



EUROPEAN UNION
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European Regional
Development Fund 2007-13

**East Midlands European Regional Development Fund (ERDF)
Programme 2007-2013**

**Prospectus for Outline Applications under Priority Axis 2 - Supporting and
stimulating successful enterprise**

Open bidding call: 20th August 2012 until 28th September 2012 at 16:00

This document sets out the process that will be followed to invite Outline Applications for ERDF grant funding under **Priority Axis 2 – Supporting and Stimulating Successful Enterprise** of the **Corby ERDF Programme 2007-2013**.

1. Background

The European Regional Development Fund (ERDF) aims to strengthen economic and social cohesion in the European Union by supporting regional economic development. It provides funding for projects which contribute to economic development and regeneration, promote competitiveness and deliver sustainable development.

The Priority Axis 2 strand provides support and resources to localities with high levels of deprivation and low levels of economic and enterprise activity. Corby has been identified as a one of the 12 target areas across the country and has an allocation of up to £2.4 million up until end of 2014.

£1,261,978 of the total financial allocation is now legally committed to projects which are delivering activity for the benefit of Corby businesses and residents. Further applications are required in order to commit the remaining Programme funds.

As the time available to commit and spend reduces, it is critical that the Programme focuses remaining investment on robust projects capable of delivering in the timescale on activity, spend, outputs and results.

The Programme is aimed at supporting four Key Strands of activity:

- Enterprise support;
- Access to finance;
- Access to resources and support; and
- Reviving local infrastructure and environments.

The Corby PA2 ERDF programme is restricted to projects which:

- Are discretely located, or delivering outputs, in the eligible area (see Section 5 of the Local Investment Plan – a link to this can be found in Annex 1)

- Are for eligible activity as described in Corby Local Investment Plan (LIP) list of eligible actions
- Are for project activity concluding no later than 30 June 2015. ERDF must be defrayed and spent, along with any contracted outputs evidenced and claimed and a final evaluation will need completing by 30 June 2015.

2. Strategic Context

Corby has the lowest rate of business formation and enterprise start up in Northamptonshire. The Town has a longstanding reliance upon low value added employment and lack of entrepreneurialism; approximately 32% of the Town's workforce is employed in traditional manufacturing or distribution sectors (down from 50% in 2001) which are vulnerable to competition from low cost overseas locations.

Today, Corby is being transformed thanks to a visionary programme of new developments that will see the town's population increase to 100,000 in the next 20 years and create thousands of new jobs. A series of new developments – such as Eurohub, Southern Gateway Business Park, residential development at Prior's Hall, retail development in the town centre (Willow Place), international swimming pool complex, a new railway station, the Corby Enterprise Centre and the Corby Cube – have started to physically transform the town. Some of this transformation has been supported by ERDF money and the first half of the programme included the following projects:

- **Corby Enterprise Centre** - Designed to provide ideal accommodation for entrepreneurs and start-ups to realise their business ambitions as well as giving existing small businesses access to flexible office and workshop space to allow them to grow. With different sized offices and studios suitable for between 2 and 25 people, the Enterprise Centre is a lively new focus for business activity in the area.
- **George Street Public Realm Improvements** - To improve pedestrian access between the newly revitalised shopping area and the civic and leisure area of town, which includes the Corby Cube and international swimming pool.

The second half of the programme has delivered further projects that support this transformation:

- **Sustainable Enterprise with the Princes Trust** – To foster, support and sustain an entrepreneurial culture amongst disadvantaged NEET, raising enterprise and business start-up as a realistic goal amongst disadvantaged young people
- **University of Northampton Enterprise Support** – Provide a full range of business support services designed to encourage self employment, sustain new businesses, and ensure all businesses in Corby fulfill their growth potential.
- **Prohelp** – A national network of locally based professional firms, committed to making a difference in their local community by offering time and expertise to social enterprise, community groups and voluntary organisations.
- **Electric Corby** – Secure Corby as the UK's practical Research and Development centre for energy efficient living and low carbon vehicles. Investment in charging infrastructure, electric vehicles and energy management will make a key contribution to creating the environment to drive investment and growth in clean technologies employment in Corby. This infrastructure project sits within the

overarching Electric Corby project and addresses the provision of electric vehicles and charging in public locations.

