support makes a significant or a moderate contribution towards climate change objectives. Where the support does not contribute towards those objectives or the contribution is insignificant, a weighting of zero shall be assigned. In the case of the ERDF, the ESF and the Cohesion Fund weightings shall be attached to categories of intervention established within the nomenclature adopted by the Commission. In the case of the EAFRD weightings shall be attached to focus areas set out in the EAFRD Regulation and in the case of the EMFF to measures set out in the EMFF Regulation.

- (5) promoting climate change adaptation, risk prevention and management;
- (6) preserving and protecting the environment and promoting resource efficiency;
- (7) promoting sustainable transport and removing bottlenecks in key network infrastructures;
- (8) promoting sustainable and quality employment and supporting labour mobility;
- (9) promoting social inclusion, combating poverty and any discrimination;
- (10) investing in education, training and vocational training for skills and lifelong learning;

The Commission shall examine the ESI Funds in the second implementing examination

(8) promoting sustainable and quality employment and supporting labour mobility;

Thematic objective

In order to contribute to sustainable development, the ESI Funds shall support the

(9) promoting social inclusion, combating poverty and any discrimination;

(1) strengthening innovation

(2) enhancing

(3) enhancing sectoral

(4) supporting

(10) investing in education, training and vocational training for skills and lifelong learning;

Eleven Themes

- Innovation
- ICT
- SME competitiveness
- Low Carbon
- Climate Change
- Environment and Resource Efficiency
- Sustainable Transport
- Employment
- Social Inclusion
- Skills
- (Institutional Capacity)

new context that the Commission has decided to bring together in a single quality framework the comprehensive set of actions which it is pursuing on services of general interest. This framework will help the Commission to deliver on its broader commitment to put the social economy and social innovation at the heart of its work under the Europe 2020 strategy.²

For further details:

Commission adopts Quality Framework for Services of General Interest in the EU

Brussels, 20 December 2011 - The European Commission has today adopted a Quality Framework for Services of General Interest (SGI) in the EU. They provide an essential safety net for citizens in areas such as health care, care for the elderly, child care, assistance to disabled persons and social housing. They also have a key role to play in the knowledge economy in the area of schools, training centres and university. At a time when public authorities are confronted with the need for fiscal consolidation, it is essential to ensure that right framework is in place so that high-quality services can be provided as efficiently and cost-effectively as possible.

President Barroso said, *"I made clear in my Political Guidelines in 2009 that Services of General Interest play a key role in ensuring social cohesion and can also be a driver for new sources of growth. This quality framework adopted today is a confirmation of the European Commission's determination to support innovative, high quality public services, which are even more essential in the current difficult economic situation"*.



EUROPEAN

economy

LOTTERY FUNDED





GUIDE TO SOCIAL INNOVATION



Regional and
Urban Policy

February 2013



GUIDE TO SOCIAL INNOVATION

"In the eighties and nineties, the innovation agenda was exclusively focused on enterprises. There was a time in which economic and social issues were seen as separate. Economy was producing wealth, society was spending. In the 21st century economy, this is not true anymore. Sectors like health, social services and education have a tendency to grow, in GDP percentage as well as in creating employment, whereas other industries are decreasing. In the long term, an innovation in social services or education will be as important as an innovation in the pharmaceutical or aerospace industry."

Diogo Vasconcelos (1968 - 2011)

Senior Director and Distinguished Fellow with Cisco's Internet Business Solutions Group
Chairman of SIX – Social Innovation eXchange

New challenges, new solutions

- **Localism**
 - Devolution, Role of City Regions
 - Local Enterprise Partnerships - and their partners
- **Simplification**
 - Simplified Cost Option
 - Focus on delivery, not spend
- **And, as always**
 - **Strategies**
 - **Partnership**



LEEDS CITY REGION LEP

EUROPEAN STRUCTURAL AND INVESTMENT FUND STRATEGY 2014



Dorset Local Partnership

European Structural
Hertfordshire Investment

European
Investment
2



New Anglo Local Enterprise Partners

Ne

EUROPEAN INVESTMENT STRATEGY
A Structural & Investment Fund Strategy for Norfolk and Suffolk
January 2014

Oxford Enterprise

European Structural





LEEDS C

EUROPEAN
STRATEGY

Final – 31st January 2014

Greater Manchester Local Enterprise Partnership

European Structural and Investment Funds

Investment Plan 2014-2020

EUROPEAN INVESTMENT STRATEGY

Natural & Investment Fund Strategy for Norfolk and Suffolk

January 2014



Oxford
Enterprise

European Structural



Dorset Lo
Part

European Stru

Hertfordshire

European
Investment
2

NW Finance (June 2013)

