

European Structural and Investment Fund

As a result of the economic status of Cornwall and the Isles of Scilly the area has once again qualified for the highest level of investment from the EU. The new European programme covers the period from 2014 to 2020.

As integrated territorial strategies are vital for the achievement of the aims of European funding, the Common Provisions regulation introduces the Integrated Territorial Investment (ITI) as a key instrument to implement such strategies. The ITI Board and LEP in Cornwall and the Isles of Scilly will work very closely together on a significant sum of investment over 7 years.

The EU investment will be received through 4 specific structural funds, which will have their own key objectives. The extent of the LEP's involvement will be dependent on the funds and priorities involved:

- European Regional Development Fund (ERDF)
- European Social Fund (ESF)
- European Agricultural Fund for Rural Development (EAFRD)
- European Maritime and Fisheries Fund (EMFF)

Priorities for the new EU Growth Programme are set out in the Cornwall and Isles of Scilly [Integrated Territorial Investment Strategy](#) 2014-2020 and aligned to the LEP's strategic priorities (as set out in the Strategic Economic Plan). The LEP is also represented on the ITI Board which was formally constituted in 2015. A Terms of Reference has been developed but will be subject to the formalisation of the management structures for the new European programme". In addition, summary of the current membership is contained at Appendix 17.1.

As members of the ITI Board LEPs will be jointly responsible for:

- Deciding which projects to support
- Delivering the milestones and results agreed
- Working with local partners.

Consultation and Transparency

Following responses received on an initial draft the SIF strategy was submitted to Government in May 2014. The response was published on-line so that the public were able to view progress and the content of the SIF itself. It is important that such a major investment involves the community which it serves.

In order to develop the Cornwall and Isles of Scilly SIF Strategy, the LEP agreed to establish five working groups³¹ led by Board Directors tasked with developing proposals to respond to the requests in the Government's guidance covering the following areas:

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| LEP Priority 1 - | Business Competitiveness and Growth |
| LEP Priority 2 - | Employment and Labour mobility |
| LEP Priority 3 - | Knowledge, Research and Innovation |
| LEP Priority 4 - | Natural Environment |

These were effectively task groups set up to put together the initial SIF. Following this, the LEP has expanded the number of sub groups to ensure they match its priorities and cover the key aspects of the SIF. A breakdown of the Sub Groups can be seen by reference to Appendix 6.

The Sub Groups are key in providing the oversight and decision making process for direct LEP investment where applicants would need appropriate endorsement.

EU regulations require that Structural and Investment Fund programmes are prepared, implemented and monitored collaboratively with delivery partners. The guidance states that Local Enterprise Partnerships will need to develop their strategies with a broad range of economic, social and environmental organisations. The list is extensive and evolving but examples include businesses (including social enterprises and mutuals), rural interests and networks, trade unions, local authorities, civil society interests and networks, equality and non-discrimination bodies, Jobcentre Plus and universities and further education institutes.

Separation of roles

As a result of the proper governance put into practice under the last European funding programme, the LEP and its partners are acutely aware of the need to re-affirm the separation of roles which is already engendered into investment programmes.

Growth Hub

The Growth Hub is a focus for business support in the new European funding programme and is written into the European Structural and Investment Fund. It has established a single point of contact for businesses seeking support and/or financial investment.

The LEP will support the delivery of the Growth Hub. It will work closely with the Heart of the South West LEP to build appropriately on the existing Growth Hub model agreed through the Plymouth and the South West Peninsular City Deal.

The objective is to have a clear model for coordinating and simplifying business support so that it joins up national, local, public and private support and creates a seamless customer experience for businesses, which makes it easy for them to get the right support at the right time.

The governance link to the LEP comes through the ITI Board. This is because the Growth Hub's principal functions in supporting and guiding businesses will be driven by the substantive investment from the new European programme. As previously mentioned the LEP Board has a seat on the ITI Board.

European Regional Development Fund

The LEP will work closely with the ITI Board in overseeing the ERDF Programme. It is clear that funding decisions rest with the managing authorities for the new European funding programme. In the context of ERDF, this is the Department for Communities and Local Government.

European Social Fund

Locally, the ESF is overseen by the Employment and Skills Board (ESB), referred to later in this document. The ESB will link the priorities of ESF with the LEP Strategic Economic Plan and the Employment and Skills Strategy. The ESB will do this in close co-operation with the managing “opt in” authorities of Skills Funding Agency, the Department for Work and Pensions and the National Lottery.

The ESB reports to the LEP Board, which meets every 2 months. The LEP Support Team is able to work alongside CC members of staff that have been employed to further the ESF Programme.

The ESB Terms of Reference is located at Appendix 6.1.

European Agricultural Fund for Rural Development

The LEP supports community groups and stakeholders to arrange themselves into 4 Local Action Groups. Following discussions with all key stakeholders (including public consultation events, Cornwall Council, Council of the Isles of Scilly and the previously supported Local Action Groups) the county has been divided accordingly and a map is included as Appendix 17.2.

The LAGs are not directly responsible to the LEP but there are close links and regular communication has taken place. It is also clear that the LEADER process is supported.

European Maritime and Fisheries Fund

Apart from being the smallest of the EU structural funds, the EMFF is unique in that it is the most “independent” of the LEP. This is as a result of national Government policy where the investment will be directly overseen by the Marine Management Organisation (MMO – part of DEFRA).

In practice, organisations (e.g. fishing industry) will apply and liaise direct to the MMO (based in Newcastle). There is likely to be one notable exception where a degree of local management will be delegated. This should be realised through the FLAG (Fisheries Local Action Group) process. Strongly linked to the rural LAGs, the FLAG has already successfully overseen c£2m of EFF (European Fisheries Fund) investment in Cornwall and the Isles of Scilly. The FLAG does not report to the LEP but there are key ties and formal discussions have taken place between the two to ensure proper communication.

The LEP remains highly relevant in this area given that it is private sector led and that a sizeable proportion of the Cornwall and Isles of Scilly economy is linked to the industry. Links are already evident with employers in this area including the large fish producers and processors.