

LEEDS CITY REGION ESIF PROGRAMME UPDATE

WELCOME FROM ROGER MARSH OBE

Happy New Year to all our ESIF Stakeholders.



Since our last communication with you in October, I am pleased to say that work is progressing well on the further implementation of the ESIF Programme in the Leeds City Region.

I am excited to see some key projects now starting to deliver the vital support that we know is in demand in our City Region, such as start-up finance for new and early-stage firms with growth ambitions and help for businesses to explore opportunities in international markets. You can read about some of the recently approved projects in our case studies section.

2017 will be a critical year in the delivery of the ESIF programme in the City Region as we try to ensure that more projects that help our businesses and communities to develop and grow are supported. I look forward to working with you all to continue our progress in the year ahead.

Kind Regards,

Roger Marsh OBE

Chair of the Leeds City Region ESIF Sub-Committee and Chair of the Leeds City Region Enterprise Partnership

WHAT'S NEW?

In the Leeds City Region, over 25 projects are now approved. Further detail around some of the exciting work happening within these projects is covered in the [case studies section](#).

Northern Powerhouse Investment Fund (NPIF)

The British Business Bank has worked in partnership with Local Enterprise Partnerships (LEPs) in the North West, Yorkshire & the Humber and Tees Valley to create a Northern Powerhouse Investment Fund (NPIF) of over £400m. The fund is the result of a unique and important partnership between the Bank and the ten LEPs. This funding will be used for loans and investments directly to smaller businesses to boost economic growth and productivity in the Northern Powerhouse and is expected to be launched in

March 2017, when specialist fund managers are expected to be appointed. For more information, please see the British Business Bank [website](#). It is part funded by the European Regional Development Fund (ERDF).

NEWS – ESIF PRODUCT DELIVERY

Sustainable Urban Development (SUD)

The SUD strategy has now been formally approved between DCLG and West Yorkshire Combined Authority (CA). The funding assigned to SUD (approximately £15m grant) aims to unlock key growth sites within the Leeds City Region as urban centres, with a particular focus on the utilisation of innovative green infrastructure and flood remediation. Work is therefore now taking place at speed to put in place appropriate operating protocols. This is expected to take place by early 2017 which would then allow the CA to progress Calls in this area with the Managing Authority (MA).

For more information on the SUD Strategy please see Annex 4 of the [Leeds City Region ESIF Strategy](#).

Community-Led Local development (CLLD)

Following successful community engagement, six areas (South Leeds, Inner East Leeds, Keighley, Wakefield, Bradford and Leeds West) have developed Local Development Strategies, which identify local solutions to local needs in order to support areas that fall within the 20% most deprived nationally. Each area created the space for residents, statutory, voluntary and private sector business and commercial organisations, including those least likely to engage with existing national programmes, to identify the key issues in an area which could benefit from further investment. Each five-year strategy sets out how best to stimulate local economies to deliver jobs and growth, provide individual pathways to integration and re-entry into employment and improve the integration of marginalised families and communities.

The Lead Applicants in each area have now been asked to submit full applications for ERDF and the European Social Fund (ESF). If successful, delivery should start later in 2017.

Further ESF Programme Development

During the autumn, further work was undertaken to consider how best to use ESF to help deliver key ambitions set out in the newly refreshed Leeds City Region Employment and Skills Plan 2016. A large number of stakeholders attended a sounding group to help shape how ESF can be used in four new programme areas. Areas discussed included;

- Support for a Career Development fund aimed at supporting people to change or progress the work in sectors which present the greatest opportunity for economic and employment growth;
- Support to encourage individuals to develop skills and enter employment in STEM (Science, Technology, Engineering & Maths) related sectors where there are currently skills shortage and huge job potential;
- Support to develop the skills of the workforce in order to improve productivity, e.g. by increasing staff retention, improving staff motivation, leadership, communication and teamwork;
- Development of ways to improve the way skills providers develop provision in collaboration with businesses to ensure provision remains responsive to the needs of the local economy.

As a result of the sounding group, work is now progressing at speed to develop new calls for projects in these areas with Department of Work and Pensions (DWP). Calls are expected to be published in these areas in spring 2017.

