

July 2009

European Focus

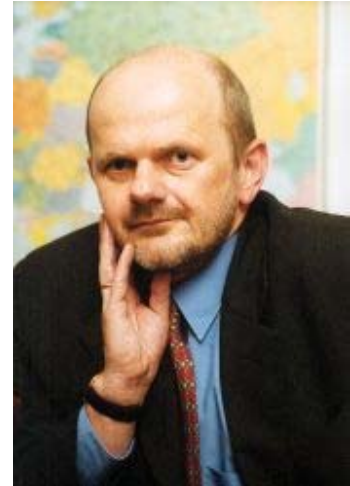
The Newsletter of Yorkshire and Humber's ERDF Programme 2007-2013

New Commissioner for Regional Policy Announced

Following the resignation of Mrs Danuta Hübner, who has been elected to the European Parliament, Mr Pawel Samecki has been designated for appointment as member of the Commission by the Polish government, in agreement with the Commission president, José Manuel Barroso. President Barroso has the intention of entrusting the regional policy portfolio to Mr Pawel Samecki.

Pawel Samecki was born on 12 March 1958 and is married with two children. He is currently a member of the management board of the National Bank of Poland. Before joining the National Bank in 2004, he was a research project coordinator at Natolin European Centre, Warsaw (2002-2003), an Undersecretary of State at the Office of the Committee for European Integration (1998-2002) and the Ministry of Finance (1997-1998).

Pawel Samecki, the designated new Commissioner for Regional Policy



European Commission adopts 6th Progress Report on Economic and Social Cohesion

Creative and Innovative Regions is the theme of the 6th Progress Report on Economic and Social Cohesion adopted by the Commission. This report analyses how creativity and innovation boost regional development. The more developed EU regions tend to score well on most creativity and innovation indicators, such as core creative class, R&D and human capital intensity. The less developed regions, however, outperform the rest of the EU on a few indicators, in particular on productivity growth, which is the main driver of the continuing regional convergence.

This report also includes a short summary of the 391 responses to the Green Paper on Territorial Cohesion. It is accompanied by 11 factsheets which map and analyse key creativity and innovation indicators.

This report marks one of the building blocks in the wider debate on the future Cohesion Policy and will feed into the Fifth Cohesion Report on Economic and Social Cohesion, due for publication in autumn 2010. http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/interim6_en.htm

European Social Fund Programme 2007-2013

The national 2007-13 ESF programme has launched a new searchable website and multimedia database of ESF projects and products which have been developed with its support. Visit the site at www.esf-works.com

Included on the site is an interview with Jim Knight MP, Minister for Employment and Welfare Reform, where he discusses the key challenges that ESF is helping to address.



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If you would like to receive European Focus each month or if you no longer wish to receive it, please email richard.holmes@yorkshire-forward.com

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Achievements of Europe's Regional Policy 2004-2009

The European Commission's Directorate General for Regional Policy (DG Regio) has recently produced a paper – **Working Towards a new Europe** – that sets out the role and achievements of EU Regional Policy from 2004 to 2009. This five year period marks the mandate for the current European Commission.

The first chapter looks at the main challenges Europe

faced during the period. Chapter Two summarises key achievements in response to the challenges. Chapter Three sketches out the steps being taken to prepare the ground for the future of regional policy.

http://ec.europa.eu/regional_policy/policy/impact/pdf/legacy_2009_en.pdf

Logistics sector guidelines

We held further discussions with the Commission this week, around the inclusion of Logistics in the target sectors for **Priority 2: Supporting and Stimulating Successful Enterprise** following a number of enquires from potential projects and discussions with some local authorities, especially from the Humber. As a result of those discussions a number of considerations have been agreed with the Commission when developing proposals covering this sector.

“Any logistics proposals must demonstrate an innovative approach, something new and different which should include new technology, the proposal should also highlight what additionality it would bring to the sector.”

