

**Coast to  
Capital**



**ERDF Call  
Launch  
Event**

10 July 2019



# Welcome and Introductions

Matthew Heath, ERDF Project Manager



# Overview of the Coast to Capital ERDF Programme

Matthew Heath, ERDF Project Manager



# 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.



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Development Fund

# Coast to Capital LEP Area ERDF Priorities

## **Priority Axis 1**

SME/HE/Public Sector  
Collaborative Research  
& Innovation  
**(Innovation)**

## **Priority Axis 3**

Enhancing the  
Competitiveness of  
SMEs  
**(Business Support)**

## **Priority Axis 4**

Support Low Carbon  
sector & Develop its  
Supply Chain  
**(Low Carbon)**



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# Coast to Capital ERDF Allocation

## £31.1m ERDF:

- **£12.1m ERDF for Priority Axis 1: Innovation**
  - £1.1m Contracted, £10.4m Pipeline, **£0.6m in June 2019 Call**, £0.0m Performance Reserve, £0.0m ERDF Unallocated.
- **£11.8m ERDF for Priority Axis 3: Business Support**
  - £1.7m Contracted, £6.2m Pipeline, **£3.9m in June 2019 Call**, £0.0m Performance Reserve, £0.0m ERDF Unallocated.
- **£7.1m ERDF for Priority Axis 4: Low Carbon**
  - £0.5m Contracted, £2.6m Pipeline, **£4m in June 2019 Call**, £0.0m, performance Reserve, £0.0m ERDF Unallocated.



# Coast to Capital ERDF Allocation

5 ERDF projects have been contracted to date:

**“BRAIN” - Priority Axis 1 (Innovation) - Lead Partner: SINC (University of Sussex) - ERDF Value: £600k**

**“DRIVA” - ERDF Priority Axis 1 (Innovation) - Lead Partner: University of Brighton - ERDF Value £500k**

**“Export ASEAN” - Priority Axis 3 (Business Support) - Lead Partner: Newable - ERDF Value: £1.1m**

**“South East International Business Growth” - Priority Axis 3 (Business Support) - Lead Partner: Newable - ERDF Value: £500k**

**“Utilise Plus” - Priority Axis 4 (Low Carbon) - Lead Partner: Sustainable Business Partnership - ERDF Value: £500k**



# Gatwick 360 and The South2East Energy Strategy

Matthew Heath, ERDF Project Manager

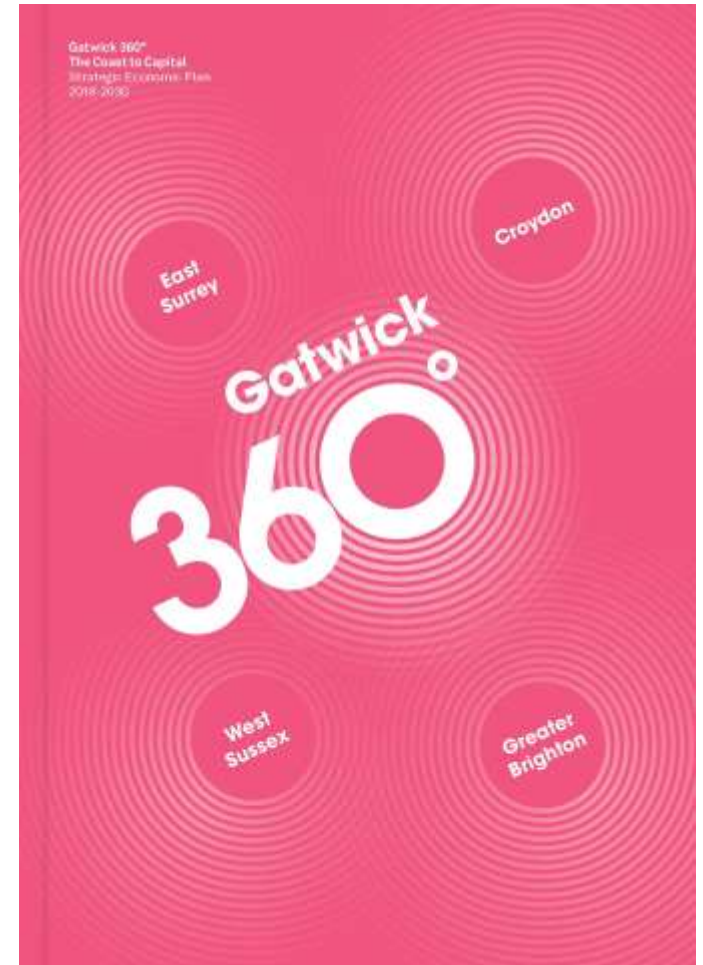




# Gatwick 360

Overview of the related aims of the  
Coast to Capital Strategic  
Economic Plan:  
“Gatwick 360”