(Multi-LEP) The Biovale Project

York businesses collaborate to help SMEs embrace the bioeconomy.

Local businesses are profiting from research innovations and trade links allowing them to harness opportunities in the emerging bioeconomy following support from R&D facility, the Biorenewables Development Centre (BDC), and the Yorkshire innovation cluster organisation, BioVale.

Our region has a large and thriving bioeconomy, which generates around £18 billion worth of goods and services a year and employs about 100,000 people. It is one of the best places in the world for innovation in the bioeconomy, with its outstanding combination of bio-based research, industry and agriculture.



Now, the BDC and BioVale are receiving £1.79m from the European Regional Development Fund (ERDF) via the University of York to accelerate the growth of this exciting sector. Working together, the organisations will focus on helping Yorkshire businesses grow through bio-based innovations, with the BDC offering 120 pre-funded R&D projects for eligible local businesses, and BioVale offering a range of support for the region's bioeconomy businesses and innovators.

Dr Joe Ross, Director of the Biorenewables Development Centre (BDC) said: "This grant is good news for the region's small and medium-sized businesses, who can now benefit from funded business support to develop novel processes or products using plants, wastes or microbes."

Dr Maggie Smallwood, CEO of BioVale Ltd said "The ERDF funding enables the BioVale team to support the region's capability and reputation as a global innovation hub for the circular bioeconomy and capture the new business opportunities in this sector."

Supporting activities provided by the teams include:

- streamlining access to research and expertise,
- 120 pre-funded R&D projects
- providing specialised networking and training,
- connecting to export markets, funders and investors.

The funding has also supported the creation of a BioVale membership scheme, which now has 149 members, including individuals from over 100 private companies.

With this ERDF project the BDC and BioVale teams have set ambitious targets to support the development of 10 new businesses, 80 new products and 100 new jobs.

GamesLab

This ERDF funded project, delivered by Creative England, will provide investment and support to help businesses develop, manage and commercialise innovative games (which they can own). This will build upon Leeds' reputation as an incubator for the games industry and a leader in emerging game technology, innovation and industry leading intellectual property.

Grants of between £5k- £10k are available for start-ups, with between £20k- £30k being offered for more mature businesses (total £300k fund). Support will be provided through intensive business workshops as well as access to publishers and investors through trade missions, global conferences and pre-booked match-making sessions.

Full details of the GamesLab programme, the support on offer, and how to apply can be found [here](#). Creative England is keen to allocate funding as soon as possible, and have a limited amount of grant funding available, so eligible and interested businesses are strongly encouraged to submit applications.

Step Up Into Construction

Step Up Into Construction was granted £500,000 from the European Social Fund (ESF), which has been match funded by the Construction Industry Training Board (CITB). It is a partnership, led by Leeds College of Building, between a number of Yorkshire-based education providers, local councils, housing associations, social enterprise groups, careers advisors, training boards and public sector and government departments. The aim of the project is to address the need for more skilled workers in the construction industry by engaging with hundreds of people to deliver relevant work placements, training, further education and employment. The project has so far attracted 350 participants, who face multiple disadvantages including disabilities and the lack of basic skills, formal qualifications and employability skills, including work experience.

The first Step Up Into Construction (SUIC) course at Kirklees College saw participants put their new skills to good use by helping to decorate a cellar at the Support 2 Recovery charity in Huddersfield, along with full time painting and decorating students from the college.

Sian Smith, deputy manager at Support 2 Recovery, said: "It has been great to get students from Kirklees College decorating our cellars, within a morning you could see a difference, so a week has seen achievements that would have taken us months. The tutor was great, keeping us up to date on everything and the students were hard working, polite and interested in our project."



Ian Hemingway, from Liversedge, heard about SUIC through the Jobcentre; "I've done painting and decorating before but thought it would be a good way to update my skills and help me get back into employment," he said. "I've really enjoyed it and would definitely recommend the course to other people." More recently, students have visited Dewsbury Heritage Centre, including Pioneer House, which is part of the plans for Kirklees College's Dewsbury Learning Quarter. Tutor Mark Howroyd said: "The students found it really interesting and it gave them an insight in to the type of work carried out on heritage buildings."

