# European Update for Cheshire and Warrington Voluntary, Community, and Social Enterprise Sector 29th July 2021

## Highlights

ESF Action Note

Replacements for ESF

 Community Renewal Fund

 **Community Ownership Fund**

 UK-Shared Prosperity Fund

## ESF Action Note

ESF Action Note 067/21 published 21/7/21. Now that the Management Information System has been developed and is in place, there are some changes to information required from projects.

*[www.gov.uk/government/publications/esf-action-notes-2014-to-2020-programme](http://www.gov.uk/government/publications/esf-action-notes-2014-to-2020-programme)*

## Latest list of Beneficiaries

The list of Beneficiaries for the ESF and ERDF programmes was updated on 27th July.

*www.gov.uk/government/publications/european-structural-and-investment-funds-useful-resources*

## Levelling Up Agenda

The Government announced the Levelling Up Agenda, with the Levelling Up fund itself, launched on 3rd March, then the Community Renewal Fund, Community Ownership Fund and the UK-Shared Prosperity Fund.

**Levelling Up Fund**. £4.8bn for high value infrastructure. Delivered through local authorities, capital investment in transport infrastructure, regeneration and town centres, and cultural facilities. Could be seen as a replacement for ERDF.

**Community Renewal Fund**. Originally called Pilot Programme for the UK-Shared Prosperity Fund. Short term ESF-style funding to test out ideas for the UK-SPF. Not yet started, but due to finish March 2022 - winning bids expected to be announced from late July.

The process seemed to be rushed which meant there was not enough time to develop Local Authority- Third Sector partnerships, and minimum bid size was £500,000, which ruled out moat organisations, especially specialist local ones, unless they had time to develop a coalition. And a hundred of the Lead Authority Areas were declared Priority Areas, according to a new algorithm, which deterred some bidding.

*www.gov.uk/government/collections/new-levelling-up-and-community-investments*

## UK Shared Prosperity Fund

This will replace previous European Funding, will come to £1.5bn a year, and starts in April 2022. Despite promises over the last few years, the open consultation was scrapped, and there has been little involvement of the Partners. It seems to have been put together so far by a small group, and very little information has been available. Without the proper involvement of those with experience of planning, delivering and measuring such funds, especially the crucial local partner involvement, we will not have an effective or efficient fund.

Recently, it seems that there have been secondments, and new teams from other government departments have been created, with suggestions of some kind of consultation in the summer.

We hope to have more information shortly about this important fund, and how we can all be involved.

## Community Ownership Fund

This is the major development at present.

The COF was finally launched on 15th July. It provides half the cost of taking ownership of assets which are at risk of being lost to the community (such as a building for community use) with up to £250k from COF. For example pubs, bakeries, shops, post offices, museums, cinemas, music venues, arts or cultural centres, parks. But not housing. In some case, up to £1m is available for sports clubs, sports facilities, football grounds etc. The funding is only available for community and voluntary organisations. An additional £50k unmatched revenue can be available for associated costs, perhaps towards a manager for the first year, or to help with shares issues or loans for the match

Like the Community Renewal Fund, the announcements and process appear rushed, and some details may change. The Guidance and a word version of the application form are available, with the online bidding process opening on 30th July, with a deadline of 13th August for bids. Given the short notice, the first round is likely only for organisations that have already identified a building and are ready to go, with a good idea of where the rest of their funding will come from. The expectation is for buildings in the first round to be purchased within six months (12 months for future rounds. Match does not need to be in place to bid.

The second bidding round is expected to be announced in the autumn with a deadline of December, and some of the rules will change. There is intended to be around eight bidding rounds over four years.

*[www.gov.uk/government/publications/community-ownership-fund-prospectus/community-ownership-fund-prospectus](http://www.gov.uk/government/publications/community-ownership-fund-prospectus/community-ownership-fund-prospectus)*

*[www.gov.uk/government/publications/community-ownership-fund-assessment-criteria-guidance](http://www.gov.uk/government/publications/community-ownership-fund-assessment-criteria-guidance)*

## The Building

It will be necessary to examine the small print, and likely talk to the MHCLG officials responsible (they seem keen to take things forward, but will doubtless be very busy) to be clear about what is possible.

The Community and Voluntary Organisation should acquire the building freehold, or with a minimum 25 years lease (no break clauses). It can’t be new build, and there are restrictions on acquiring certain buildings from local authorities. The initial image is of taking over a failing pub or shop, and turning it into something viable with the support of the local community. But there appear to be a range of issues which need to be clarified. For example if the building comes with housing (eg flats above a shop) whether the whole building can be purchased with the rent from the flats a source of income. It is not clear whether sellers will be content about the timing of assembling bids. Some organisations were concerned about how long it will take to agree payments, given the previous bureaucracy and delays in the UK for ESF and ERDF.

## Business Plan

You must demonstrate that your project to save/restore the building for community use will be viable in the long term.

## Bids

You must demonstrate three outcomes -

* protect a community asset/amenity that is at risk and preserve its community value
* develop a sustainable operation to secure community ownership over the long term
* safeguard the use of community assets and associated local amenities

## Bid Assessment

Gateway criteria

* Asset is eligible (“in scope”)
* Realistic chance of a sale within 6 months
* Bidder is an eligible organisation

Then four criteria

* Strategic Case 30%
* Management Case 30%
* Deliver Community Benefit 30%
* Added value of asset to the community 10%

Officials will provide ministers with a shortlist of bids.

Secretary of State will decide which of these bids are to be funded, ensuring-

* a balanced spread of locations across the UK (so not based on need)
* spread between rural and urban
* reasonable thematic split of asset types

The Minister will seek advice from a Ministerial Review Panel (MHCLG, Treasury, DCMS).

**Network for Europe**

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