Coast to Capital ERDF Sector Specific Business Support Call Launch Event

Tuesday 25th July 2017

coast to capital
local enterprise partnership

European Union
European Regional Development Fund

Matthew Heath
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Thank you coming today

Matthew Heath,

ERDF Project Manager at
Coast to Capital LEP

What is Coast to Capital LEP?

Coast to Capital Local Enterprise Partnership (LEP) is a business-led collaboration between the private, public and education sectors across a diverse area which includes the London Borough of Croydon, East Surrey, Gatwick Diamond, Brighton & Hove, Lewes and West Sussex.

What is ERDF?

The European Regional Development Fund (ERDF) supports research and innovation, small to medium sized enterprises (SMEs), and the creation of a low carbon economy.

Value of the ERDF programme in Coast to Capital :

- £27m

Value of this ERDF call:

- £5m (18.5% of C2C's total ERDF allocation)

Coast to Capital ERDF Priorities

PA1 - SME/HE/public sector collaborative research and innovation

PA3 - Enhancing the Competitiveness of small and medium sized enterprises

PA4. Support low carbon sector & develop its supply chain

This call falls under Priority Axis 3 (PA3):
Enhancing the Competitiveness of small and medium sized enterprises.
Investment Priority 3c (IP3c):
Supporting the creation and the extension of advanced capacities for products, services and development.

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Coast to Capital Priority Sectors

- Advanced manufacturing and engineering
- Creative, digital and IT
- Health and life sciences
- Environmental technologies
- Financial and business services

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Required outputs under this call

Investment Priority 3c

C1 Number of enterprises receiving support
C2 Number of enterprises receiving grants
C3 Number of enterprises receiving financial support other than grants
C4 Number of enterprises receiving non-financial support
C5 Number of new enterprises supported
C6 Private investment matching public support to enterprises (grants)
C8 Employment increase in supported enterprises
C29 Number of enterprises supported to introduce new to the firm products
P2 Public or commercial buildings built or renovated
P13 Number of enterprises receiving Information, Diagnostic and Brokerage support

Desired target output numbers for overall £5m call

ID	Indicator	Target
C1	No. of enterprises receiving support	520
C2	No. of enterprises receiving grants	145
C4	No. of enterprises receiving non-financial support	305
C5	No. of new enterprises supported	240
C6	Private investment matching public support to enterprises (grants)	£1,650,000
C8	Employment increase in supported enterprises	200
C29	No. of enterprises supported to introduce new to the firm	325
P13	No. of enterprises receiving information, diagnostic and brokerage support	325

20 Key Points About the Call

- Call is open now (opened on Friday 30th June).
- Call closes at 23:59pm on Friday 8th September.
- Call is applied for directly via DCLG, who are the Managing Authority for ERDF in the UK.
- Coast to Capital LEP 's ESIF Sub-Committee feeds into the process by assisting with local strategic fit.
- All of the application forms and guidance you require can be found on the Gov.uk website.
- A link to this can be accessed via the Coast to Capital European funding webpages.
- ERDF Project Manager at Coast to Capital can offer technical assistance for anything not clear in the guidance.
- Call is worth £5m ERDF (£10m total value).
- Match is set at 50%, so applicants will need to be able to match the ERDF value via either their own and/or partner cash match, beneficiary contributions, or staff time.
- Match used must be "clean" (i.e. non-European funding source).
- State Aid rules apply - information on this can be found on the Gov.uk website.
- Projects worth £1m to £10m total value (£500k to £5m ERDF) will be considered.
- 3 C2C key sector based themes; Digital, Life Sciences, Advanced Manufacturing & Engineering.
- Digital theme has 1 lot, Life Sciences theme has 2 lots, Advanced Manufacturing & Engineering theme has 3 lots.
- There is total flexibility within the call to apply against as many or as few of the themes or lots as you like.
- Projects can only support Small to Medium sized Enterprises (SMEs) – meaning less than 250 employees and under £50m turnover.
- Project beneficiary SMEs must be based within the Coast to Capital LEP area.
- Grant schemes are eligible but loan funds are not.
- Projects can run for up to 3 years.
- There is no indicative allocation of funding between capital and revenue activity, both capital and revenue is eligible dependent on the nature of activities / investment priorities set out in the call.