3. Strategic Fit

The Corby PA2 ERDF Programme is open for applications however they must meet the strategic fit criteria detailed below:

1. Projects must demonstrate a clear strategic fit with the ERDF Operational Programme.
2. Projects must deliver against the objectives and actions in the Corby Local Investment Plan.
3. Projects must be consistent with the priorities of the South East Midlands Enterprise Partnership and Northamptonshire Enterprise Partnership (see annex 1 for websites and further detail).
4. Projects must be consistent with the Government strategies and policies relevant to Priority Axis 2 and the following over-arching Government strategies:
 - a. The Government's Business Improvement Framework: 'Bigger, Better Business: Helping small firms start, grow and prosper'
 - b. The Governments Plan for Growth
 - c. The Government's approach to sub-national economic development: 'Local Growth: Realising every place's potential'; and the maximisation of opportunities provided through other Government policy instruments e.g. Enterprise Zones and powers granted under the Localism Act.
5. Projects deliver spend that is in line with Europe 2020 – a development of the European Union's Lisbon Strategy for Jobs and Growth. Further information on the Lisbon agenda can be found on the website in Annex 1.

4. Current Targets

The Corby PA2 Local Investment Plan aims to achieve the following outputs, results and impacts. Potential projects will need to make an appropriate contribution towards these targets. Projects which will not achieve any of the stated outputs will not be eligible for ERDF support.

Output	Total target	Total contracted	Total in pipeline	Remainder of target to be met
No. of businesses assisted to improve performance	185	46	118	69
Public and private investment leveraged (€)	6,449,999	0	76,520,000	0
Sq metres of new and upgraded floor space (internal premises)	950	4200	12,000	0
No. of people assisted to start a business	135	140	247	0
Brownfield land reclaimed or developed (ha)	0.850	1.94	0	0
Results				
No. of jobs created	310	185	330	0
No. of businesses improving performance	165	0	121	54
GVA resulting from businesses improving performance (£)	5,899,999	0	50,000	5,849,999
No. of new businesses created and new businesses attracted to the region	80	46	58	0

Definitions of each of these indicators can be found in the East Midlands Competitiveness Programme Priority Axis 2 Applicant Guidance (see Annex 1).

At the time of writing the Corby programme is not yet performing well against the following targets:

- Brownfield land reclaimed or developed (ha)
- GVA resulting from businesses increasing performance (£)

Therefore the Board will be looking to achieve these within projects that come forward under this call.

It is important that new projects will compliment, but not duplicate existing projects that have funding committed from earlier stages of the programme.

5. The project / activity

This call for activity is seeking projects that fit with the criteria outlined in (3) above and ensure all targets for Corby are delivered. It is also based on what the Corby Board consider to be gaps in support for enterprise. In particular the Corby ERDF Board would be interested in the type of projects listed below:

1. To develop and offer a bespoke business support service for new and existing businesses in Corby that provides targeted market insight and intelligence to enable businesses to start-up, develop and grow into new markets.