Area	£m	€m allocation	GDP	
G Manchester	356	415.6	98	
Lancashire	229	266.3	85	Tr
Liverpool	191	221.9	80	Tr
Cheshire	122	142.2	119	
Cumbria	78	91.4	89	Tr

£million at 0.86/1.16 (but now is 0.75p)

Gtr Manchester £m

	FI EG	FI NWF	FI	SID	Other
Competitive Places	22	-	-	-	-
Science & Innov	25	-	-	-	27
Comp Business	2	32	-	-	36
Low Carbon	10	-	15	-	25
Skills, Emp, Incl	-	-	-	3	138

Lottery Funding

Area	All EU	ESF	Lottery	
G Manchester	356	7	7	
Lancashire	229	7.5	5	Tr
Liverpool	191	2.5	1.7	Tr
Cheshire	122	5.5	5.5	
Cumbria	78	1.7	1.1	Tr

£million

Bidding for Funds

- **Mixed economy**
 - Commissioning
 - Opt Ins (SFA, DWP, Lottery)
- **Local Implementation Plans**
- **LEP level committee (LMC) encourages projects, looks at strategic fit, coherence with other proposals**
- **Managing Authority (DCLG for ERDF, DWP for ESF) appraises projects and checks for eligibility**
- **If both are happy, then project can be approved**

Lottery

- **Building Better Opportunities - Greater Manchester**
- **PDF - Programme Development Funding Oct 14-Jun 15**
 - Partnership GMCVO-New Economy-Network for Europe
 - Awareness, positive relationships, quality applications, contact.
- **Main Applications (from June 15) for the £14m**
 - Two stage process
 - Lottery support at stage two
 - Only a few projects
 - Fit LEP strategies (annex B)

UK-EU Timetable

- Dec 2013 Budget, Regulations agreed
- April 2014 Partnership Agreement to European Commission
- July 2014 UK Operational Programmes to EC

Delays -possible timetable

- **UK Partnership Agreement adopted**
- **Wales, Scotland, N Ireland, Gib OPs adopted by end of 2014**
 - but **not England** ESF or ERDF
- **Possible agreement of text by end February 2015?**
 - issues include role of LEPs, also Outputs and Results
- **Missed end 2014, so needs new budget agreement from every member state (June 2015?) before can be adopted**
- **Interim**
 - Agree calls with LEP and Partners (end Feb?)
 - Calls 13th to 27th March? (or later)
 - 30 March - likely dissolution Parliament, start of Purdah

Likely calls

- **March**

- ESF - Skills Funding Agency (or April??)
- ERDF - Growth Hub - revenue for enterprise support
- ERDF Financial Instruments (perhaps)
- Others?

- **June or later**

- Lottery
- Others

- **Appraisals may take a very long time**

Remember

- Partnership
- GM wide
- Fit with strategies
- Describe costs, outputs and results
- We need to work together!

Thank you!



European Structural and Investment Funds Growth
Programme for England (2014-2020)



Email: info@networkforeurope.eu

Website: www.networkforeurope.eu

Facebook: www.facebook.com/networkforeurope

Twitter: [@network4europe](https://twitter.com/network4europe)

GM ESIF 2014-2020

Opportunities for voluntary, community and social enterprise organisations. Role of GMCVO

Marie Graham Programme Manager GMCVO

Influencing the Decision Makers

- Membership of Local Management Committee
- Liaison with New Economy and Big Lottery
- Social Values Network



Sector Support

- Information
- Facilitating partnerships
- Brokering opportunities for the VCSE organisations



Potential Applicant

- Lead organisation
- Partner organisation
- Deliverer of services

As a bidder GMCVO will declare its interest, issue open invitations and form closed alliances.

We intend to enter partnerships that support other VCSE organisations to get involved in delivery



Opportunities for VCSE

- Building Better Opportunities
- Skills, employment
- Start Ups, Business Growth, Social Innovation Driver
- Capital Works, Low Carbon



Further Information

- Web page -
www.gmcvo.org.uk/european-programme-2014-20
- Mailing list- on webpage
- Direct email for further queries
europeaninfo@gmcvo.org.uk



Questions?



Greater Manchester Centre for Voluntary Organisation

St Thomas Centre
Ardwick Green North
Manchester M12 6FZ

T 0161 277 1000
F 0161 273 8296
E gmcvo@gmcvo.org.uk
www.gmcvo.org.uk

Registered Charity No. 504542
Company Ltd. by Guarantee No.1223344