We will contact those potential sponsors who have expressed an interest in submitting a logistics projects to ascertain if their project idea can be further developed using these new guidelines.

40 Proposals Received for Time Limited Calls

The Call for Proposals issued at the end of March included two time limited calls that closed on the 30th June 2009. The two calls – one for capital projects (constructing or refurbishing buildings) within **Priority 3: Sustainable Communities** and one for innovative projects in energy efficiency in low income and social housing have resulted in 40 project proposals being received by the deadline. The combined ERDF requested in both calls is more than seven times the amount available to invest.

The programme received 29 proposals under the P3 capital call. A panel on 20th July will consider the proposals alongside one another to ensure that the proposals that

offer best value are approved, that the distribution of resources in the region is fair and that the maximum benefit from the funding for deprived communities is derived.

11 proposals were also received for energy efficiency in low-income and social housing. Up to £7.5m ERDF is available but the proposals far exceed that amount. A panel on 16th July considered these proposals by a competitive selection process that judged on deliverability, innovative approaches, impact on deprived areas and job creation potential. The panel will make its decisions public in the next few days.

Third Sector ERDF Access Fund

In last month's **European Focus** we advertised an opportunity for a suitable organisation to operate an access fund to support third sector applicants to access ERDF funding from the programme. We are pleased to announce that following the tendering exercise the South Yorkshire Community Foundation was the successful bidder.

The ERDF programme has already started work with the successful bidder to discuss the shape that the fund will take. It is planned that the fund will focus on financial support for third sector organisations to develop their proposals.



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Annual Implementation Report 2008

The Yorkshire and Humber ERDF Programme has submitted its Annual Implementation Report for 2008 to the European Commission for approval.

The report describes the first full year of activity in the Programme including its high profile launch, the development of its Governance arrangements, development of plans and strategies including a Communications Plan, an Evaluation Plan, a Technical Assistance strategy and local Monitoring and Control arrangements.

A transitional call and the first full call for proposals were undertaken, leading to a large volume of project ideas coming forward for development. Four projects were contracted and the major project application "Digital Region" was progressed through to approval by the European Commission in 2008.

Malcolm Taylor says in the report: "Despite the fact that no payments were made in the year and that all outputs and results are still to be achieved, 2008 can still be seen as a successful year for the Programme. Its many achievements have created solid foundations on which to build activities in the remaining years of the programme."

"Experience in the region has shown that taking a thoughtful and considered approach to programme implementation, carefully establishing the foundations of sound governance, rigorous process and committed partnership working at the start, is best suited to delivering the strategic interventions that are key to improving the region's economy and increasing lasting opportunities for the region's businesses, communities and people. Time taken at the beginning to secure these foundations will pay dividends in the years to come."

Small Loans for Business

In last month's [European Focus](#) we issued a competitive call to seek a suitable organisation to progress a project application for fund management of a £10m Small Loans for Business programme. The Community Development Finance Association (CDFA) has been selected from those responding to the call and will now develop the project application through its various stages.

When the project is established and the ERDF contract is issued, the CDFA will undertake an open and competitive tendering exercise to select suitably qualified and experienced organisations to administer the funds in the region, which will provide business loans of up to £25,000 to applicants with a viable business proposal but who have been refused funding through mainstream sources.

Strategic Evaluation of Yorkshire & Humber's ERDF Programme

Regeneris Consulting & MTL Ltd have been appointed to deliver the strategic evaluation for the Programme following a competitive tendering exercise.

The purpose of the strategic evaluation can be summarised as having two core objectives:

- ▶ First, to assess the performance and hence the impact of the Programme over time with reference to the specific structural problems in the region.
- ▶ Second, to advise partners on potential changes to the delivery and management of the Programme as it evolves over time.

Phase 1 of the work has just begun and recently members of the external evaluation team undertook an initial scoping review of the Programme, which involved an initial series of background discussions with programme managers to shape the evaluation approach and clarify objectives.