Skills Funding Agency (SFA) Opt-ins

NEET Programme

The Skills Funding Agency have contracted ESG (Skills) Ltd to deliver the Not in Education, Employment or Training (NEET) programme in Bradford, Leeds and Kirklees, whilst Prospect Services has been selected to deliver the NEET programme in Calderdale, Wakefield and in York, Harrogate, Selby and Craven.

These programmes will be supporting young people who are NEET or who are at risk of becoming NEET. To be eligible, participants must be aged 15-18 years old or 19-24 years old and have Special Educational Needs or disabilities. Participants are supported to improve their employability and move into education, employment, apprenticeships, traineeships or voluntary work, by improving their skills. Young people will also be supported for a further six months once they enter an outcome to help them sustain their progression.

For further information, you can contact the ESF team at Prospects on 01924 371579.

Apprenticeship Hub programme

ESG (Skills) Ltd has also been selected to deliver the Apprenticeship Hub programme. This programme aims to increase the number of people, both unemployed individuals and those in employment and requiring significant new knowledge and skills, to enter traineeships and apprenticeships at all levels and increase employer participation in traineeships and apprenticeships.

For further information you can contact the team by:

Website: www.apprenticeshipadvice.co.uk

Tel: 0330 444 8802

Information, Advice & Guidance

Aspire-Igen Ltd has been selected to deliver the Promoting Enterprise and Innovation in Young People programme. This aims to improve the job prospects of young people by promoting an enterprise culture including: work on promoting better business engagement in schools and extending the better informed choices activity.

DWP Opt-In (Back to Work Programme)

Funded through the European Social Fund as part of the Leeds City Region DWP Opt-in, Reed in Partnership has now been contracted to deliver in Bradford and Leeds (Work Routes) and Pluss have been contracted to deliver in Calderdale, Kirklees and Wakefield ([Right Steps to Work Programme](#)). The programme aims to offer tailored support for disadvantaged people, who have been registered unemployed for at least six months or who are claiming certain work-related benefits, to engage, identify and address barriers to work.

The model of delivery varies across the two programme areas but the target group eligibility is the same for both.

Target group eligibility

Participants are eligible if they:

- Have a history of substance misuse or are homeless;
- Are an ex-offender.
- Have a mental health issue or a learning difficulty, including autistic spectrum disorder or dyslexia;
- Are from a black and ethnic minority background;
- Are a young person - particularly if just leaving care.

Participants must also meet one of the following:

- Have been unemployed for over 26 weeks;
- Be claiming Job Seekers Allowance / Universal Credit and not on the Work Programme;
- Be claiming Employment Support Allowance;
- Be a lone parent claiming Income Support with a child aged one or over.

Work Routes – Reed in Partnership

A new, free service has been introduced in Leeds and Bradford to help local jobseekers aged over 16 and are currently seeking employment to secure sustainable employment.

Work Routes offers participants a range of specialist services designed to increase their chances of finding a job, such as: CV writing; skills training; interview practice; and financial help with the cost of child care, work clothes and travel.

A promotional graphic for Work Routes. It features a dark blue background with a white 'W' logo containing an upward-pointing arrow, followed by the text 'WORK ROUTES'. Below this, a light blue banner contains the text 'EVERY 15 MINUTES WE HELP SOMEONE INTO WORK'. Underneath the banner, it says 'Refer someone at workroutes.co.uk'. At the bottom left is the 'REED IN PARTNERSHIP' logo with three red dots. At the bottom right are logos for 'In partnership with Department for Work & Pensions' and the 'European Union' logo with the text 'This programme is co-financed by the European Social Fund'. Three circular inset photos show people in various work settings: a woman in a shop, a man in a workshop, and a man in a high-visibility jacket.

Every Work Routes participant is assigned a dedicated Adviser, who works with them to establish a suitable career path and create a personal employment plan.

The voluntary service also uses techniques from behavioural science to help participants develop the character traits most valued by employers, including: working with others; self-confidence; resilience; integrity; self-awareness; and proactivity.

Work Routes is delivered by employment experts Reed in Partnership, who have helped more than 150,000 people into work to date. Participants are given access to exclusive job vacancies that are not advertised elsewhere, as well as on-going support even once they have started work.