<http://www.coast2capital.org.uk/sep/>



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# Gatwick 360 Vision

**“Our vision by 2030 is for our towns and cities to be known around the world as fantastic places to live, to grow and to succeed. We will become the most dynamic non-city region in England, centred around a highly successful Gatwick airport.”**



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# The Eight Priorities



Deliver prosperous urban centres



Develop business infrastructure and support



Invest in sustainable growth



Create skills for the future



Pioneer innovation in core strengths



Promote better transport and mobility



Improve digital network capability



Build a strong national and international identity



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# Energy South2East

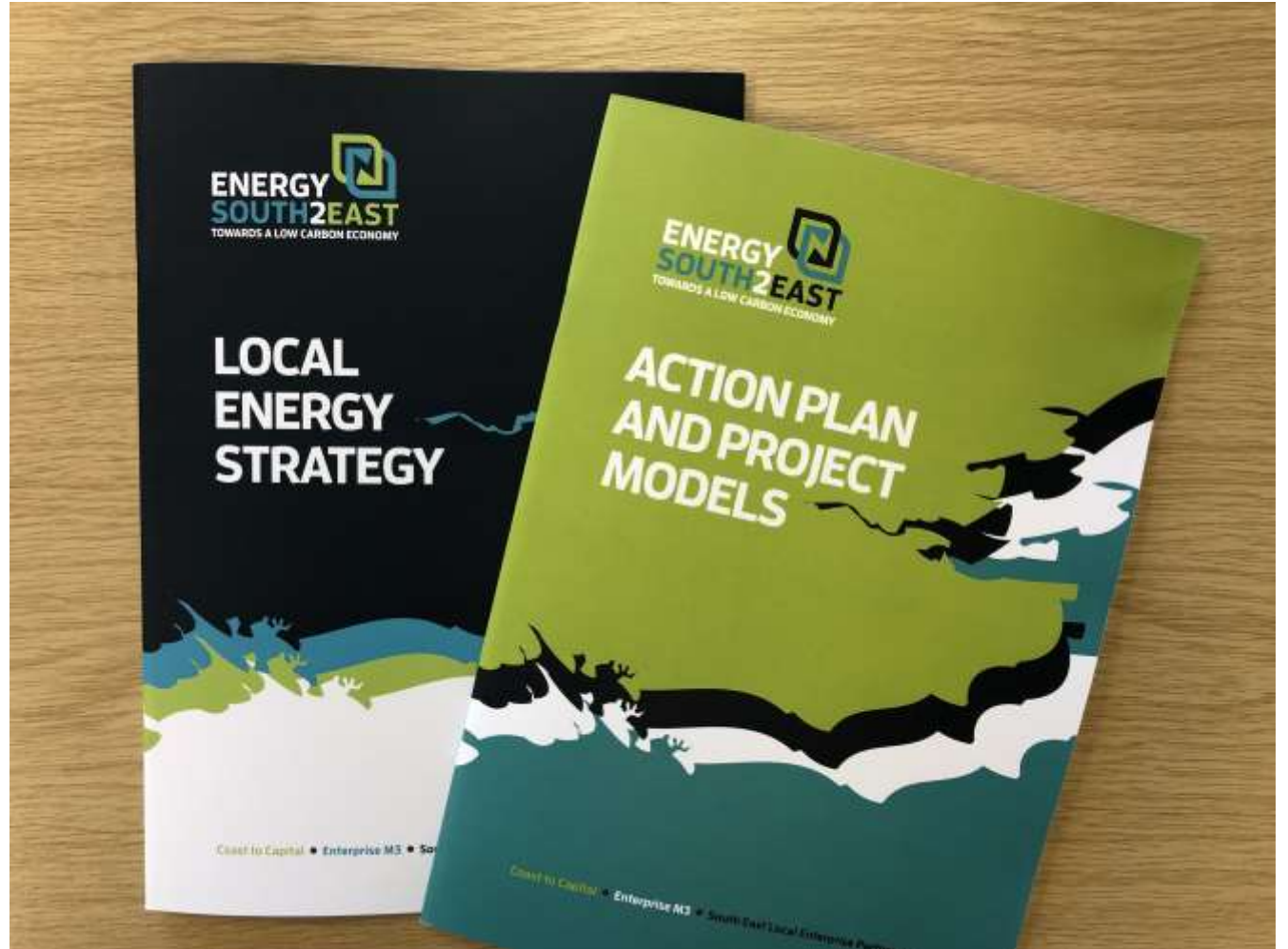
- Tri-LEP Energy Strategy – Coast to Capital, South East, Enterprise M3
- Launched 25<sup>th</sup> March 2019
- Co-produced by Siemens