Regeneris Consulting and MTL will present their approach to the ERDF Evaluation Steering Group for feedback this month and to the Programme Monitoring Committee in October.



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Sweden takes over presidency of European Union

Sweden has taken over the reins of the European Union for the next six months in succession to the Czech Republic. The Swedes have outlined their priorities on cohesion policy:

- ▶ continued discussions on regulatory modifications
- ▶ creation of a working party on the EU's outermost regions
- ▶ progress in the debate on territorial cohesion
- ▶ evaluation of the action plan accompanying the European Union's territorial agenda
- ▶ launch of a debate on "macro-regional" strategies following the recent adoption of the Baltic Sea regional strategy.

Key dates for the Swedish Presidency include:

- ▶ 14-15 September in Stockholm - "European Cities and the Global Climate Challenge" conference
- ▶ 17-18 September in Stockholm - Ministerial meeting on "macro-regional" strategies and the European Union strategy for the Baltic Sea region
- ▶ 10-11 November in Stockholm - conference on local and regional implementation of the future Lisbon Strategy
- ▶ 10-11 December in Kiruna - "Cohesion Policy and Territorial Development" conference

Further information on the Swedish EU Presidency is available at: www.se2009.eu

ERDF Contracts

A number of ERDF contracts have been let in recent weeks, delivering activity across all Programme Priorities. Around £79 million worth of ERDF is now contracted in 18 projects. The contracted projects are:

PROJECT	SPONSOR	ERDF
Priority 1: Promoting Innovation and R&D		
Innovation Futures	Sheffield Hallam University	£1,673,826
Innovation Networks	Yorkshire Forward	£1,909,022
Large Company R&D	Yorkshire Forward	£6,170,700
Priority 2: Stimulating and Supporting Successful Enterprise		
Enterprising Barnsley	Barnsley MBC	£2,891,000
Electronics Yorkshire	Electronics Yorkshire Ltd	£888,400
Hambleton Managed Workspace	Hambleton District Council	£2,446,203
Resource Efficiency Yorkshire	Sustainable Futures Company	£3,570,968
Manufacturing Advisory Service	YFM Business Development Ltd	£3,447,500
Priority 3: Sustainable Communities		
Enterprising Bradford	Bradford MDC	£4,558,827
Hull Enterprise Partnership	Goodwin Development Trust	£2,224,996
Keyfund Yorkshire	Keyfund Yorkshire Ltd	£1,456,000
Enterprising Neighbourhoods	Rotherham MBC	£3,913,178
Scarborough Jobs Match	Scarborough Borough Council	£594,000
Sheffield Employment Support	Sheffield City Council	£1,780,000
Access to Opportunities	SYPT	£2,379,000
Priority 4: Economic Infrastructure for Competitive Economy		
Digital Region	Digital Region Ltd	£29,821,820
Sheffield Cultural Infrastructure	Sheffield City Council	£4,142,000
Priority 5: Technical Assistance		
Technical Assistance for ERDF Programme	Yorkshire Forward	£5,087,500



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Large Company R&D Award Scheme

This is a Priority 1 project brought forward by Yorkshire Forward and supported by £6.1 million ERDF.

The project aims to provide some specific, targeted financial support to large companies in the region wishing to accelerate research, development and innovation activities but who can not bear the full risk associated with such work themselves.

£24.2 million is being provided in grant funding to support up to 50 % of the eligible costs of R&D projects. Funding will be granted via a competition process and

it is anticipated that at least 30 projects will be supported.

Over the six year funding period and in the successive three years, it is estimated that the programme will create or secure 3,100 jobs, lever in £125 million of private sector finance, generate £1 billion worth of new sales and safeguard £1.4 billion worth of existing sales. In addition, intellectual property will be generated and key collaborations between the regional supply chain and knowledge base will be established.

