PROJECT UPDATE

European Structural & Investment Funding News

Issue One / Winter 2014/2015

EUROPEAN UNION
Investing in Your Future
European Regional Development Fund 2007-13

The Marches Local Enterprise Partnership
Herefordshire - Shropshire - Telford & Wrekin

Project Update Welcome

Welcome to the first issue of Project Update – a series of newsletters aimed at keeping you up to date with the latest EU news and informed about projects in the Marches being supported by European funding.

We'll be looking at the current EU funding programme and the organisations, projects and businesses it has supported. And we'll also be taking a look at the new European Structural and Investment Fund programme which is due to start next year.

From case studies on funded projects to information on potential funding calls, Project Update will aim to give you regular up-to-date information on forth-coming events and some 'stats and facts' about progress so far.

In this issue, we're covering one of the most high profile projects being supported in the Marches, giving you the background to the new European funding programme and looking at the priorities it will tackle in the coming years.

There's also an introduction to the EU Technical Assistance team and an overview of some current projects under way.

Grant for Flaxmill Maltings

WORKS HAS STARTED on the regeneration of an internationally important set of historic buildings in the heart of Shrewsbury thanks to more than £1m of European funding.

The European Regional Development Fund (ERDF) has made a grant of £1,169,226 towards the first stage of regeneration work.

The six-acre site includes seven listed buildings, including the main mill that was built in 1797. As the world's first iron-framed building, it has a place in history as the forerunner of all modern skyscrapers.

English Heritage will fund the remainder of the £2.6m total required for the first stage and contractors are now on site to kickstart the development.

> *"the world's first iron-framed building"*

This will see the conversion of the office and stables for use by the Friends of the Flaxmill Maltings for cultural heritage and interpretation and the demolition of the 1950's silo to provide more outside space.

Work on the demolition of the silo is due to be completed by the end of January 2015 with the conversion of the office and stables being finished by Autumn 2015.

English Heritage, which is working in partnership with the Friends of the Flaxmill Maltings and Shropshire Council, is currently reviewing its overall masterplan for the whole site.

Ultimately, it will create a mixed-use development with community, residential and commercial facilities.

Tim Johnston, Project Director - Shrewsbury Flax Mill Maltings, English Heritage said: "We are delighted the European Regional Development Fund has committed £1,169,226 to this project.

"Shrewsbury's Flax Mill Maltings is the most important industrial building on English Heritage's Heritage at Risk Register and one of English Heritage's top priorities.

Above: John Yates (left) English Heritage Inspector of Historic Buildings, West Midlands and Tim Johnston, Flaxmill Maltings Project Director

"We are committed to working closely with our partners, the Friends of the Flaxmill Maltings and Shropshire Council, to bring this internationally important complex of buildings back to life and stimulating the wider regeneration of the area."

English Heritage is working with the Heritage Lottery Fund to agree a solution for the redevelopment of the main mill using the substantial funding offered.

It is also considering opportunities for new build development on the land surrounding the historic buildings and investment in the development of the remaining historic buildings.

• For more information, go to www.english-heritage.org.uk/about/working-locally/west-midlands/highlights/shrewsbury-flax-mill-maltings/

New £105 million funding pot

A NEW PROGRAMME OF EUROPEAN FUNDING that gives Local Enterprise Partnerships more responsibility of where investment should be focused has been launched this year.

The Marches region – Herefordshire, Shropshire and Telford & Wrekin – has been allocated approximately £105 million of EU funding to be used on projects being developed and delivered between 2014 and 2020.

The fund comes from money that countries contribute to the running of the European Union, which is reinvested into supporting the regional economy.

The funding will be delivered through three main programmes – the European Regional Development Fund, the European Social Fund and the European Agricultural Rural Development Fund.

Key areas that funded projects must support are:

- ***Research and Innovation***
- ***SME Competitiveness***
- ***ICT***
- ***Low Carbon Economy***
- ***Environment***
- ***Employment and Skills***
- ***Social Inclusion***

The Marches LEP is setting up a European Structural and Investment Fund (ESIF) committee to oversee the delivery of the programmes for an initial three-year term.

