

Briefing Note: Funding currently received by the Council from the EU Resources and New Projects Team, August 2017

Background

Coventry has been very successful in attracting European Union (EU) funding over the years, and the Council has played an important role in bidding for and managing these funds on behalf of the city. After the referendum result earlier this summer it is important to understand the possible implication for Coventry. This note contains details of the EU funding that is currently being managed by the Council. The principal sources of EU funding are the European Structural Investment Funds. This consists of two large programmes – the European Regional Development Fund (ERDF) and the European Social Fund (ESF).

Government has now formally announced that it will continue to provide funding for ERDF and ESF projects as long as they are contracted before the Autumn Budget Statement which is usually in late November. This should apply to all the Coventry City Council projects listed in this note and considerably reduces the risk to the various services that rely on this source of funding.

ERDF provides funding for economic development activities in areas of relative deprivation. Activities are split into four themes: Research and Innovation, the Digital Agenda, Support for Small and Medium Enterprises (SMEs), and Low Carbon Economy. There is also a Technical Assistance theme that provides support to organisations developing bids.

In November 2015, Coventry City Council submitted bids for 4 ERDF projects. These being:

- **SME Growth Programme** – a suite of business and financial support activities to facilitate new businesses start-ups and enable existing Coventry & Warwickshire Small and Medium Sized Enterprises (SMEs) to grow and create jobs for the local economy.
- **Low Carbon Programme** – a package of business and financial support to enable Coventry & Warwickshire SMEs to improve their energy efficiency and support the development of new low carbon products and technologies.
- **Innovative Coventry & Warwickshire** – business and financial support to enable Coventry & Warwickshire SMEs to develop, test and market innovative new products and technologies.
- **ERDF Technical Assistance** – support to organisations with the design and development of new ERDF projects within Coventry & Warwickshire, including support with funding applications.

The current status of these projects is as follows:

Project Name	Theme	Total Project Costs	Grant Value	Status
SME Growth Programme	SME	£13.8m	£4.6m	In Delivery
Low Carbon Programme	Low Carbon	£8.5m	£3.2m	In Delivery
Innovative Coventry & Warwickshire	Innovation	£5.1m	£1.8m	Funding Agreement to be signed by 31 st Aug
ERDF Technical Assistance	Technical Assistance	£0.4m	£0.2m	In Delivery
Totals		£27.8m	£9.8m	

The Innovative Coventry & Warwickshire Project’s funding was approved, but the completion of the Funding Agreement was delayed by the outcome of the referendum. Now that a formal announcement on the future of EU funding has been made the funding agreement will now be signed by the end of August.

ESF provides funding to provide people with employment opportunities. Coventry Council is currently running two ESF projects:

- **Ambition Coventry** – support through the Youth Employment Initiative to enable Coventry residents aged 16-29 that are furthest from the labour market to participate in employment or training.
- **ESF Technical Assistance** – support to organisations with the design and development of new ESF projects within Coventry & Warwickshire, including support with funding applications.

The current status of the projects is as follows:

Project Name	Theme	Total Project Costs	Grant Value	Status
Ambition Coventry	Inclusive Labour Markets	£8.8m	£5.8m	In Delivery
ESF Technical Assistance	Technical Assistance	£0.4m	£0.2m	In Delivery
Totals		£9.2m	£6.0m	

This brings the total EU funding under management to **£15.8m**.

Both sets of projects listed above are due to run until December 2018.