## Local Energy Strategy

<https://www.southeastlep.com/app/uploads/2019/03/Local-Energy-Strategy-FINAL.pdf>

## Action Plan & Project Models

[https://www.southeastlep.com/app/uploads/2019/03/Action-plan-and-project-models\\_FINAL.pdf](https://www.southeastlep.com/app/uploads/2019/03/Action-plan-and-project-models_FINAL.pdf)



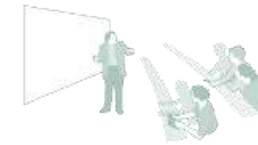
# What the energy strategy is for



The strategy reflects energy-related aspects of the Industrial Strategy



Responds to national trajectory for decarbonisation and clean growth



Makes reference to other national and local energy and low carbon policy.






*“In addition to providing a strategic framework that informs the actions which LEPs and their partners take on energy, the LEP energy strategies should provide a valuable evidence base for use by central government.”*

BEIS 2017



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# The 5 Key Themes and 18 Project Models

 <b>LOW CARBON HEATING</b>		 <b>ENERGY SAVING AND EFFICIENCY</b>		 <b>RENEWABLE GENERATION</b>		 <b>SMART ENERGY SYSTEM</b>		 <b>TRANSPORT REVOLUTION</b>	
1 District Heat Networks rollout	2 Off-gas grid homes	4 Offshore wind development	5 Solar and microgrid on landfill sites	12 EV charging & hydrogen-fuelling infrastructure					
2 Off-gas grid homes	9 Energy Efficiency in homes	5 Solar and microgrid on landfill sites	11 Housing and community microgrids	13 CNG fleet fuelling					
3 Hydrogen injection into the Natural Gas grid	10 SME Support Programme	6 Biomass fuel supply chain development	12 EV charging & hydrogen-fuelling infrastructure	14 Ports - modernisation of energy infrastructures					
16 New-build homes on hydrogen grid		7 Solar energy for Network Rail	15 Setup of ESCO / MUSCO infrastructure						
		8 Car parks - solar potential	18 Support developments in CO2 capture						
		17 Biofuel evolution							



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# Priority Axis 4: Low Carbon Call

£4m ERDF

Matthew Heath, ERDF Project Manager

# ERDF PA4 Gatwick 360 Link

## Priority 3: Invest in Sustainable Growth

In preparation for a Local Industrial Strategy 2018 - 2020	Delivering our vision to 2030
Identify the areas which will benefit most from environmental investment in order to support economic growth.	Develop green infrastructure policies to help pilot Government priorities, including low carbon design, and consider how to apply them to proposed major developments in the area.
Be an active partner to Government in the development of the 25 Year Environment Plan and to promote the importance of natural capital in our area.	<b>Implement the recommendations from the Energy South2East strategy.</b>
<b>Finalise the Energy South2East strategy (Coast to Capital, Enterprise M3 and South East Local Enterprise Partnership) and continue supporting the development of the Greater South East Local Energy Hub.</b>	<b>Support low-carbon growth and innovation through knowledge transfer from our area's universities.</b>
Investigate what is needed to create a regulated market place for investment in natural assets and services.	Agree development standards for waste and water use and management.
Bring together local authorities, utility providers and neighbouring Local Enterprise Partnerships to identify potential for development standards for water and waste use and management.	



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# ERDF Priority Axis 4 (Low Carbon): Supporting the Shift towards a Low Carbon Economy in All Sectors

£4 million ERDF available – for funding 1-8 projects

## Investment Priorities:

- **IP4a** Promoting the production and distribution of energy derived from renewable sources.
- **IP4b** Promoting energy efficiency and renewable energy use in enterprises.
- **IP4c** Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector.
- **IP4e** Promoting low-carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multimodal urban mobility and mitigation-relevant adaptation measures.
- **IP4f** Promoting research and innovation in, and adoption of, low-carbon technologies.