For more information about Work Routes – including how to refer somebody on to the programme – visit workroutes.co.uk, or contact your local office on the phone number below:

Leeds: 01132 368 970

Bradford: 01274 377 615

Right Steps to Work Programme - Pluss

Right Steps to Work is a voluntary programme that will help local job seekers develop skills, achieve goals, and move towards and into work. They will be supported by Pluss getting to know the person, their skills and ambitions. Pluss has links with over 700 employers across West Yorkshire and will use these to help the participants prepare for work and make contact with local employers. The programme will offer the following;

- Help to develop skills and confidence, individually tailored, and can include:
 - Personal development – helping to build confidence, health and wellbeing;
 - Help with daily life – including advice on housing, childcare, money management, healthy eating and much more;
 - Help to manage health conditions and disability;
 - Training – from basic skills to IT, vocational and professional qualifications;
 - Access to benefits advice – to ensure each participant will be financially better off in work.

- Help to move towards and into work, including:
 - Job search – preparing CVs, applications and interview;
 - Access to computers, printers and photocopiers at our digital hub;
 - Work trials – to try out jobs and gain experience;
 - Advice on apprenticeships and self-employment;
 - A guaranteed interview with one of Pluss' partner employers.

For more information, please see [here](#) for contact details.

Pluss and partners are delivering 'Right Steps to Work' on behalf of the Department for Work and Pensions, and the European Social Fund. It is co-financed by the European Social Fund.



2017 PLANNED CALLS TIMETABLE

A number of calls in the Leeds City Region have now been published by the Managing Authorities on the [gov.uk website](http://gov.uk), with more due out shortly. The table below summarises the current position. Separate e-mail alerts will also continue to be sent to you for all new funding opportunities when they are published.

ERDF		Estimated Call Value	Proposed Model of Delivery	Deadlines
PA1	Innovation Call	£11.6m	Minimum requirement is £500K grant (So total project cost minimum of £1m with match funding)	Expected to be published in March 2017
PA3	SME Competitiveness : further Supply Chain Call to complement the already approved WMMBF Supply Chain programme	£2m	Preference to seek one lead applicant to cover City Region for the full amount.	Published 16 th December 2016 – outlines due in Friday 17 th February 2017
	SME Competitiveness : Site development outside of SUD	£3m	Minimum requirement is £500K grant (So total project cost minimum of £1m with match funding)	Expected to be published in March 2017
PA4	Low Carbon Call : focus on renewables and resource efficiency and innovative adaptation of low carbon technologies	£16m	Minimum requirement is £500K grant (So total project cost minimum of £1m with match funding)	Published 16 th December 2016 – outlines due Friday 17 th February 2017
PA5	Climate Change – to address flood risk management to support economic growth.	£1.62m	Minimum requirement is £500K grant (So total project cost minimum of £1m with match funding)	Published 16 th December 2016 – outlines due Friday 17 th February 2017
PA6	Protecting the environment – including Green Infrastructure	£2.47m	Minimum requirement is £500K grant (So total project cost minimum of £1m with match funding)	Published 16 th December – outlines due Friday 17 th February 2017
PA3 5 & 6	Sustainable Urban Development (SUD) Call (covering elements of Priority Axes 3, 5 and 6) - to develop ecologically sound and resilient site development linked to the Strategic Economic Plan (SEP) Spatial Priority Areas	Integrated Call across the PAs for Approx. £15.5m	In response to Leeds City Region SUD Strategy covering West Yorkshire and York. Minimum requirement is £500K grant (So total project cost minimum of £1m with match funding)	Work ongoing for WYCA to be the Intermediate Body so that a call can be issued – expected call to be published early 2017.