Digital Sector Support Theme

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Two aspects to the Digital Sector Support Theme

- Supporting the take-up of digital technologies in SMEs in priority sectors and the wider economy

- Supporting the CDIT sector itself

Digital Network of Excellence

What will the Call be for:

- Support for projects to develop digital hubs in Coast to Capital

What will the Hubs do?

- Provide digital support for SMEs and start-ups and signpost them to funding
- Help to develop the digital sector in Coast to Capital

Who is the target market?

- SMEs and start-ups in priority sectors and high employment sectors
- The digital sector itself

Life Sciences Sector Support Theme

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Life Sciences

Support the life sciences sector in Coast to Capital

- ***Lot 1 Stimulating innovation across niche sectors***
- Support new technologies to develop niche markets across sectors, e.g. Sensors leading to new e health products
- Tech transfer
- Supply chain support
- SMEs to build relationships with international Life Sciences clusters
- Can include voucher scheme for SMEs to engage with other SMEs/ Large companies

Life Sciences

Support the life sciences sector in Coast to Capital

Lot 2: Meeting skills demand across the life sciences sector

Support a group of SMEs from the Coast to Capital Life Sciences Cluster to:

- identify recruitment shortage
- organise events with HEIs
- share resources

Local placements for graduates

Encourage more women to enter Life Sciences as a career

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Advanced Manufacturing & Engineering Sector Support Theme

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Advanced Manufacturing & Engineering (AME) Call 3 Lots

1

Lot 1: Accessing prototyping and testing facilities

2

Lot 2: Specialised business support/ mentoring for AME sector & cluster development

3

Lot 3 Accessing the technologies of the future

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AME Lot 1: Accessing prototyping and testing facilities

- Mapping of prototyping and testing facilities
- Promotion of the facilities to SMEs
- Support partnership agreements between facility owners and SMEs
- Advice and guidance to help SMEs develop new products using facilities
- Sign posting to relevant grant schemes for innovation

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AME Lot 2: Specialised business support/ mentoring for AME sector and cluster development

- Specific business support scheme dedicated to the AME sector
- Advice and guidance offered to help AME SMEs develop new products and services
- Support AME clusters and supply chains
- Sign-post to relevant grant schemes, national or European

AME Lot 3 Accessing Technologies of the future

- Workshops, events, road shows to demonstrate breakthrough technologies and opportunities to AME SMEs e.g. robotics, internet of things, augmented reality.
- Vouchers (£1k minimum) for AME SMEs to access labs and facilities, linking to Lot 1 and assist with hire of facilities
- Help to develop facilities where there are gaps

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ESIF Growth Programme

- Notional allocations of funding allocated to Local Enterprise Partnership (LEP) areas to stimulate local growth and ensure outcomes are delivered
- Spend and outputs targets to be achieved from 2018 onwards
- Each LEP area has a local sub-committee of the GPB to provide the Managing Authority with advice on applications' strategic fit with local priorities and value for money
- Projects funded in local areas must align with the Operational Programme and the local strategy

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ESIF Growth Programme

ERDF Priority Axes

- The OP sets out 10 ERDF Priority Axes:
  - PA 1: Strengthening research, technological development and Innovation
  - PA 2: Enhancing access to, and use and quality of, ICT
  - PA 3: Enhancing the competitiveness of SMEs
  - PA 4: Supporting the shift towards a low carbon economy in all sectors
  - PA 5: Promoting climate change adaptation, risk prevention and management
  - PA 6: Preserving and protecting the environment and promoting resource efficiency
  - PA 7: Sustainable transport in Cornwall and Isles of Scilly
  - PA 8: Promoting social inclusion and combating poverty and any discrimination
  - PA 9: Technical Assistance