**PLEASE NOTE: YOU CAN ONLY APPLY FOR ONE PRIORITY AXIS PER APPLICATION**



# Outputs under Priority Axis 4 (Low Carbon)

## Investment Priority 4a

C1	Number of enterprises receiving support
C5	Number of new enterprises supported
C30	Additional capacity for renewable energy production
C34	Estimated annual decrease of greenhouse gases

## Investment Priority 4b

C1	Number of enterprises receiving support
C34	Estimated annual decrease of greenhouse gases

## Investment Priority 4c

C31	Number of households with improved energy consumption
C32	Decrease of annual primary energy consumption of public buildings
C34	Estimated annual decrease of greenhouse gases

## Investment Priority 4e

C1	Number of enterprises receiving support
C34	Estimated annual decrease of greenhouse gases

## Investment Priority 4f

C1	Number of enterprises receiving support
C5	Number of new enterprises supported
C26	Number of enterprises cooperating with research entities
C29	Number of enterprises supported to introduce new to the firm products
C34	Estimated annual decrease of greenhouse gases

# Local Priorities

Proposals should demonstrate alignment with local development need and priorities including:

- The aims of the Coast to Capital ESIF Strategy 2014-2020
- The vision and priorities of the Coast to Capital Strategic Economic Plan (Gatwick 360°) where this is eligible ERDF activity
- The aims of the Energy South2East Strategy and associated Action Plan and Project Models
- Working with the Coast to Capital Growth Hub

We would particularly like to encourage project applications which address the following themes:

- Renewable energy.
- Energy Efficiency.

**Applicants are invited to submit bids which respond to the aims of the Energy South2East strategy, which covers the Coast To Capital, Enterprise M3 and South East LEP areas. Applications can either cover a single LEP area or multiple LEP areas. If applying to more than one LEP area, applicants should submit a single application quoting the PA4 call references for each of the LEP areas.**



# Priority Axis 3: Business Support Call

£3.9m ERDF

Matthew Heath, ERDF Project Manager



# ERDF PA3 Gatwick 360 Link

## Priority 2: Develop business infrastructure and support

In preparation for a Local Industrial Strategy 2018 - 2020	Delivering our vision to 2030
Carry out a study into business space availability and barriers preventing the development of new space in the area.	<b>Actively support delivery of business space for the area, including through statutory and market-led frameworks and incentives.</b>
Identify new and existing sites for investment to bring forward high quality business space for a variety of different needs.	Develop ways to match business growth to long term investment, such as Foreign Direct Investment and business rate retention.
Secure additional funding through the Local Industrial Strategy and private investment to support delivery of business space in our area.	<b>Prioritise the growth and development of medium-size businesses in the area through active support and promotion, including export potential.</b>
Carry out a review of existing funding, including our Growing Places Fund, to maximise the support available for developing business space.	
<b>Increase support to scale-up and growth potential businesses, through investment in our Growth Hub and other support services.</b>	
Develop a co-ordinated approach to business export support across the area.	

# ERDF Priority Axis 3 (Business Support): Enhancing the Competitiveness of small and medium sized enterprises

£3.87m ERDF available – for funding 1-7 projects

## Investment Priorities:

- **IP3a (Start-up focus)**

Promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and fostering the creation of new firms, including through business incubators.

- **IP3c (Scale-up focus)**

Supporting the creation and the extension of advanced capacities for products, services and development.

- **IP3d (Export focus)**

Supporting the capacity of small and medium sized enterprises to grow in regional, national and international markets and to engage in innovation processes.

**PLEASE NOTE: YOU CAN ONLY APPLY FOR ONE PRIORITY AXIS PER APPLICATION**



# Outputs under Priority Axis 3 (Business Support)

## Investment Priority 3a

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
C28	Number of enterprises supported to introduce new to the market products
P2	Public or commercial buildings built or renovated
P11	Number of potential entrepreneurs assisted to be enterprise ready

## Investment Priorities 3c & 3d

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

# Local Priorities

Proposals should demonstrate alignment with local development need and priorities including:

- The ERDF Priority Axis 3 aims of the Coast to Capital ESIF Strategy 2014-2020
- The vision and priorities of the Coast to Capital Strategic Economic Plan (Gatwick 360°) where this is eligible ERDF activity
- Complementarity with existing ERDF projects in the Coast to Capital LEP area – a listing of which can be found here – ensuring that there is no duplication or overlap
- Working with the Coast to Capital Growth Hub

We would particularly like to encourage project applications which aim to:

- Support scale-up SMEs.
- Develop a co-ordinated approach to SME export support.





