



Department for
Communities and
Local Government

EUROPEAN REGIONAL DEVELOPMENT FUND (ERDF) IN ENGLAND – SUSTAINABLE URBAN DEVELOPMENT (SUD)



European Union

European Structural
and Investment Funds

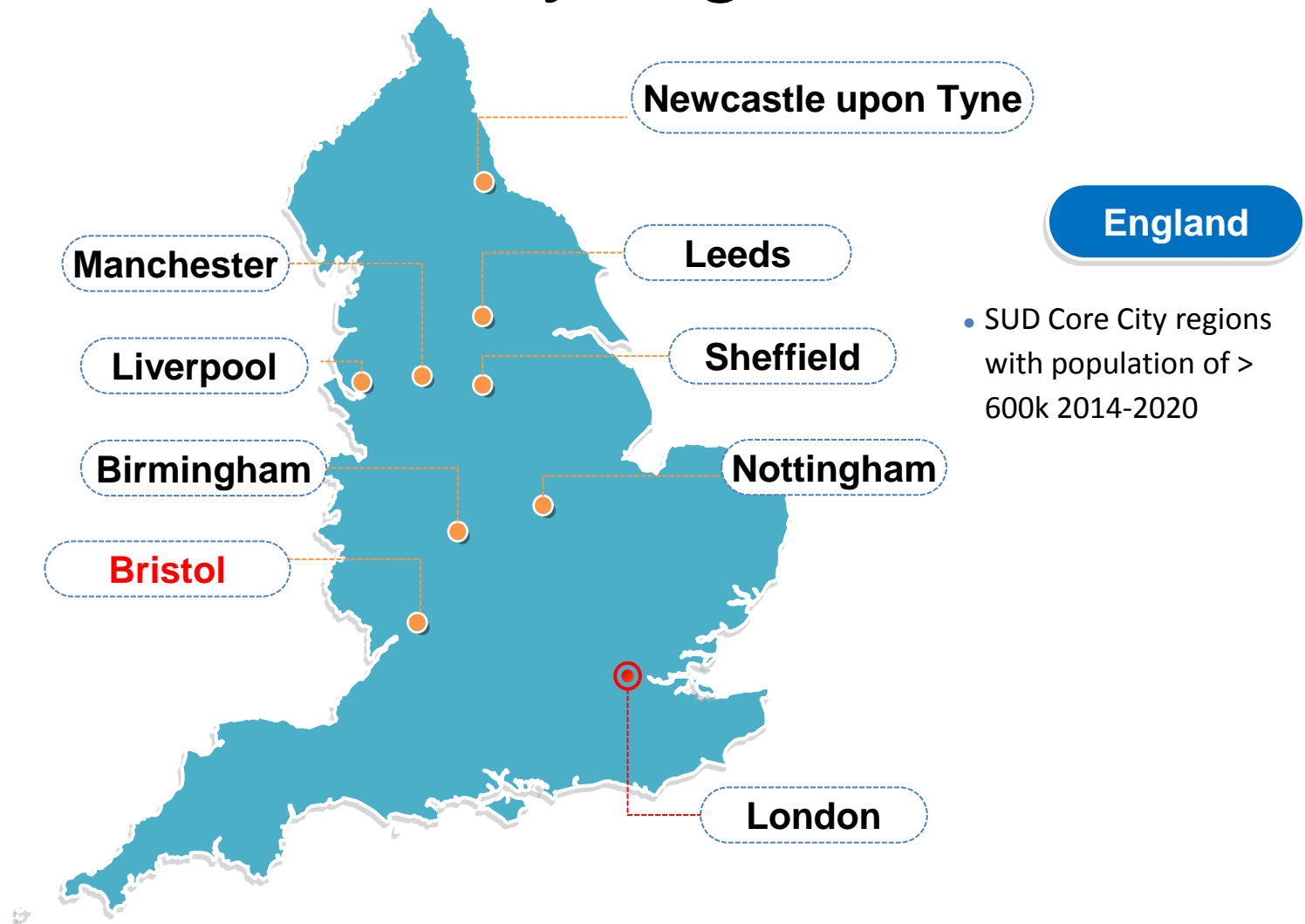
Background Context: SUD

- Urban dimension placed at the heart of cohesion policy in 2014-2020 period
- Article 7, ERDF Regulation (EU) 1301/2013:- At national level, at least 5% of ERDF resources shall be allocated to SUD
- Recognises interconnectedness of challenges faced and benefits of integrated responses that take account of environmental, economic, social and cultural dimensions