The ESIF committee will have a strategic role and be involved in prioritising investments, choosing between options and deciding courses of action in cases of poor performance for EU-funded projects within the Marches.

Councillor Roger Phillips, Chairman of the LEP Funding Forum, said: "The ESIF committee will have a strategic role and be involved in prioritising investments, choosing between options and deciding courses of action in cases of poor performance for EU-funded projects within the Marches.

"Made up of 17 members, the committee will include representatives from the business, education and skills, rural and voluntary and community sectors, the three local authorities and a representative from the LEP."

European Regional Development Fund

This fund supports infrastructure and business support projects and has a budget of £56 million – the largest of the three on offer. Its priorities are to back projects that enhance competitiveness, research & innovation among businesses and enable technology. It also supports the shift towards a low carbon economy and improving the impact on the environment.

European Social Fund

This £41.4 million pot provides funding for training and other activities that help the skills base and prospects of people in the job market, focusing on employment and skills and social inclusion. ESF spending aims to support the creation of more and better jobs through projects that improve the levels of employment, the quality of jobs, and the inclusiveness of the labour market.

European Agricultural Fund for Rural Development

With £7.4 million on offer, this fund focusses on land management and general rural economy schemes, supporting tourism, agri-food and broadband progammes – three issues that are close to the heart of the Marches LEP.

Fund	Priorities	Total Budget
ERDF	• Enhancing competitiveness, research & innovation and enabling technology • Supporting the shift towards a low carbon economy • Supporting the environment	£56.0 million
ESF	• Employment and skills • Social inclusion	£41.4 million
EAFRD	• Tourism • Agri-food • Broadband	£7.4 million

LEP responsible for EU funding plan

THE MARCHES LOCAL ENTERPRISE PARTNERSHIP is the private sector-led organisation tasked with driving economic growth and sustainable job creation across Herefordshire, Shropshire and Telford & Wrekin.

Chairman of the Marches LEP is Telford businessman Graham Wynn OBE, and he leads a board which includes the Chairs of the three Area Business Boards and the leaders of the three local authorities.

The LEP is Herefordshire Council, Shropshire Council and Telford & Wrekin Council working in partnership with the private sector business community. Co-opted Business and Skills Champions also sit on the board, as does the Chairman of the Hereford Enterprise Zone.

The Marches LEP has produced an EU funding strategy that sets out how the funds can be used in the area, which is available to view on the LEP website: www.marcheslep.org.uk

Pictured above: LEP Chairman Graham Wynn with Cities Minister Greg Clark MP and LEP partners from the private sector and local authorities

FUNDING SUPPORT FOR MARCHES BUSINESSES

HUNDREDS OF BUSINESSES across the Marches have benefited from European Funding in the current 2007-2013 programme. Here is a look at some of the schemes and their successful outcomes

BUSINESSES HELPED:
86

FUNDING AWARDED:
£94K

APPLICATIONS BEING DEVELOPED:
10

The Eureka! Moment

DOES YOUR BUSINESS NEED A EUREKA! MOMENT? If so, this funding programme can help. It offers free business briefings and updates and one-to-one consultancy support to identify opportunities to be more innovative.

This project supports SMEs who supply goods and services to other businesses, and offers match funded grants of £2,000 to £10,000 to implement projects identified at an independent review, or to work with businesses to bring new product ideas into reality.

It is specifically designed to support businesses in rural areas that may not meet the criteria for regional or national funding.

CASE STUDY...

The Ludlow Nut Company started life in 2004 from the basement of Helen & Robert Graham's home, producing award winning luxury muesli, granola and porridge mixes, later adding cereal bars to the range.

Thanks to a grant from the Business Enterprise Fund, the couple were able to invest in a food grade kitchen and other essential equipment. Helen's Eureka! Moment came in 2014, when she attended a workshop about the programme. An impartial review by a business advisor from the University of Wolverhampton identified areas where innovation could be implemented, and also the funding streams that were available.