# Priority Axis 1: Innovation Call

£0.6m ERDF

Matthew Heath, ERDF Project Manager



# ERDF PA1 Gatwick 360 Link

## Priority 5: Pioneer Innovation in Core Strengths

In preparation for a Local Industrial Strategy 2018 - 2020	Delivering our vision to 2030
Create a 'New University' task group to explore the best way to increase higher education research presence in the Gatwick Diamond or Croydon.	Support the development of innovation in our sub-sector strengths and in line with the specialisms identified in the Innovation South Science and Innovation Audit.
Support the expansion of the Sussex Innovation Centre to widen the reach of expertise and support to businesses and science parks.	Identify additional opportunities to grow the network of innovation centres.
Support the growth of immersive technologies and of 5G connectivity through the expansion of the Digital Catapult Centre Brighton.	Support the development of business incubation, maker and innovative work space for emerging tech companies.
Provide business support and access to finance to innovative growth potential businesses through the Growth Hub and other initiatives.	Develop a capital fund to support tech companies to expand.
Actively support the development of an Innovation South Strength in Places Fund bid to support the development of existing research strengths into commercial opportunities.	



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# ERDF Outputs under Priority Axis 1

## Investment Priority 1b

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
C26	Number of enterprises cooperating with research entities
C28	Number of enterprises supported to introduce new to the market products
C29	Number of enterprises supported to introduce new to the firm products
P2	Public or commercial buildings built or renovated

# Local Priorities

Proposals should demonstrate alignment with local development need and priorities including:

- The ERDF Priority Axis 1 aims of the Coast to Capital ESIF Strategy 2014-2020
- The vision and priorities of the Coast to Capital Strategic Economic Plan (Gatwick 360°) where this is eligible ERDF activity
- Complementarity with existing ERDF projects in the Coast to Capital LEP area – a listing of which can be found here – ensuring that there is no duplication or overlap
- Working with the Coast to Capital Growth Hub

# Some key points when applying for ERDF

1. The Call Window is open (as of Friday 28 June 2019), and closes at 23:59pm on Friday 30 September 2019 –just over 11 weeks to draft and submit your Outline Application
2. Outline Applications are sent directly to MHCLG, who are the Managing Authority for ERDF in the UK. All of the forms and guidance is on the MHCLG website, as is the Call document
3. Minimum project value is £1m (£500k ERDF/£500k Match Funding). The ERDF intervention rate is set at a maximum of 50%. Match funding can exceed the 50%
4. Projects can only support Small to Medium sized Enterprises (SMEs) – under 250 employees and £50m turnover - based within the Coast to Capital LEP area
5. There is no fixed ratio between Capital and Revenue costs on these Calls

# ERDF Programme 2014-20 and the Application Process

Graham Watt

Greater South East Growth Delivery Team

Ministry of Housing, Communities & Local Government (MHCLG)



## Where to start with your application?

- Go to [www.gov.uk/guidance/england-2014-to-2020-european-structural-and-investment-funds](http://www.gov.uk/guidance/england-2014-to-2020-european-structural-and-investment-funds) and find the **Call Specification** on *Funding Finder*
- Refer to the **Operational Programme** – activities that do not contribute to the Operational Programme are ineligible for ERDF support
- Refer to the priorities and targets of the local **European Structural and Investment Fund (ESIF) strategy** for the LEP 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**



England 2014 to 2020 European Structural and Investment Funds

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Guidance

## England 2014 to 2020 European Structural and Investment Funds

Information about the European Structural and Investment Funds programme for 2014 to 2020 in England.

Published 16 July 2015  
Last updated 28 March 2019 — [see all updates](#)  
From: [Ministry of Housing, Communities & Local Government](#), [Department for Environment, Food & Rural Affairs](#), [Department for Work and Pensions](#), and [Department for Business, Energy & Industrial Strategy](#)



**European Union**  
European Structural and Investment Funds

10:23 20/06/2019

England 2014 to 2020 European Structural and Investment Funds

## Applying for European Structural and Investment Growth programme funds

There are 2 routes to apply for funding.

