

A GUIDE TO

European Regional Development Fund (ERDF) and European Social Fund (ESF)

2014-2020 Programmes in England

The Basics



The European Structural and Investment Funds (ESIFs) are the European Union's main funding programmes for supporting growth and jobs across EU member states. They form a small but significant part of the UK Government's overall growth activity.



In England, for 2014 to 2020 the programmes comprise the European Regional Development Fund (ERDF), European Social Fund (ESF) and part of the European Agricultural Fund for Rural Development (EAFRD). These have been brought together into a single Growth programme with individual operational programmes aligned to maximise support for jobs and growth.



The Growth Programme is delivered across England's 39 Local Enterprise Partnership (LEP) areas, each of which has an ESIF Strategy to support local delivery. The £6 billion funds within the Growth Programme have been notionally allocated to LEP areas. ERDF can fund activity such as support to SMEs, ICT, Low Carbon and research and innovation. ESF supports employment, skills and social inclusion.



EU funds require national co-financing from either public or private sources. They must be additional to, and not replace, existing national funding. The contribution that EU funds can make to the UK's overall growth activity should therefore be a key consideration in all growth programme work.

ERDF and ESF across the UK

- The Department for Business, Innovation and Skills (BIS) leads for the UK government on policy for the European Structural and Investment Funds (including ERDF and ESF) and on the UK Partnership Agreement.
- The Scottish and Welsh governments and the Northern Ireland Executive are responsible for delivery of the ERDF and ESF in their own nations.

In England, the Managing Authority responsible for ERDF is the Ministry of Housing, Communities and Local Government. The Department for Work and Pensions is the Managing Authority responsible for ESF.

2014-2020 England European Regional Development Fund Programme

ERDF funding is €3.6 billion - approximately £2.6 billion based on December 2015 exchange rate calculations.

The England Programme, including detail around priority areas and governance, was formally adopted (approved) by the European Commission in June 2015. Each of England's 38 Local Enterprise Partnership (LEP) areas has a local plan for delivering the England Programme. These local plans describe local development needs and priorities in relation to the England Programme.

Who Can Apply

The following types of organisations may apply to deliver ERDF projects in response to project calls:

- not for profit organisations,
- local authorities,
- registered charities,
- higher / further education institutions,
- voluntary / community organisations,
- statutory and non-statutory public funded bodies,
- public or private sector.

How to Apply for ERDF

All funding opportunities for the ERDF programme in England are made available via the [funding finder](#) on the GOV.UK website.

The Operational Programmes works through a set of themes known as priority axis and groups of 'project calls' for various LEP areas covering the different priority axis areas (see diagram below) are uploaded to the funding finder at regular intervals (with clearly marked closing dates for initial applications). The ERDF finances only a specified percentage of the total eligible project costs (Co-financing rate). The remaining match funding (usually 50%) must be identified and secured by the applicant during the application process and be available to enable the project to be delivered as set out in the funding agreement.

What can be Funded through ERDF

Theme Areas	Priority Axis for the European Regional Development Fund
Research and innovation IT and Broadband Business Support Low carbon Climate change Environment Transport Social Inclusion Technical Assistance	Priority 1: Research and innovation Priority 2: Enhancing access to, and use and quality of, ICT Priority 3: Enhancing the competitiveness of SMEs Priority 4: Supporting the shift towards a low carbon economy in all sectors Priority 5: Promoting climate change adaptation, risk prevention and management Priority 6: Preserving and protecting the environment and promoting resource efficiency Priority 7: Sustainable transport in Cornwall and the Isles of Scilly Priority 8: Promoting social inclusion and combating poverty and any discrimination Priority 9: Technical Assistance

ERDF contributes to smart, sustainable and inclusive growth in England. The main priorities for promoting economic growth are:

- research and innovation
- supporting and promoting small to medium sized enterprises
- creation of a low carbon economy

There are a number of project case studies from the 2007-2013 ERDF programme available in the [online booklet](#). 2007-2013 ERDF programmes. Details on projects funded through the 2014-2020 ERDF programme are available [here](#).

2014-2020 England European Social Fund Programme

ESF focuses on improving employment opportunities, promoting social inclusion and investing in skills by providing help people need to fulfil their potential.

ESF Funding is €3.5 billion – approximately £2.53 billion based on December 2015 exchange rate calculations.

The Programme, including detail around priority areas and governance, was formally adopted by the European Commission in September 2015.

Who Can Apply

The following types of organisations may apply to deliver ESF projects supporting Skills, Employment or Social Inclusion activities either in response to calls or through Co-financing organisations:

- not for profit organisations,
- local authorities,
- registered charities,
- higher / further education institutions,
- voluntary / community organisations,
- statutory and non-statutory public funded bodies,
- public or private sector.

Individuals may not apply for ESF support.

How to Apply for ESF

There are two ways to apply for ESF funding. In many areas up to 100% of project costs can be met through co-financed ESF funding. This enables all eligible costs to be met by ESF, rather than applicants providing and accounting for the match funding part. Co-financing Organisations (CFO) provide the required eligible match funding and procure and contract manage, or grant fund, ESF provision.