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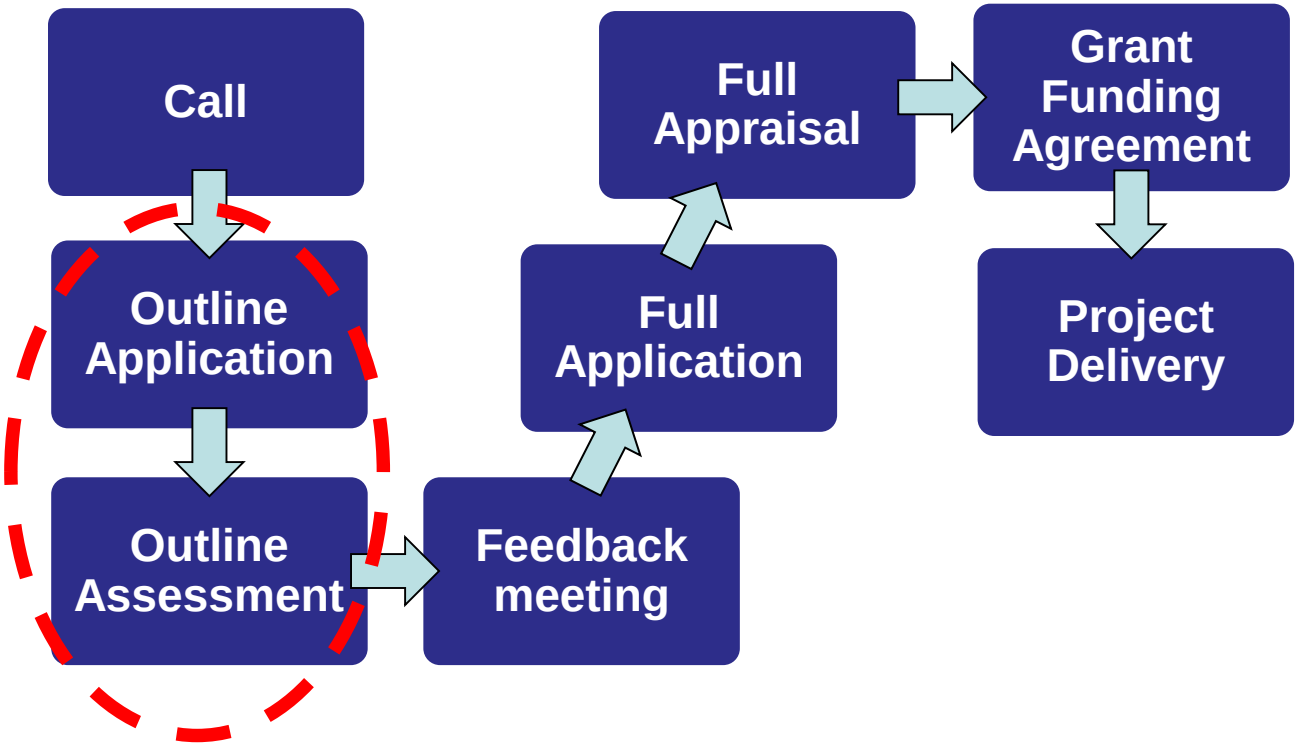
The Applicant's Journey - Overview



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Outline Application process

- Managing Authority (MA) publishes **the Call** incorporating advice from the local ESIF sub-committee
- Applicant submits an **Outline application** to the MA
- MA prepares an **Outline Assessment** – Gateway and Core
- If successful at Gateway, the LEP Area **ESIF sub-Committee provides advice** on strategic fit and value for money (VFM)
- MA completes the **Outline Assessment**
- Applicant receives a **written response**
- Successful applicants invited to attend a **feedback meeting**

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Where to start?

- Find the **Call Specification** on *Funding Finder*
- Refer to the **Operational Programme** – activities that do not contribute to the Operational Programme are ineligible for ESIF support
- Refer to the priorities and targets of the local **ESIF strategy** for the area/s covered by your project; and
- the **national guidance** available which sets out the rules under which the ESIF programme is governed and managed.

Strategic alignment is crucial.