### Route 1: Funding Finder

Through this route funding opportunities for all of the ERDF, part of the EAFRD and part of the ESF are available.

Apply through the [Funding Finder](#).

### Route 2: Co-financing (European Social Fund only)

Also known as opt-in organisations, a large proportion of ESF money is available through this alternative route. Co-financing means that ESF can cover up to 100% of an approved project's eligible costs.

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10:34 20/06/2019





England 2014 to 2020 European Structural and Investment Funds

Information about the European Structural and Investment Funds programme for 2014 to 2020 in England.

Published 16 July 2015  
Last updated 28 March 2019 — [see all updates](#)  
From: [Ministry of Housing, Communities & Local Government](#), [Department for Environment, Food & Rural Affairs](#), [Department for Work and Pensions](#), and [Department for Business, Energy & Industrial Strategy](#)

European Union  
European Structural and Investment Funds

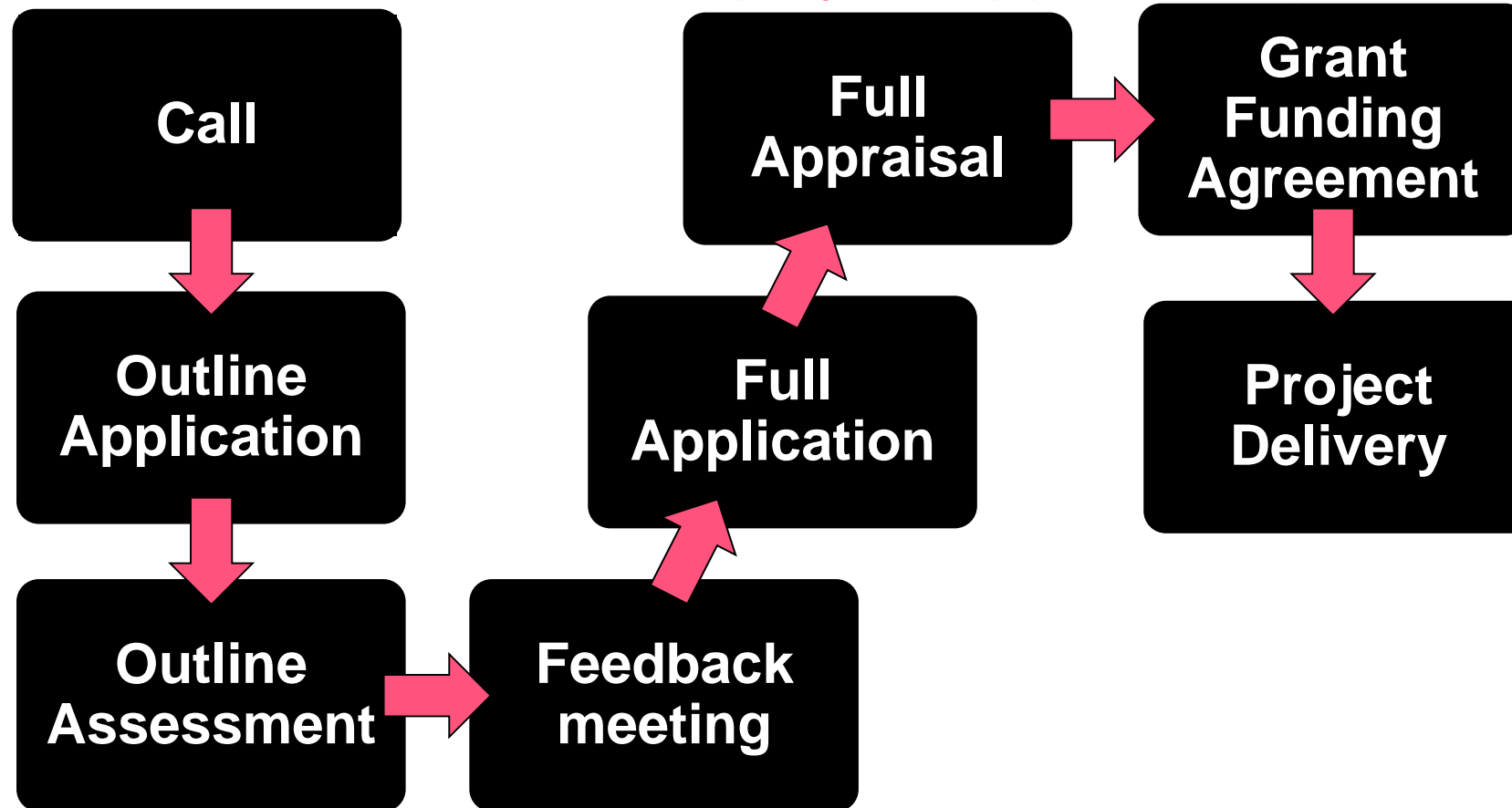
**Programme guidance, forms, publicity and performance information**