Innovation Futures

Innovation Futures is a Priority 1 project brought forward by Sheffield Hallam University and supported by £1.9m ERDF. It supports a new team to mobilise the University's research and consultancy expertise in:

- ▶ two Centres of Industrial Collaboration: in materials and design
- ▶ Food Innovation
- ▶ Centre for Individual and Organisational Development
- ▶ Sports Engineering

The team will deliver bespoke, in-depth, interdisciplinary interventions across priority industry sectors, to:

- ▶ embed R&D and contribute to the development of a region-wide innovation ecosystem

- ▶ promote transformational change and an innovation culture through long term collaborations with businesses in the region
- ▶ increase business growth & business sales to create and sustain jobs within the region
- ▶ Contribute to the delivery of the 'Regional Innovation Strategy', working with the Innovation Specialists and Innovation Hubs programme.

Fundamental to the success of the project is the University's commitment to work with other partners, including Business Link Yorkshire, intermediaries and innovation specialists to ensure a 'no wrong door' operation to maximise impact to businesses.

Enterprising Barnsley

Enterprising Barnsley is a Priority 2 project brought forward by Barnsley Council and supported by £2.8 million ERDF. Enterprising Barnsley offers support for businesses through three integrated delivery channels including, free and easy access to expert enterprise coaching, dedicated shared office environments with a range of fully serviced ICT facilities and a comprehensive programme of network events.

Shared office environments or 'Enterprise Hubs' provide flexible and affordable office accommodation throughout the Barnsley region. They are targeted at businesses looking for the next step into a professional and fully supported working environment. The Enterprise Hubs provide office facilities including ICT, telephones and furniture.

Businesses within the Enterprise Hubs are supported by free specialist Enterprise Coaches who are qualified to assess and assist with business requirements such as financial planning, sales and marketing, innovation and IT. The coaching is free of charge and open to all Barnsley businesses.

Businesses can also take advantage of planned Network Events which are free and hosted within the Enterprise Hubs throughout Barnsley. The event programme will include guest speakers from relevant industries to give insights into areas such as manufacturing, R&D, IT, marketing and finance management.



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Enterprising Neighbourhoods

This is a Priority 3 project brought forward by Rotherham Council and supported by £3.9 million ERDF.

This project targets support at Rotherham's disadvantaged communities to promote sustainable economic growth by creating enterprise opportunities for individuals and for businesses. The project includes physical improvements Neighbourhood Enterprise Centres within existing community buildings where there is demonstrable need.

The project provides programmes to support mainstream activity from existing provision such as Business Link,

Jobcentre Plus, the LSC and local authority; as well as activity contracted through ESF.

The key outputs and results for the project are:

- ▶ Businesses assisted
- ▶ Businesses created
- ▶ New Jobs created
- ▶ Jobs Safeguarded
- ▶ Increase in GVA
- ▶ Increased numbers entering self employment
- ▶ Reduction in benefit dependency

Sheffield Employability Programme

This Priority 3 project, brought forward by Sheffield City Council and supported by £1.7 million ERDF, responds to the challenges of unemployment and employment retention to support the development of a programme of activity for 'employability' in Sheffield.

Through the work of the Skilled in Sheffield Innovations Group employers linked to the Sheffield Work and Skills Board, the project has started to develop employment route ways and skills escalators that extend and diversify the pool of local labour available to businesses. It brokers connections between buoyant and growing sectors and economically inactive individuals from target groups including lone parents, job seekers and incapacity benefit claimants who have been supported to become job ready. This brokerage service complements activities supported by ESF funding. This employer-led, wrap-around service to support retention of people in work aims to:

- ▶ Support Sheffield employers attract and retain staff
- ▶ Offer Sheffield employers a single contact/referral point for all employment support needs
- ▶ Reduce the number of working age people on out-of-work benefits.
- ▶ Reduce the churn of 'hard to reach' individuals who fall out of employment and back into the benefits system.
- ▶ Connect the needs of Sheffield employers with the needs of individuals furthest from the labour market, by working closely with employers to address their needs in attracting and retaining their workforce.
- ▶ Offer a bespoke localised Jobs Brokerage Service for employers to support them to fill vacancies with the right quality people.
- ▶ To create a model of best practice so far as maximising and joining up employment and skills provision to include: employers, individuals, local authorities, Jobcentre Plus, LSC, Business Link, etc.