Implementation

- Requires agreement of SUD strategy and establishment of Intermediate Bodies for implementation
- MA produced guidance on SUD strategy and the role and responsibilities of IBs
- Discussions with core city combined and local authorities in 2015-16, Mayoral CAs 2017
- Authorities invited to draw up SUD strategy and submit to MA for appraisal
- MA appraises SUD strategy and following approval invites authority to submit IB evidence pack for appraisal

Sustainable Urban Development: Core City regions



Designation of SUD IBs

- The MA appraises the IB evidence pack.
- Needs to confirm legal status of candidate IB and, in particular, to demonstrate:-
 - It has capacity and capability to carry out IB functions;
 - Adequate separation of functions between IB team and project delivery team
 - A strategy for dealing with potential conflicts of interest
 - A secure data management arrangement;
 - It will follow DCLG processes – selection criteria, guidance etc
- On approval MA issues letter of designation to candidate IB, with signed Memorandum of Understanding setting out tasks to be delegated.
- IB also signs MOU to accept designation.

MA functions delegated to SUD IBs

- Overview – **Local strategic fit** element of call design, based on OP, SUD Strategy and local ESIF strategy.
- Call timings – MA will consult with IB about **timing and structure of calls**.
- Outline application – IB will assess applications for local strategic fit based on ESIF or SUD strategy and decide which to approve
- Full application – IB will assess applications for local strategic fit based on ESIF or SUD strategy and decide which to approve.
- IB will advise MA on value for money and deliverability selection criteria





Designated SUD IBs in England

SUD/LEP area	Allocation (£ ERDF)
Greater Manchester *	21,000,000
Liverpool City Region *	9,700,000
West Midlands	13,000,000
Nottingham and Derby (D2N2)	9,800,000
West Yorkshire	15,600,000
Sheffield City Region	8,400,000
North East	18,600,000
London	159,100,000

* Designated as IB for both mainstream and SUD ERDF

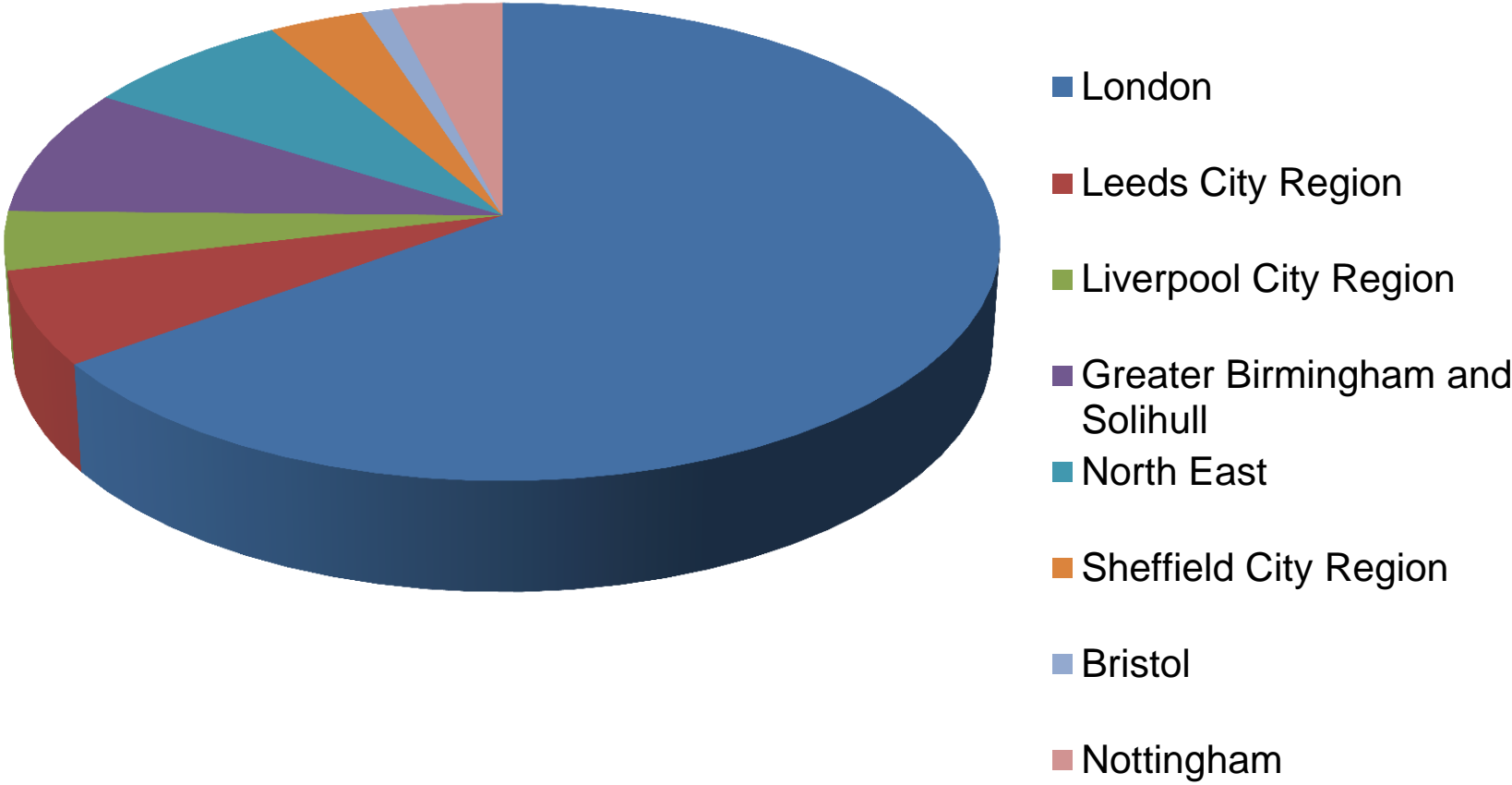
- Total allocation agreed £255.2m (c 5.5% of UK ERDF allocation)