An opportunity to increase sales was identified by using existing channels to move into new markets via exporting. To exploit this, the company needed ingredients lists on its website translated into other languages. It also needed adaptations to allow social media plug-ins and content to be read and received in French, German, Spanish and Swedish.

The Eureka! Moment part-funded the cost of consultants to undertake the work. Helen said: "The review identified large target markets within Europe and it was essential that our ingredients were listed on the website in native tongues to enable our business to tap into this lucrative market.

"The revenue grant funding has enabled us to complete this work earlier than would have been possible using working capital."

Business Enterprise Fund

THIS FUNDING PROGRAMME, which is now closed, supported business start-up and growth. It offered financial assistance (up to 50%) of between £1,000 and £5,000 to individuals wanting to set up their own company.

It gave between £5,000 and £10,000 for existing businesses to invest in projects that will result in increased profitability through efficiency savings and/or expansion and diversification of new products/services into existing and new markets.

It was open to small and medium-sized enterprises in the Marches area; social enterprises; community interest companies; tourism businesses which qualify as SMEs; or firms that provided more than 50 per cent of their goods or services to other businesses.

NEW JOBS CREATED:
96.5

BUSINESSES ASSISTED:
129

START-UPS SUPPORTED:
22

FUNDING AWARDED:
£695,637.85
(£1,391,275.70 total investment with private sector funds)

CASE STUDY...

A Herefordshire engineering company has expanded production thanks to a grant from the Business Enterprise Fund.

The boost for Ledbury Welding & Engineering Ltd also led to more efficient production processes, which cut lead times and ultimately gave the business a competitive edge.

For Kevin Powell, the Managing Director of the Ledbury-based business, the grant also led to the recruitment of staff for the welding workshop.

The BEF grant was specifically designed to fund the purchase of plant, tools, office furniture, improvements to property, creation of guest accommodation or energy efficient/renewable energy heating, lighting and power systems.

Ledbury Welding & Engineering Ltd received a capital grant towards the purchase of six wire feed welders which can be used by semi-skilled welders.

The investment also enabled the business to expand production through both time savings and extra employment, reducing direct costs and overheads. This has ensured that they have a competitive edge both in terms of quality and price.

In the future, Kevin and his team are planning to introduce further production efficiency schemes and to develop and expand current product lines and services.

Marches Grads for Businesses

NEW JOBS CREATED:
8

BUSINESSES ASSISTED:
32

FUNDING TO DATE:
£266,795

THIS FUND SUPPORTS A GRADUATE PLACEMENT that will support a business to grow and develop. It will cover up to 45 per cent of the cost of the placement and provide free recruitment. The job available must require a minimum of an NVQ Level 4.

It is open to organisations in the Marches area that are small and medium-sized enterprises; social enterprises; community interest companies; tourism businesses which qualify as SMEs; or that provide more than 50 per cent of their goods or services to other businesses.

CASE STUDY...

Wolverhampton University graduate Ashok Vallabhaneni and Shrewsbury based EnDet Ltd have both benefitted from the Marches Grads for Businesses.

Ashok completed his Masters degree in Advanced Technology Management at the University of Wolverhampton, and thanks to the scheme is now working with technology company EnDet on the Battlefield Enterprise Park in Shrewsbury as a computer aided design engineer.

For EnDet, recruiting Ashok to its team has allowed it to increase the turnover of projects and workload and support the business to grow further with a lower risk than recruiting independently.

Business Development Manager Tom Knight said: "It's great to have Ashok on board. We've considered hiring graduates in the past, but this support has allowed us to commit the extra time and resource to fully training Ash to better understand our niche business and develop the skills and knowledge he gained at university."

Ashok said the whole application and interview procedure had gone smoothly and quickly.

He said:"I found the job posting through the university and had a quick reply from Shropshire Council.

"After going through the application process, I went to EnDet and was shown around before having an interview and a week later, I was told I had got the job. It is very challenging and I am learning a lot of things. All my colleagues are very helpful, supportive and guiding me on the correct path and I am very grateful to Shropshire Council and EnDet for the opportunity."

The team on hand to assist...