- [Case Study Booklets](#)
- [Community Led Local Development](#)
- [Counter Fraud](#)
- [Document Retention](#)
- [Eligibility](#)
- [ERDF Financial Instruments](#)
- [ESF Action Notes: 2014 to 2020 Programme](#)
- [ESF claim applications and Self-Declared Adjustments](#)
- [ESF online full applications](#)
- [Evaluation of ERDF](#)
- [Evaluation of ESF](#)
- [Full application](#)
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## Overview of overall ERDF project application process



## Application process

- ❑ Managing Authority (MA) publishes the **Call Specification** having sought advice from the local ESIF sub-committee
- ❑ Applicant submits an **Outline application** to the MA
- ❑ MA prepares an **Outline Assessment** – Gateway and Core
- ❑ If the assessment is satisfactory the LEP Area **ESIF sub-Committee provides advice** on strategic fit and value for money
- ❑ MA completes the **Outline Assessment**, if successful applicant invited to submit a **Full Application**

## Application process 2

- MA invites applicant to a feedback meeting to discuss issues arising from the Outline Application
- Applicant has 6-8 weeks to compile the **Full Application** and submit it
- MA carries out an **appraisal** of the Full Application
- When complete, it will be discussed by the local ESIF sub-Committee who will provide further advice on strategic fit and value for money
- MA makes investment decision
- MA issues a **Grant Funding Agreement**

## Outline Assessment

- Outline application form and the MA's outline assessment form have been streamlined and are much shorter now
- 2 stage assessment
- First – Gateway assessment - is the **project proposal** eligible?
- Second – Investment Criteria – focuses on **strategic fit; value for money; and deliverability** (including procurement, state aid, budget, match funding)

## Full Application

New streamlined process at Outline means that detailed appraisal of the proposal takes place at Full Application stage

Covers:

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

## Top Tips for the Outline Application

- We're looking for a clear and informative Project Description with links to the Operational Programme, Call, ESIF Strategy
- Be clear about what the project is going to do; why is it needed; who is doing the activity and how; the cost and expected outcomes?
- Make sure proposed activity is eligible
- Try to avoid overly complex projects
- Consult with potential delivery partners
- Match must be clean and directly contribute to the project

## Considerations for the Full Application

- How does the proposal demonstrate value for money and additionality?
- Provide informed rationale for the Output levels set - a good VFM explanation helps MA understand the context/challenges if proposed outputs are low
- A simplified structure and scope for delivery - how will you manage the project/create capacity; staff roles (salaries in budget)?
- Compliance - carefully consider State Aid, Procurement and publicity - we want reassurance that you have a clear argument/plan.



## Considerations for the Full Application 2

- Apply the State Aid test at all levels - to identify the aid correctly and explain the chosen state aid solution, whether it's De Minimis or the EC General Block Exemption Regulations (GBER)
- Procurement – be robust about your procedures and approach for delivery
- Think about future audit requirements eg record keeping
- Look at key guidance docs and regulations - e.g. State Aid, Outputs etc
- Use plain English and ensure the document and annexes are fully complete
- Contact your LEP with any queries

# Next Steps

Matthew Heath, ERDF Project Manager

**The deadline for submission of your Outline Application to MHCLG is Friday 30 September – so you have just over 11 weeks to write it. Before you even start on that you should do the following:**

Build your partnership / identify match funding solutions:

- Identify your delivery and strategic partners and think about your match funding structure.

Study the following documentation:

- Published ERDF PA1, PA3, PA4 Call Documents
- ERDF Outline Application Guidance
- ERDF Outline Application Form and Annexes
- Coast to Capital's ESIF Strategy 2014-2020
- Gatwick 360° (Coast to Capital's Strategic Economic Plan)
- South2East Energy Strategy

Be aware of:

- Existing PA3/PA4 ERDF projects in the Coast to Capital area

If you have any eligibility / application queries please contact:

- Matthew Heath (Coast to Capital) / Tina Collopy (MHCLG)



# Coast to Capital



Thank You