ESF				
PA1	Employment – Local Flexibility for the Unemployed Programme	£1.7m	Overlapping areas of York, Harrogate, Selby and Craven – due to no take up in this area from April 2016 Call.	Call under development. Working towards early 2017 publication.
	Third Sector Infrastructure Support Programme – Social Inclusion Agenda	TBC	Cover City Region – but focus on local areas.	Call under development. Working towards an early 2017 publication.
PA2	PA2 - STEM Skills Programme	£4m	Minimum requirement is £500K grant (So total project cost minimum of £1m with match funding)	Call under development. Working towards early 2017 publication.
	PA2 – Career Development Fund	£3.5m	Seeking one lead applicant to cover the City Region	Call under development. Working towards early 2017 publication.
	PA2 – Unlocking skills to create High Performing workplaces	£4.5m	Minimum requirement is £500K grant (So total project cost minimum of £1m with match funding)	Call under development. Working towards early 2017 publication.
	PA2 – Skills Support for Low Waged and Low Skilled	£2.5m	Minimum requirement is £500K grant (So total project cost minimum of £1m with match funding)	Call under development. Working towards early 2017 publication.
	PA2 – Collaborating with businesses to develop skills provision	£8.35m	Minimum requirement is £500K grant (So total project cost minimum of £1m with match funding)	Call under development. Working towards early 2017 publication.
EAFRD				
Tour de France Legacy Support Programme – support for small and micro businesses in the Visitor Economy and public bodies		£ 3.2m	Rural areas within the Leeds City Region – Minimum grant size expected to be £35K.	Call under development. Working towards early January 2017 publication.

SUPPORT AVAILABLE

Leeds City Region L-CREATE Technical Assistance Programme

All organisations currently working on ESIF applications are strongly advised to make contact with and take advantage of the expert Technical Assistance (TA) available free of charge in the Leeds City Region through the L-CREATE Technical Assistance programme. The programme is delivered by a partnership of experts including local authorities, universities and third sector partners with the aim of ensuring successful engagement with and compliant delivery of the ESIF programme within the City Region. These partners can offer support to applicants wishing to apply for either European Regional Development Fund (ERDF) and/or European Social Fund (ESF) and will help to raise awareness of the upcoming ESIF opportunities at a local level to ensure maximum engagement with the programme.

In the last couple of months, the L-CREATE TA programme has delivered a series of workshops focusing on key areas of project management and how to practically deliver compliant ESIF projects. The workshops have covered Simplified Cost Options, Preparing for ESIF Audits, ESIF Publicity and Document Retention Requirements, State Aid, the ESIF Interim Claims Process and ESIF Procurement. The events have been well attended with over 100 people attending and applicants showing an improvement of understanding on average from a starting position of 5 to 8 in most areas. Some of these workshops may be re-run this year, details for which will be forwarded when announced.

Please [contact us](#) if you are currently developing an ESIF application and require urgent specific advice or guidance. We are here to help and want to ensure we maximise the opportunities that the ESIF Programme still affords to the Leeds City Region economy.

NEW GUIDANCE AVAILABLE

A wide range of guidance on ERDF and ESF is available on the www.gov.uk website. As well as copies of the Operational Programmes for the three ESIF Funds and copies of outline and full application forms, programme guidance is available on eligibility rules, selection criteria, output indicator definitions, branding and publicity requirements, state aid and procurement law, to name but a few. There is also a glossary for the 2014-2020 ESIF programme and a guide to the current ERDF and ESF programmes in England.

New and updated guidance includes:

GUIDANCE	DATE UPDATED/ VERSION	NOTES (a full read of the guidance document is essential to understand the subject matter)
ERDF Capital Funding Agreement	23 rd August 2016 Version 3	New reference to when National Rules (see chapter 6 of the ESIF Procurement Requirements) apply, as set out in: Clauses 10.3 - 10.5 of ERDF funding agreements and Clause 9.4 of ESF funding agreement
ERDF Revenue Funding Agreement	23 rd August 2016 Version 3	
European Social Fund funding agreement example	19 th October 2016 Version 3	
About our ERDF Grant Funding Agreement	13 th October 2016 Version 1	Sets out key clauses and where to find them in the funding agreement.