The National Offender Management Service (NOMS) CFO receives a national allocation of ESF funding to fund activities that support the reintegration of prisoners back into the work force.

The Skills Funding Agency, Big Lottery Fund and Department for Work and Pensions CFOs act as opt-in organisations by funding locally defined activities through an open, transparent and competitive grant-giving or procurement process.

The second method of applying for ESF is through responding to Managing Authority calls for grant-funding applications via the [funding finder](#) on the GOV.UK website (as described in the 'How to apply for ERDF' section above). As with ERDF, the ESF Operational Programme works through a set of themes known as priority axis and calls are related to each of these.

What can be Funded through ESF



European Social Fund contributes to growth in England by:

- increasing labour market participation
- promoting social inclusion
- developing the skills of the potential and existing workforce

The European Social Fund also incorporates Youth Employment Initiative money for a number of areas with very high rates of youth unemployment.

There are a number of project case studies from the 2007-2013 ESF programme available in the [online booklet](#). As projects are contracted through 2016, details on projects funded through the 2014-2020 ESF programme will be made available.

For both ERDF and ESF all funding must be delivered in-line with the regulatory and legal requirements relating to:

- **Sustainable Development** – which includes ensuring that all provider waste is disposed of legally and preserving, protecting and improving the quality of the environment and being prepared for expected changes to the environment and climate; and
- **Gender equality and Equal Opportunities** – which includes ensuring that all activities are delivered in-line with the Equality Act 2010 Public Sector Equality Duty (PSED).

2014-2020 European Agricultural Fund for Rural Development (EAFRD) supports rural businesses to grow and expand, improve knowledge and skills and get started.

Read information and access documents on this fund [here](#).

Management of the Growth programme

Growth Programme Board

The Growth Programme Board (GPB) in England serves as the **Programme Monitoring Committee** (required by EC regulation) for both the European Regional Development Fund and European Social Fund.

Sub-Committees

The Growth Programme Board is supported by:

- a number of national level thematic and operational sub-committees which advise the Board on technical and policy areas
- 38 Local Enterprise Partnership area sub-committees which help Government Department Managing Authorities better understand local needs and capacity in their particular area

Further details can be found [here](#).

Further Information / Contact Info

Below are a number of sources to find further information on ERDF and ESF:

2014-2020 [England European Structural and Investment Funds GOV.UK Pages](#)

Provides access to the funding finder, programme guidance, useful resources, the Programme Monitoring Committee page, the ESF partners page and the Operational Programme document pages.

[BIS Policy Page on European Structural Funds 2014-2020](#)

[European Agricultural Fund for Rural Development \(EAFRD\)](#)

[2007-2013 ERDF pages](#)

[2007-2013 ESF pages](#)

Follow the developments on the Programme on Twitter [@esif1420england](#)

Take a look at our [YouTube channel](#)

Programme email address - esif@communities.gsi.gov.uk

Glossary

Some terms related to European programmes can be unfamiliar or unclear – therefore we have published a [glossary of acronyms and technical terms](#). Also, see below for a short explanation of some of words and phrases used in this document.

Call - A call is an open invitation for applicants to submit proposals against a published call specification.

Co-financing organisations – see Opt-in organisations below.

Eligibility - The rules and conditions governing the use of the European Structural and Investment Funds are laid down partly in EU regulations and partly in National rules. All operations, costs and activities supported by the ESIF funds must comply with European and National Eligibility rules.

Financial Instruments - An alternative to traditional grant funding and may take the form of venture capital funds or loans.

Match funding - ESIF investment contributes to the costs of delivering activity at set percentage rates. The remaining balance of the costs must be met by the organisation receiving the funds. This balance of funding is known as match funding.

Operational Programme - The document setting out the priorities for how the Structural Funds will be used and how they will be administered.

Opt-in organisations - National, government-funded programmes are a key source of match funding for ESIF. LEP Area ESIF sub-committees have been given the opportunity to advise on the use of some of the European Social Fund allocation in their area to national bodies who will provide match funding and work with the committee to agree how this is spent in line with local needs.

Partnership Agreement - A document prepared by a Member State with the involvement of partners in line with the multi-level governance approach. It sets out that Member State's strategy, priorities and arrangements for using the ESIF in an effective and efficient way so as to pursue the European Union strategy for smart, sustainable and inclusive growth.

Priority Axes - The Operational Programmes are made up of Priority Axes. These set out the detail of the priorities for ERDF and ESF investment, the types of activities that will be supported, the resources available, and the specific objectives, results and outputs to be achieved. Priority Axes bring together one or more investment priorities set out in European Union regulations that govern ERDF and ESF. All activity funded by ESIF must contribute to delivering a priority axis.

Programme Monitoring Committee (PMC) - Responsible for monitoring the implementation of the Operational Programme. PMCs are made up of representatives of government and key stakeholders.

Technical Assistance (TA) - The small proportion of the overall Programme budget that European Union Regulations allow to contribute to the costs of the managing authorities in running the programmes and servicing the Programme Monitoring Committee. It also allows, in certain circumstances, funding to be made available to partners to contribute to the costs of work they do which is essential to the delivery of the programmes.