

## **European Structural Investment Fund (ESIF)**

### **Purpose of Report**

1. To bring to the Growth Boards attention the need to consider funding the technical support for the projects allocated funding from the European Structural investment Fund (the ESIF Programme).
2. To seek an in principle approval for funding and ask the partner councils to make provision in their budgets for the three years to 2018/19, subject to a detailed assessment of the funding required by the Executive Officer Group

### **Background**

3. The European Structural Investment Fund (ESIF) is a generic name for European Commission grant allocated to member nations according to identified need. There are three streams of funding
4. The European Regional Development Fund (ERDF) – to support innovation and business support
5. The European Social Fund (ESF) - to support social inclusion and skills development
6. European Agricultural Fund for Rural Development
7. The purpose of the grant is to fund projects identified locally that fit within the criteria set out for the grant. For some elements of the programme match funding from bidding organisations is required.
8. Oxfordshire has been allocated £19.4 million until 2020, divided into two separate programmes 2015-2018 and 2018 – 2020.

### **The Bidding process**

9. Grant is not allocated locally but is instead subject to a bid process. These bids will need to demonstrate alignment with the priorities of the Oxfordshire European Structural Investment Fund Strategy.
10. There are national timetables for bid rounds that will be promoted via the .gov.uk website and on local council websites.
11. The call timetable across the ESIF Programme is currently being developed with partners. The key requirements of bids will be that all projects need to conform to the priorities and ambitions articulated in the Oxfordshire ESIF Strategy and;
  - a. all project calls are subject to open and competitive tendering.
  - b. organisations applying for the funding must be legal entities.
  - c. organisations must be able to deliver the project and complete detailed monitoring returns.

## Governance

12. ESIF funding streams are managed nationally by various government Departments. However LEPs are required to develop a multi sector ESIF Sub-Committee to monitor and advise on the implementation of ESIF up to 2020. ESIF sub committees have an advisory role in developing the local call specifications and providing feedback on applications to the respective Government department.

## Supporting operational delivery

13. Despite the ESIF Programme being managed at national level by the varying departments there nevertheless remains a local resource requirement. The Programme recognises this and provides grant for technical assistance of the Programme on the basis that the grant will be match funded locally.
14. To date the County has supported the development of the ESIF strategy and on-going project management since the ESIF Programme was launched over two years ago. However as the Programme moves from strategy development into delivery there will be an emerging requirement for additional resources in order for the Programme to be compliant, support robust governance, accountability and partnership engagement, and to ensure it is promoted widely to ensure it reaches as many communities of interest as possible.

## Resource requirements

15. Following discussions between partners progressing the ESIF Programme to date officers have identified a need for 2.5 FTEs to carry out the work described below for a three-year period from 1 June 2015. The required roles are:

- i. 1 x ESIF Programme Manager
- ii. 1 x Project Support Officer
- iii. 0.5 x Admin & communications support

16. The funding requirements to deliver the support are calculated as;

Total annual cost of ESIF Delivery Team	£100,160	x 3 years	£300,480
Additional revenue p.a. (events etc.)	£30,000	x 3 years	£90,000
<b>Total cost of ESIF Delivery Programme</b>	<b>£130,160</b>	<b>x 3 years</b>	<b>£390,480</b>

17. OxLEP has applied for £97,500 (over 3 years) of technical assistance grant and is looking into make a similar bid to support the social fund element of the grant. Whilst at this stage our bids have yet to be confirmed we do know that whatever is awarded will need to be matched locally – either by the secondment of staff at seconding organisations cost, or by ‘clean’ cash match.
18. Officers estimate that for business planning purpose an annual local cost, predicated upon successful grant applications will be in the region of £65,000 per annum.
19. The County have indicated that they are willing to fund £13,000 p.a. leaving the remaining partners to fund £52,000 p.a. between them.

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20. OxLEP has indicated that it able to commit £20,000 in 2015/16, and a similar amount in principal annually to 2018 dependant on confirmation of core funding from Government.
21. Assuming that this funding is forthcoming the Growth Board are asked to note the residual funding gap, the County contribution and agree in principle that the 5 district councils fund the shortfall on an equal basis, estimated at approximately £6400 p.a. for each authority based upon applications for grant being successful.
22. If the Growth Board are minded to approve in principle, the Executive Officer Group will work up a detailed funding proposal with partner councils that satisfies the requirements of the programme.