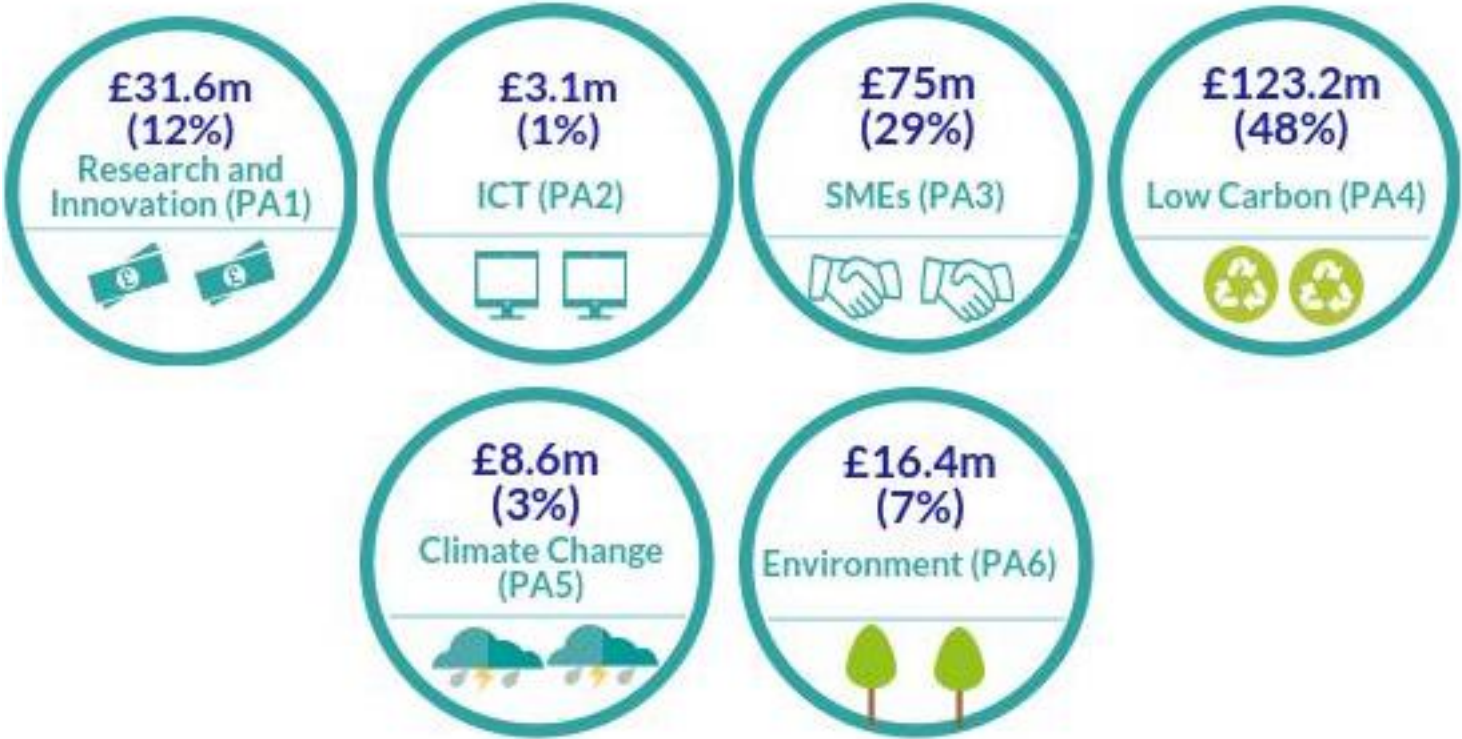
Total SUD allocation (£) for each SUD area against the
overall SUD value