ERDF Counter Fraud Policy	22 nd July 2016 Version 1	Sets out responsibilities of DCLG and provides contact email address.
	17 th November 2016 Version 2	Updated to reflect new Government Internal Audit Agency (GIAA) contacts.
Guidance on Identifying, Managing and Monitoring Conflicts of Interest within ERDF and ESF	26 th October 2016 Version 1	Not yet on gov.uk website This is a new guidance note which sets out what Conflicts of Interest are, how they can arise and what should be done to manage and monitor them in the 14-20 programme.
Responsibilities of ESF beneficiaries in the prevention and detection of fraud in ESF projects	27 th October 2016 Version 1	Recommends ESF beneficiaries to set out a statement on how suspected fraud will be dealt with. Section 3 sets out good practice for policies, systems and procedures.
ERDF eligibility guidance	7 th September 2016 Version 4	Updates to requirements on staff costs, including hourly rates.
	7 th December 2016 Version 5	Updates to capital (apportionment) and revenue (Broadband) expenditure.
ERDF Output Indicator Guidance	26 th October 2016 Version 3	Applies to projects with a funding agreement (or project change) signed after 26 th October 2016.
ESIF Branding and Publicity Requirements	1 st November 2016 Version 6	Sets out ESIF publicity requirements as well as information on use of the UK Government Logo.
ESF 2014-2020 - Guidance on State Aid	14 th November 2016 Version 1	Covers what State Aid is and when it may or may not apply for ESF as well as use of <i>de minimis</i> and GBER.
The ERDF and ESF Performance Management Strategy Guidance	16 th November 2016 Version 1	Covers process for managing underperformance from a programme level and the dispute resolution process at a local level.
ERDF and ESF Performance Management Strategy Guidance	16 th November 2016 Version 1	Not yet on gov.uk website The policy that will be applied when the project has cumulatively achieved less than 85% of its contracted target.
ESIF National Procurement Requirements	8 th December 2016 Version 4	Replaces the ESIF Compliance Guidance Note Updates to use of frameworks and National Rules.
Procurement Aide Memoire for Applicants and Grant Recipients	8 th December 2016 Version 2	Now specifically includes requirement to take screen-shots of core documentation when using e-procurement systems for ESIF projects.
ESF 2014-2020 programme guidance	15 th December 2016 Version 2	Covers Applications, Claims, Ineligible spend, Irregularities, Petty Cash & Document Retention
Quick Reference Guide - Differences between the Programmes	16 th December 2016 Version 1	Outlines the key areas of difference between the 2007-2013 and the 2014-2020 ERDF Programmes for applications with experience of earlier programme.
Annex to outline application form for ESF IP2.2 calls	8 th November 2016 Version 1	Additional annex to standard outline application form to ensure that full consideration is being given to 'Value for Money' (VFM).
Full Application Financial Tables	11 th November 2016 Version 6	'Overheads' cost replaced with 'Flat Rate Indirect Costs' on dropdown lists for budget headings to

Outline Application Financial Tables Annex	11 th November 2016 Version 4	avoid confusion and ease population of e-claims system Both published 16 th December 2016.
On the Spot Verification Visit Guidance for Financial Instruments ERDF Recipients	21 st September 2016 Version 1	Guidance for recipients of Financial Instruments for Article 125/ on-the-spot verification visits.
Guidance on the Management of Categories of Region in the England ERDF Programme	2 nd November 2016 Version 1	Not yet on gov.uk website. Highlights what issues that applicants and grant recipients will need to consider in preparing and delivering their projects and how DCLG will manage this.

READ OUR UPDATED FAQs

An updated FAQ document is available on the LEP website [here](#). This includes over 60 questions and answers arranged in an overview section, together with sections on applying for funding, governance arrangements and ESF and ERDF specific questions and answers. It also includes links on where to find out more information on the ERDF and ESF Operational Programmes and a link to a handy ESIF glossary.

KEEP IN TOUCH

To complement the publication of quarterly updates, important and regular email alerts will continue to be sent through the ESIF contacts database. You can also keep up-to-date with regular news, activity, sounding groups and other events related to this programme by following the Leeds City Region [ESIF Twitter account](#) or through our events page on [Eventbrite](#).

Please also help to spread the word by passing this newsletter onto any other interested parties who can also join our ESIF mailing list by e-mailing ESIF@the-lep.com.

NEXT UPDATE: APRIL 2016

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 You are receiving this email because you are a partner involved in or interested in the 2014 to 2020 England Structural and Investment Funds Growth Programme. It is delivered as part of the L-CREATE Technical Assistance project, and is part-funded by the European Structural and Investment Funds.

CONTACT

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