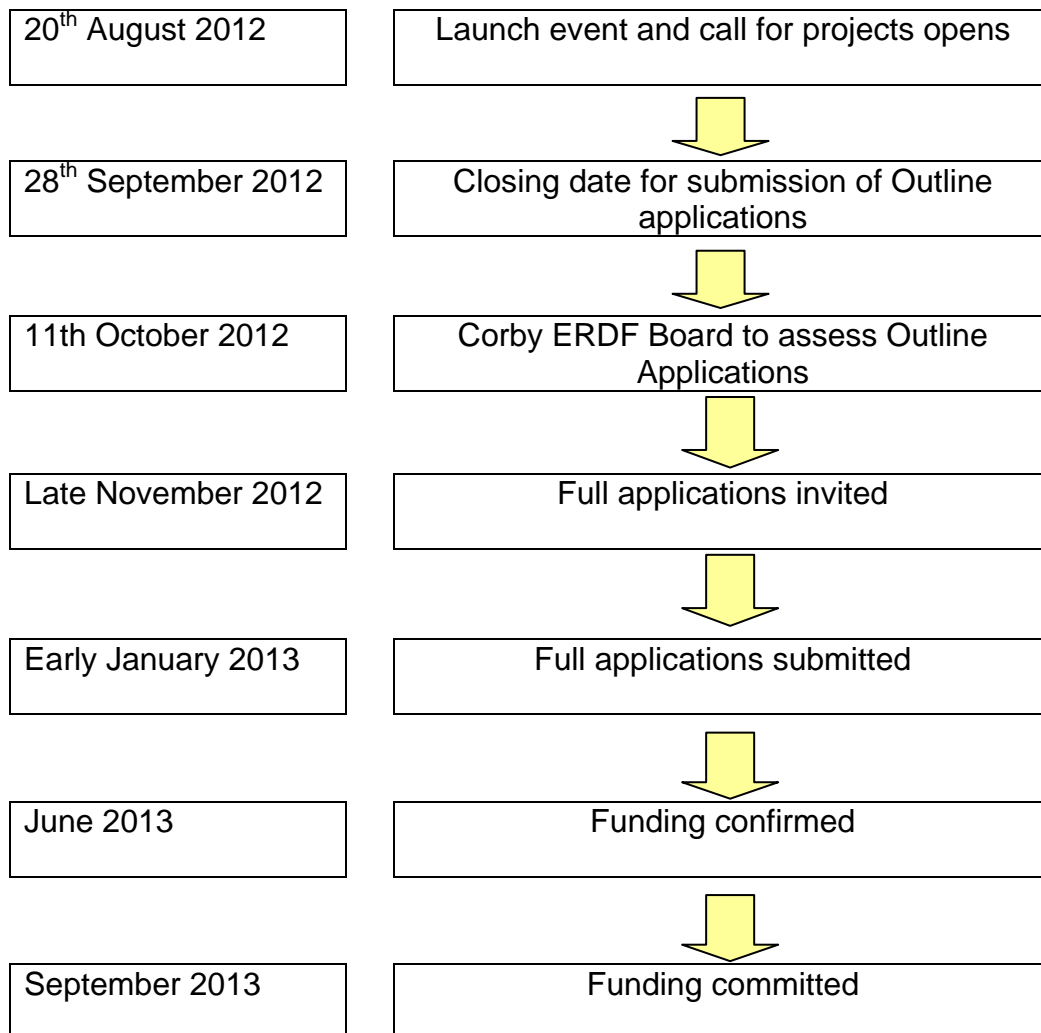
2. To increase productivity of SME's within the ERDF Package area. Especially those businesses falling below the high growth definition but that are still growing. This would be measured by new jobs created in the supported firms. Appropriate support could include:
3. Co-ordinating market intelligence linked to Market Insight including peer support and use of sector experts to develop support for SME's with growth potential
 - High growth management and legal/intellectual property advice
 - Using digital media to access new markets
 - Marketing and PR workshops
 - Exploiting opportunities created by strategic conferences
 - Export guidance from university experts to business in overseas markets
4. To target inward investment for Corby there is a need to package and present the Corby Investment offer in terms of sites and properties available, skills and special initiatives, and utilising case studies to do this. Use PR, websites and provide a centre for servicing enquires and aftercare services.
5. Land and Premises Remediation linked to the above point this element could provide an element of investor support to improve the chances of attracting inward investment.
6. Promote benefits of a skilled and qualified workforce to employers. This may be through the delivery of a business support service to local SMEs that makes suitable local graduates and/ or undergraduates available to SMEs to undertake placement opportunities over for a set number of weeks. The student will deliver a project or defined business support activity that will offer tangible business benefits to the SME. The service will include both under graduate short term placements as well as year long graduate and undergraduate placements.

There is scope for these projects to be delivered as a packaged programme or as separate strands of activity. This could enable additional benefits to be achieved that will enable greater leverage for the benefit of Corby Borough as a whole.

Whilst the board is keen to see projects that help address the issues outlined above, they are also open to other project ideas that will deliver outputs in line with those outlined in the table.

6. Timescales

The Open Call for Outline Applications will open on 20th August 2012 and remain open until 16:00 on 28th September 2012. During this time, organisations will be able to submit their Outline Applications at any time before the Open Call closes.



