

# Local Enterprise Partnership D2N2 and all you need to know.

## ***Update from Rob Crowder, voluntary sector representative on D2N2 February 2014***

### **Why is it called D2N2?**

Because it covers both Derby City and Derbyshire as well as Nottingham City and Nottinghamshire.

### **What is a Local Enterprise Partnership?**

“In England, a local enterprise partnership (LEP) is a voluntary partnership between local authorities and businesses formed in 2011 by the Department for Business, Innovation and Skills to help determine local economic priorities and lead economic growth and job creation within its local area”.

### **What are the EU Funds we hear about?**

The EU Structural and Investment Funds (SIF) exist to promote sustainable growth and comprises of three main funds that are applicable in the D2N2 area:

- i. The European Regional Development Fund (ERDF) – focused on economic development, including funding business support and economic infrastructure interventions;
- ii. The European Social Fund (ESF) – designed to increase employment opportunities, promote social inclusion and address youth unemployment;
- iii. The European Agricultural Fund for Rural Development (EAFRD) – supports inclusive growth in agriculture, food and forestry, and in rural areas.

These will be managed as a single fund, which in turn is intended to align with the Government’s Single Local Growth Fund in order to ensure that EU funds respond to local need and opportunity. Therefore, it is the expectation that the EU SIF Strategy and D2N2s wider Strategic Economic Plan (SEP) “mutually enhance one another.”

The latest European programme concluded on 31 December 2013. However you are still likely to see activity and ongoing work under this programme, existing projects funded under this programme (2007-13) can continue to deliver until 31<sup>st</sup> December 2015. The period 1<sup>st</sup> January 2014 until 31<sup>st</sup> December 2015 focuses on the final accounting and wind up of 2007-13 projects to meet their contractual obligations i.e. there is no **new** delivery.

The next programming period will commence on 1<sup>st</sup> January 2014 and conclude on 31<sup>st</sup> December 2020. Although it should be noted that funds will NOT be available for new projects just yet. The earliest the programme will be open to bids is autumn 2014 – more likely early 2015.

### **How much is it worth?**

The D2N2 LEP notional allocation is 249.7 million euros (£213.4million), to be split 50:50 between ERDF and ESF.

A further £6million of EAFRD was announced for the D2N2 area in December 2013. However, don't forget this is over six years and covers all of the D2N2 area so is not as large an allocation as it seems.

### **Development of EU SIF Strategy for D2N2**

The D2N2 Board is overseeing the development of the local EU funding strategy. Following a formal consultation period which concluded 23<sup>rd</sup> August 2013, a first draft strategy was submitted to Government on 7<sup>th</sup> October 2013, in line with national deadlines. These were commented on by the National Growth Board and the D2N2 has now concluded the final submission to government for its deadline of 31<sup>st</sup> January. We are now waiting for the response to it.

- This draft is not looking at any fundamental changes but will set out further clarifications and further substantiate elements of the strategy. This relates to:  
Approach to the Sheffield City Region (SCR) overlap area (i.e. development of a protocol).
- Approach to access to finance/collaborative financial instruments – further localised work to deliver details September 2014 – in the meantime LEPs in the region to ring fence a portion of their SME Competitiveness Budgets for possible collaboration going forward.
- Approach to governance and delivery – providing assurance that the LEP has sufficiently robust processes and structures in place to “strategically” manage funds (procurement of activity/when/how to meet planned objectives). D2N2 is opting for “light touch” governance structure, including the possibility of an Investment Group feeding into the LEP Board that will have overall strategic oversight.
- Approach to opt-ins – Six opt-ins have been selected (SFA, DWP, Big Lottery, GA, UKTI, MAS) – each with a three year break clause.
- Approach to the deployment of EAFRD – as the scale of EAFRD does not match ESF/ERDF, the LEP proposes to use it proportionately across existing business/skills/thematic objectives to ensure effective delivery in rural areas- but with appropriate focus of government priorities.

The first draft was developed by taking into account the views of the LEP Board, feedback from consultation (over 60 written responses – including the Local Nature Partnership, plus the outcome of a series of thematic workshops), advice from partners and a previously agreed statement of principles for the development of the strategy.

### **What principles will it use?**

The D2N2 EU SIF Strategy will:

- a. cover the whole of the D2N2 area (i.e. there will be no geographically based eligibility restrictions)
- b. deliver the D2N2 Growth Plan 2013-2023 and promote **ESF FUNDING**
  - i. flexibility, speed, delivery focus and efficiency in deploying funds
  - ii. a blend of collaborative, LEP wide and more local approaches to deliver better outcomes
  - iii. an active role for D2N2 in the management of the programme once launched, particularly in commissioning, decision-making and overseeing the performance of the management authority.

### **What are the Key Investment Themes 2014-2020?**

The key investment themes for European Funding programmes in England, and the percentages of funding broadly associated with each, has already been determined at a national level and agreed with the European Commission. Local strategies must therefore cover these themes, which are listed below:

- Innovation
- ICT
- SME competitiveness
- Low carbon
- Climate change adaptation
- Environmental protection
- Sustainable transport
- Employment and labour mobility
- Social Inclusion and
- Education, skills and lifelong learning

There are a number of cross cutting themes for the programme. These include equality and diversity, sustainable development and social innovation.

### **So what is the Strategic Economic Plan (SEP) then?**

This is a bid to the UK Government for a Growth Deal which should bring with it the following:

- Freedoms, flexibilities and influence over resources from Government;
- Plus a share of the new Local Growth Fund (LGF) to target on their identified growth priorities.

In return Government will expect evidence of real commitment from Local Enterprise Partnerships to the growth agenda.

The first draft “business case” was submitted to government in December 2013. A final draft will be submitted on 31<sup>st</sup> March 2014 – to allow a Growth Deal to be reached in the summer of 2014. It should be recognised however that this is a **competitive bidding process**.

In effect the SEP builds on the “D2N2 the UK’s Most Inspirational Post Code” published in July 2013. It seeks to set out the areas “compelling case” for the government to devolve funding to D2N2 to match EU/public/private sector funds.

The consultation phase on the SEP is currently open, with seven Breakfast Events planned (7:30am to 10am):

- 5<sup>th</sup> February – MediCity
- 11<sup>th</sup> February – ABC Bakewell
- 18<sup>th</sup> February – Clumber park Hotel, Worksop
- 21<sup>st</sup> February – Best Western Hotel, Long Eaton
- 28<sup>th</sup> February – Lindhurst Rooms, Mansfield Civic Centre
- 18<sup>th</sup> March – Glossop Cricket and Bowling Club and
- 2<sup>nd</sup> April – UDC Enterprise Centre, Derby

**The deadline for SEP responses was the 7th February 2014** – there is however some leeway.

The key aspects of the D2N2 SEP are to:

- Maximise freedoms and flexibilities (at the local level especially in respect of skills/housing/transport/major employment sites) – these are likely to be reduced in number from the initial submission;
- Maximise funding deal and at the earliest opportunity;
- Ensure local decision making;
- Deliver a D2N2 growth hub; and
- Achieve early wins.

In terms of the work on key sectors, this will be taken forward through private sector led based strategies.

**Rob Crowder**

**Voluntary Sector representative on D2N2**

**Chief Executive Rural Community Action Nottinghamshire**

Tel: 01623 727601 (direct) or 01623 727600 (switchboard)

Mobile: 07702946843

Email: [rcrowder@rcan.org.uk](mailto:rcrowder@rcan.org.uk) Website: [www.rcan.org.uk](http://www.rcan.org.uk)