THE MARCHES LEP, THROUGH ERDF FUNDING, supports a dedicated resource which assists organisations in the area to access and manage EU funds effectively.

Two Technical Assistance officers are supported by officers within the three local authorities that cover the Marches LEP area. The Marches LEP Funding Forum oversees the delivery of Technical Assistance. Below, TA officers Gary Spence and Hannah Owen explain...

WHAT WE DO...

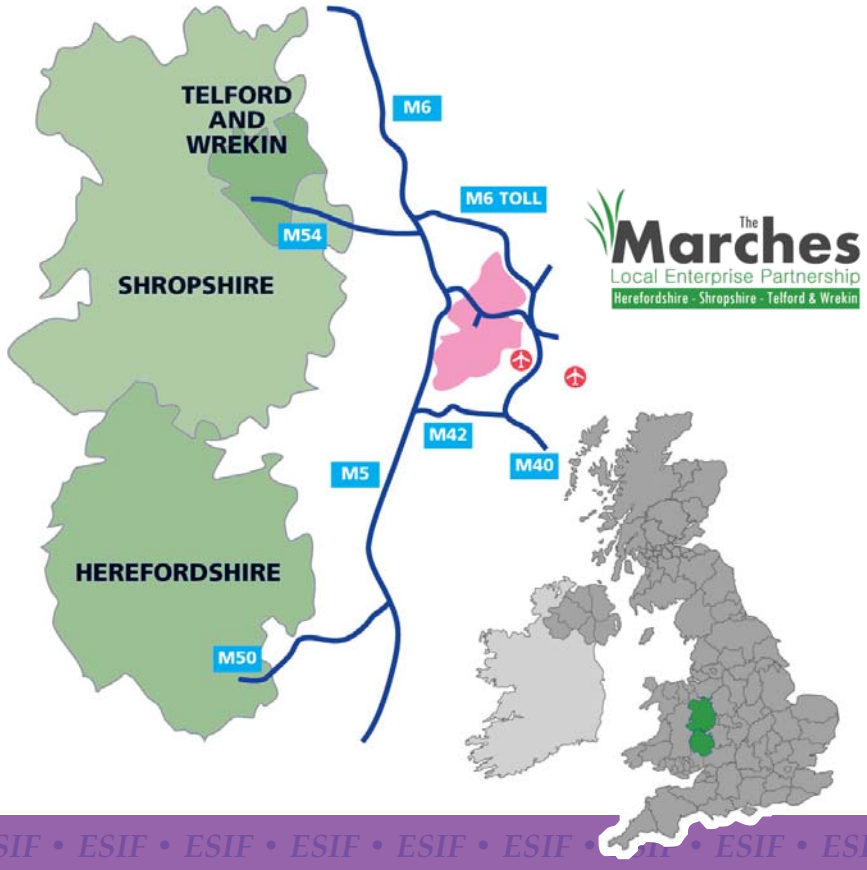
We are employed through European funding to help organisations and businesses in the area access and make positive use of EU funds, supporting existing projects and working with partners on developing the Marches approach to the new (2014-2020) programme.

OUR TASKS INCLUDE...

- sharing ERDF learning and good practice and establishing greater consistency across the LEP
- undertaking procurement for dedicated ERDF research and feasibilities for the new 2014-2020 EU programme
- providing ERDF specialist expertise and up-skilling relevant to external funding staff
- ensuring that LEP boards, executive groups, senior managers and others are informed about opportunities arising from the new EU programme
- creating a framework and working arrangements for the new Staffordshire and Shropshire Transition area
- developing relationships with the West Midlands knowledge base so the Marches and Worcestershire LEPs are able to benefit from innovation and research projects, particularly in the new EU programme
- supporting the European Structural Investment Funds (ESIF) task and finish groups to support and develop projects
- setting up an ESIF Committee responsible for the strategic oversight of the Marches area investments of EU funds

** In the next issue, we will explain more about the role of the ESIF committee and its members*

CONTACT US

We are happy to assist with any EU funding queries you might have so please do not hesitate to contact us on any matters relating to current and new programmes.

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