**European Update for Cheshire and Warrington Voluntary, Community, and Social Enterprise Sector 4th March 2020**

**Headlines**

Cheshire ESF calls deadline extended to 18th March

Slow start for ESF Reserve

**ESF calls extended**

The three Cheshire and Warrington calls have been **extended** - instead of 19th and 20th February, the new deadlines are 18th March. This is to give more time for potential bidders to get together to produce good quality bids.

Ref Area £m Open Closed IP £m min bid

03S19P1700 Cheshire & W 2.0 27 Nov 18 Mar 2.1 0.493

03S19P1703 Cheshire & W 3.5 27 Nov 18 Mar 1.1 1.2 1.4 0.873

03S19P1699 Cheshire & W 0.5 28 Nov 18 Mar 2.2 0.150

The LEP has recently issued an update of the current position, and support available through the Technical Assistance Team. This explains that while the 1.4 and 2.2 calls are expected to be filled, there are opportunities under the other calls Priority 1 (unemployed - support including for digital inclusion, and for parents of young children) and Priority 2 (2.1 lifelong learning, including workforce development, addressing in-work poverty, and redundancy support).

*http://www.871candwep.co.uk/investment-programmes/european-social-fund-esf*

*[www.gov.uk/european-structural-investment-funds](http://www.gov.uk/european-structural-investment-funds)*

**ESF Reserve**

Around £400m from Europe remains to be committed. The intention is for calls totalling up to about £30m every fortnight from January to about July 2020, but this has been slow to start. So far there have been six calls (none in Cheshire and Warrington), for just over £5m from Europe.

**ESFA Extensions**

There is some concern that the ESF Reserve Fund calls may not commit all the remaining funding. Thus it is thought ESFA will want to extend to end March 2023 its ESF projects that are currently delivering to schedule. More detailed information is expected shortly. Currently, 132 ESF projects are running to 31/7/21 for £313m from Europe funded through ESFA..

**ERDF calls**

The ERDF Reserve Fund was expected to be around £200m, but now thought to be perhaps £70m, possibly less. Calls slipped to late March.

**European Agricultural Fund for Rural Development - Reserve Fund Calls**

The EAFRD calls for £35m launched on 4th November have now closed. Several Expressions of Interest have been received for Cheshire and Warrington, and these are now being appraised.

**Latest list of ERDF and ESF Beneficiaries**

The updated list was available from 3rd February. This is useful, despite a few minor discrepancies.

*[www.gov.uk/government/publications/european-structural-and-investment-funds-useful-resources](http://www.gov.uk/government/publications/european-structural-and-investment-funds-useful-resources)*

**Funding to the end of the Programme**

Until now, we have had the Treasury Guarantee that come what may, the Treasury will cover payments for ESF and ERDF to the end of the Programme (ie to 2023). This will no longer be necessary, as the Government is planning to leave with an agreement (and not crash out with no deal). This has been reflected in ESF and ERDF letters dated 17th January.

The letter from Julia Sweeney states the government departments involved have stood down the “no deal” preparations for ESF, ERDF, EAFRD and EMFF Programmes as the Withdrawal Agreement Bill was being approved. Beneficiaries are receiving letters to confirm this. Under the terms of the Withdrawal Agreement, the UK will continue to participate in the current 2014-20 Programmes, which will continue until originally planned (including final expenditure up to 2023 for some projects). So applications for funding will be progressed as usual and grant recipients should continue to deliver activities and claims in line with their funding agreements.

The letter from Catherine Blair concerning ESF was similar, but Catherine also explained that after three and a half years leading the ESF England Programme she will shortly be leaving for a new role. Her successor will be Geoff Hawker, who has been seconded to the Dept of Transport for the last three years as Head of Financial Accounting and Control. He will be based in Manchester.

**Erasmus+**

Providing funding for study abroad this continues in 2020. The UK National Agency has guidance and support for applying, next deadline 24 March (partnerships). The UK published its Negotiating Mandate. It says it remains open to participate in some elements of the next Erasmus+ programme, provided it is in the UK’s interest to do so. *www.erasmusplus.org.uk/the-transition-period*

**Social Enterprises in the EU**

The new report (financed by EaSI) collates and interprets key findings from 35 separate country reports on social enterprises and their ecosystems in Europe, looking at number, size, legal forms and fields of activity. The Social Economy employs 13.6 million Europeans today and demonstrates an “economy that works for people”, a high priority for the European Commission.

*[https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8274&type=2](https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8274&type=2&furtherPubs=no)*

*https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=9534&furtherNews=yes*

**ESF and Financial Instruments**

Extensive work is being undertaken through fi-compass, supporting and publicising the use of Financial Instruments (loan funds) in ERDF and more recently in ESF. A recent publication looks at developing a Social Finance Ecosystem in Portugal, and a publication due soon looks at the use of ESF with crowdfunding. The recent report for 2018 FI by the European Commission includes information on the eight Member States (including Italy, Portugal and Germany) using Financial Instruments from ESF-YEI to support individuals and micro-enterprises.

**Leaving Europe**

The UK left the European Union at the end of January. So we no longer have influence, as we have no role in the three key parts of the European Union (Parliament, Ministers, Commission). Nothing else changes - the Transition period will last until the end of December 2020, perhaps longer, and discussions have just started on our future relationship to get Brexit done. ESF and ERDF will continue to the end of the 2014-20 Programme (ie spend can be to 2023), but we will not take part in the 2021-27 Programme.

<https://ec.europa.eu/info/european-union-and-united-kingdom-forging-new-partnership/future-partnership/negotiation-rounds-future-partnership-between-european-union-and-united-kingdom_en>

**UK-Shared Prosperity Fund**

The two large funding streams of ESF and ERDF (we would have received over £11 billion over seven years if we had stayed in Europe) will be replaced with the UK Shared Prosperity Fund, according to the Conservative Manifesto (pages 37 and 44). There could be more focus on local delivery - not just cities, but also towns. Locality (national network of community organisations) has launched a short video to go alongside their Communities in Charge booklet to tackle “left behind” areas and support community led local developments. *https://locality.org.uk/policy-campaigns/communities-in-charge*

**Minister for UK-SPF**

Simon Clarke (MP for South Middlesbrough), the newly appointed Minister of State (Housing, Communities and Local Government) has responsibility for the UK-Shared Prosperity Fund. It is thought that the UK-SPF will be signed off shortly and then go out to consultation.

**Network for Europe**

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