

European Funding Shropshire Compact Briefing



Shropshire Compact

What is European Growth Programme 2014-2020?

European Structural and Investment Funds (ESIF) are the European Union's main funding programme for supporting growth and jobs. The period for funding will be from 2014-2020 and will ensure a more accessible process for those seeking and applying for funding. The new European Growth programme will run from 2014-2023 and is made up of:

- European Regional Development Fund (ERDF)
- European Social Fund (ESF)
- European Agricultural Fund for Rural Development (EAFRD)

Each of the 3 European Growth programme funding streams has a separate national Operational Programme document which sets out priorities and activities that the funding will support. These programmes will be signed off by European Commission in early 2015.

Similar European programmes are being established in Scotland, Wales and Northern Ireland. The European Maritime and Fisheries Fund also a European Structural and Investment Fund, will be aligned to but not a direct funding stream of the European Growth programme.

What is the value of the European Growth Programme 2014-2020?

The high level breakdown of the European funding available over the lifetime of the European Growth programme in England is: ¹

2014 to 2020 European Structural and Investment Funds Growth programme funding	Allocation for England Growth programme
European Regional Development Fund	€3.6 billion
European Social Fund	€3.5 billion
European Agricultural Fund for Rural Development	€221 million - The Rural Development Programme 2014 to 2020 has a total value of over £3.5 billion, of which €221 million will be invested through the European Growth programme to help promote rural economic growth.

The allocation of European Union funding must take into account 3 categories of region that are defined by the European Union. In England these allocations are split geographically:

Less Developed: Gross Domestic Product per capita is less than 75% of the European Union average. Cornwall and the Isles of Scilly is the only region in England in this category which means the European Commission can contribute a larger percentage of spend (intervention rate). The intervention rate is 80%

Transition: Gross Domestic Product per capita of between 75% and 90% of the European Union average. This category covers Cumbria, Tees Valley and Durham, Lancashire, Lincolnshire, East Yorkshire and North Lincolnshire, Shropshire and Staffordshire, Merseyside, South Yorkshire and Devon. The intervention rate is 60%

¹ Value of European Growth Programme, Department for Communities and Local Government

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

More developed: Gross Domestic Product per capita is above 90% of European Union average. The remainder of England falls into this category. The intervention rate is 50%

Management of the European Growth Programme and Governance

Funds in England are currently managed by:

- Department for Communities and Local Government for the European Regional Development Fund
- Department for Work and Pensions for the European Social Fund
- Department for Environment, Food and Rural Affairs for the European Agricultural Funds for Rural Development
- Marine Management Organisation for the European Maritime and Fisheries Fund

At a local level, Local Enterprise Partnerships (LEP) help plan and prioritise funding in their area.

Each Local Enterprise Partnership area is given a notional allocation of European Structural and Investment Funds for the full 7-year period of the European Growth programme.

The European Social Fund uses the 'opt-in model' so that national bodies can work on local priority policies that are part-funded by the European Structural and Investment Funds Growth programme.

Opt-in services for the European Social Fund are available from the:

- Skills Funding Agency
- Big Lottery Fund
- Department for Work and Pensions
- Local Enterprise Partnership projects using these services are agreed at a local level.

A national Growth Programme Board oversees the management of the European Regional Development Fund and the European Social Fund for the European Structural and Investment Funds Growth programme at a national level.

Growth Programme Board (Shadow Programme Monitoring Committee)

The Board covers all matters concerned with the European Regional Development Fund and the European Social Fund. The Board acts as a Programme Monitoring Committee for these 2 funds established in line with European Union regulations. It also makes sure funds are linked with the European Agricultural Funds for Rural Development projects.

Strategic themes of the European Structural Investment Fund (ESIF)

The five key strategic activities in the Marches LEP ESIF include:

- Enhancing Competitiveness, Research and Innovation and Enabling Technology
- Supporting the Shift Towards a Low Carbon Economy
- Supporting the Environment
- Employment and Skills
- Social Inclusion

The Voluntary, Community and Social Enterprise sector (VCSE) will lead on the social inclusion theme.

The Marches LEP includes Shropshire, Telford and Wrekin and Herefordshire. ²

For more information on the Social Inclusion theme and the work relating to this in the Marches LEP visit the Shropshire VCSA website. ³

² The Marches LEP ESIF Strategy http://www.marcheslep.org.uk/document-library/cat_view/12-eu-strategy-investment-fund

What are the aims and priorities for the European Growth Programme?

The European Growth programme will invest in projects that help support innovation, businesses, skills and employment to improve local growth and create jobs.

ERDF will contribute to smart, sustainable and inclusive growth in England. The priorities for ERDF are:

- research and innovation
- supporting and promoting small to medium sized enterprises
- creation of a low carbon economy.

European Social Fund contributes to growth in England by:

- increasing labour market participation
- promoting social inclusion
- developing the skills of the potential and existing workforce.

The programme incorporates Youth Employment Initiative money for a number of areas with very high rates of youth unemployment.

European Agricultural Fund for Rural Development helps promote strong rural economic growth through:



- building knowledge and skills
- supporting new and developing micro and small rural business
- investing in small scale renewable and broadband investments
- supporting tourism activities

For more specific information about the organisations involved (DCLG, DWP etc.), open calls, eligibility requirements etc. please refer to the [DCLG EU Funding Handbook](#).

European Funding– Who to contact: Kate MacDonald – VCSA Development Officer

To find out more:

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The Shropshire Compact

For more information about the Shropshire Compact use the details below:

 **Website:** <http://vcsvoice.org/the-compact/>

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