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https://www.gov.uk/guidance/england-2014-to-2020-european-structural-and-investment-funds

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What to submit:

- **Outline Application Form** – (15- 20 pages?)
  ESIF outline application form (Word template 10 pages)

- **Financial Annex** – Excel template (3 tabs)
  ERDF outline application financial tables annex

- **Deliverables Annex (Outputs**) – Excel template (2 tabs)
  ERDF outline application deliverables table annex

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Key areas of the application

1.0 Applicant Details *Get the basics right!*

2.0 Project details

2.6 Project Description *The business case (350 words)*

Clear and realistic aim – what and how

Justification – is it eligible? Added value?

SMART and focussed activities

3.0 Strategic Fit *Call*

Operational Programme (Priority Axes)

Local ESIF Strategy

4.0 Timetable *Is it realistic? 3 years max.*

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Key areas of the application

6.0 Costs and Funding *Figures should match the* ***Finance annex!***

7.0 Added Value

8.0 Outputs and Results *Any figures should match the* ***Deliverables annex!***

9.0 Management and Control

10.0 Compliance ***Procurement / State Aid*** */ Publicity*

11.0 Cross Cutting Themes Sustainability/Equality and Diversity

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Outline Assessment

Part 1. Project Summary

Part 2. Gateway Assessment

Part 3. Core Selection Criteria

Part 4. Decision

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Outline Assessment
- Gateway Assessment

- Is the **project proposer** eligible?
- Is the **proposed activity** and associated **expenditure** eligible?
- Is there clear evidence that it contributes to the needs or opportunities identified in:
  - **the Call**
  - **the Operational Programme**
    - specific objectives
    - outputs (relevant priority axes)

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Outline Assessment
- Core Selection Criteria

- Strategic Fit – advice from Sub-Committee
- Value for money – advice from Sub-Committee
- Deliverability
- Management and Control
- Compliance
  - Procurement
  - State Aid
  - Publicity
- Cross Cutting Themes
  - Sustainability
  - Equality and Diversity

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Top tips

- Be clear, simple, focused and concise in both the project proposal and its presentation – we want to understand it – what is the project going to do; why is it needed; who is going to do the activity; how are they going to do it; how much will it cost and what are the outcomes? Think about how you will manage a complex project.

- Be clear about the delivery partners (as far as you are able at Outline stage)

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- Check eligibility of activity – look at Operational Programme and National Eligibility Rules/Guidance; look at indicative activities under the relevant Priority Axes/Investment Priorities – then develop your project – don't shoehorn your idea into the Programme

- How does the proposal link to strategic priorities and the local area ESIF Strategy; how does it demonstrate value for money; how does it provide additionality (we're not looking for "more of the same"); what is the gap that the proposal aims to fill?

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- Make sure match funding is clean and directly contributing to the project; confirm what it is and the source – we will want confirmation from match funders at full application stage

- Provide informed rationale/evidence for setting the Output levels – if a good VFM explanation is given then it helps us understand the context/challenges if proposed outputs are low

- Be clear who, in terms of personnel, is involved in delivering the project and what their role and activity will be. Relate each member of the project to the salaries levels in the detailed Financial Budget Breakdown.

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- Budget for the Summative Assessment (not more than 1% of Total Project Value) and explain how you're going to procure for the work

- Carefully consider the key compliance issues of state aid, procurement and publicity. We want reassurance that you have a clear argument

- Apply the state aid test at all levels to identify the aid correctly and explain the chosen state aid solution – if going for de minimis, then explain why you're not going for GBER

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- Explain how you are going to implement your organisation's procurement policy
- Commission place importance on publicity – follow the guidance on logos and references to ERDF
- Think about future audit requirements and the administration you need to do to keep the audit trail and have it easily retrievable. Avoid overly complex projects.
- Answer all the questions in the application form

Which project role(s) do you see yourself in?

- Lead Partner
- Delivery Partner
- Strategic Partner
- Consultant
- Bid Writer
- Match Funder
- Beneficiary SME

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Useful Links

ERDF Call Specification & Application Page (DCLG, Gov.uk)

https://www.gov.uk/european-structural-investment-funds?keywords=coast+to+capital&fund_state%5B%5D=open&funding_source%5B%5D=european-regional-development-fund

Coast to Capital ERDF Page

http://www.coast2capital.org.uk/european-regional-development-fund/

Thank you for your time

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Networking Slot

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