Technical Assistance for ERDF Programme

This Priority 5 project is brought forward by Yorkshire Forward and is supported by £5m ERDF. Technical Assistance allows funding for activities that increase the quality and achievements of the Programme. The maximum possible amount of ERDF (4% of the Programme) has been set aside for Technical Assistance for the Programme. This amounts to around £15.5m over the Programme period, made up of £8.3m from the Y&H allocation and £7.2m from the South Yorkshire phasing-in allocation. On 20 December 2007 PMC agreed a strategy for utilizing TA to support the Programme. This project encompasses those parts of the TA

strategy where Yorkshire Forward is in the lead, using the core funding from DCLG and ERDF Technical Assistance to deliver partnership and consortia development of ERDF projects to meet targets, appraisal, contracting, claims and auditing of ERDF projects, publicity and marketing, evaluation, development and implementation of cross cutting themes and overall Programme management. TA will also be used to support sub-regional partnership projects to enable partners to fully participate in the Programme.



Electronics Yorkshire

Electronics Yorkshire is a Priority 2 project brought forward by Electronics Yorkshire Ltd and supported by £888,400 ERDF that aims to support strengthened, more innovative and successful electronic businesses. Electronics Yorkshire supports the electronics sector as the interface between the sector and sources of business support. It provides specialist business support and consultancy services and a dedicated, specialised and unique technology resource to the sector.

It stimulates practical applications based on regional universities' IPR and propagates environmental and sustainability best practice within the sector.

Electronics Yorkshire acts as an advocate and representative for the sector to regional and national decision-making bodies.

Scarborough Jobs Match

This is a Priority 3 project brought forward by Scarborough Council with support of £594,000 ERDF aims to help local people find sustainable employment in the town by working closely with employers to improve links between workless people and available jobs.

The project meets the recruitment needs of local employers by connecting them to local unemployed people that have the skills and qualities they require. It works through a job-brokerage service that engages local employers, promotes inclusive recruitment practices and supports employers with recruitment, job-matching, employee retention and access to general

employment support.

Scarborough Job Match will work very closely with existing programmes run by the Learning and Skills Council and Jobcentre Plus that focus on improving the skills and employability of those without jobs by working with employers to improve their access to a pool of available labour and connect individuals who are 'work-ready' to identified vacancies.

The project aims to support 300 separate businesses with recruitment and help around 300 people in the town to gain employment. 36 new jobs are expected to be created as a direct result of the project.

Keyfund Yorkshire

This project is being brought forward by Keyfund Yorkshire Ltd and is supported by £1.4 million ERDF. It provides finance to help third sector social enterprises move away from grant dependency towards financial resilience through income generated from providing products and/or services. It also works with voluntary and community groups aspiring to become social enterprises and individuals aspiring to set up social enterprises.

Providing finance stimulates new social enterprises to develop and supports existing ones to grow. There is a

focus on areas of disadvantage and market failure, targeting social enterprises working with, employing or managed by women, ethnic minorities, disabled people, young people, or other target groups.

Investments will be grants and loans aimed at encouraging business growth and job creation. On repayment the funding will contribute to building a legacy fund for re-lending/re-investment in the Region's communities.

Europe Team news

Janet Lightfoot has joined Yorkshire Forward's Europe team as Personal Assistant to Malcolm Taylor, Head of European Operations. Janet is based in the Leeds Office

and can be contacted via janet.lightfoot@yorkshire-forward.com or 0113 394 9690.



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