Total SUD Allocation: £257.9 million (includes £2.7m
Bristol) c5.6%





SUD allocation amounts (£) and percentage (%)
of each Priority Axis



SUD – Calls for projects

As at the end of August 2017, the position regarding calls was:-

SUD/LEP area	Date call launched or expected	Value of call (£ ERDF)
Greater Manchester	July	21,000,000
Liverpool City Region	July	9,700,000
West Midlands	September	13,000,000
Nottingham and Derby	September	9,800,000
West Yorkshire	July	15,600,000
Sheffield City Region	September	8,400,000
North East	September	18,600,000



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SUD strategies – Priorities and planned outputs

SUD/LEP area	Investment priorities	Outputs
Greater Manchester	1. RD&I 4b,c,e,f. Low carbon	1.New enterprises supported; employment increase. 4.Research cooperating; new to firm products; decrease in energy consumption; decrease in GHG
Liverpool City Region	4. Low carbon economy. 6. Environmental protection	4. Annual decrease in GHG 6. Better conserved habitat.
West Midlands	4a,b,c,e,f. Low carbon economy 6d,f. Environmental protection	4.Enterprises supported, renewable production, GHG reduction 6. Rehabilitated land, better conserved habitat





SUD strategies – Priorities and planned outputs (2)

SUD/LEP area	Investment priorities	Estimated outputs
Nottingham and Derby	2. ICT and Broadband 3. SME competitiveness 4. Low carbon	2. Additional businesses with Broadband. 3. SMEs receiving support 4. Annual decrease of GHG
West Yorkshire	3a,c. SME competitiveness 5b. Climate change 6d. Environmental protection	3. New or renovated buildings 5. Employment increase, reduced flood risk, habitats supported 6. Rehabilitated land



SUD strategies – Priorities and planned outputs (3)

SUD/LEP area	Investment priorities	Outputs
Sheffield City Region	3. SME competitiveness 4. Low carbon	3. Enterprises receiving support 4. Enterprises supported, annual GHG reduction
North East	1b. RD&I 4b,c,e. Low carbon	1. Enterprises supported. 4. annual GHG decrease, energy usage decrease,



SUD launch

- Launch Liverpool City Region
- London SUD Partnership event



SUD –Next steps

- Calls
- Outline and full ERDF applications
- GDT appraises applications, with input from SUD Ibs and SUD sub-committees
- Monitoring the performance of devolved IBs specific requirement by EC and Audit Authority
- Proposing six-monthly reviews of performance:-
 - Consistency of approach across all projects
 - Local strategic fit, value for money and deliverability appraised as per project selection criteria and MOU
 - Ensuring no conflict of interest
 - Justifications for recommendations made
 - Capacity, meeting deadlines, mitigation of risks
- Unqualified systems audit received September 2017
- Establish GPB national SUD sub-committee from last quarter 2017