7. Supporting information for applicants

7.1 Match funding

It must also be noted that funding for this round won't normally comprise over 62.72% of eligible costs, therefore the applicant must provide the additional 37% as match funding. Match funding needs to be confirmed by the applicant. Match funding can be from public sector partner organisations, other public sector funding sources, or from private sector sources. Private sector match funding should not normally exceed 10% of the total match, therefore the majority of match funding must be from public sector sources. 'Inkind' support is ineligible, so cannot be used as match funding. ERDF PA2 funding cannot be matched with any other European funding stream.

Sources of match funding may potentially include applicant's own funds, Regional Growth Fund, Growing Places Fund, Higher Education Funding Council for England, Lottery Funding and other sources of public finance.

7.2 Applicant eligibility

The Programme is aimed at intermediary bodies that will use ERDF investment to work with existing businesses or potential entrepreneurs to promote economic growth. Eligible applicants are therefore likely to be local authorities, universities, public organisations, voluntary and community bodies and some private sector organisations (subject to state aid compliance).

Investments will only be made where they are permissible under state aid regulations. Applicants are recommended to take advice on the state aid implications of their proposed project activity prior to submitting an Outline Application.

Organisations must be legally constituted and able to enter into binding contracts. A financial vet will be completed on potential applicants to ensure they are capable of discharging the financial obligations of an ERDF Funding Agreement. Prior to submission of a project proposal, all potential applicants should read and consider all application materials carefully and ensure that they are capable of compliance with the mandatory requirements of ERDF.

7.3 Eligible Costs

All costs will be assessed against relevant eligibility criteria to ensure they are compliant.

7.4 State Aid

Whilst the European Commission encourages actions to strengthen the competitiveness of the regional economy, and recognises the importance that financial assistance and advice to companies can play, direct aid to companies can distort competition. The Commission has rules to prevent the distortion of competition, by the awarding of public sector grants. ERDF is classed as a source of public sector grant support. State Aid rules apply to private industry, to certain public sector projects which will generate "substantial net revenue", and third sector organisations that are operating trading activities. Further information on State Aid can be found at the link in Annex 1. Details on the technical aspects can be obtained by contacting Department for Business, Innovation and Skills.

7.5 Cross-cutting themes

The Cross Cutting Themes (CCT) of Environmental Sustainability and Equalities should underpin and inform all activity financed through the Programme. The aim is to integrate, or mainstream, the themes across all activities. Mainstreaming ensures that cross cutting themes are considered at every stage of the life of a project, from its development, application and delivery, to how it is monitored and evaluated. The Corby ERDF Board expect that all projects should be able to show their commitment to equality of opportunity. It is something that will feature highly in the scoring, and underpins the entire ERDF Programme, through the Lisbon Agenda, and through UK and local government commitment to equality. DCLG will ensure that this is in the projects through monitoring.

7.6 Monitoring and Evaluation

Monitoring and evaluation by the Programme Delivery Team (PDT) will ensure the quality and effectiveness of the Programme and how it is delivered in the twelve Districts. The progress of a District's performance will be monitored and evaluated by:

- Monitoring output indicators for each Project;
- Undertaking appropriate level evaluations at key times during the Programme period;
- Tracking progress of Programme impact indicators: GVA (Gross Value Added), employment rate and business creation rate; and
- Achievement of profiled outcomes.

In addition, the spatial distribution of the Programme funding will be monitored in order to ensure that the delivery of the Programme is supporting the overall aims of improving the performance of the region as a whole and addressing intra-regional disparities.

8. Application process

Responses to the Open Call must be made on an Outline Application form which is available in the ERDF National Guidance section of the DCLG website and via the link in Annex 1.

Responses which are not on this Outline Application form will be rejected.

Completed submissions must be returned by no later than 16:00 on 28 September 2012 by:

- Electronic format clearly marked 'Corby ERDF PA2' to Joanne.singleton@corby.gov.uk

AND

- Two signed copies to Corby Borough Council in a sealed envelope, clearly marked 'Corby Outline Application' to Jo Singleton at the following address:

Jo Singleton
ERDF Officer
Planning and Environmental Services
Deene House
New Post Office Square
Corby
NN17 1GD

Once the call has closed, projects will be assessed based on the information presented in the outline application against the selection criteria. If an application is incomplete, insufficient or poor quality information prevents an informed assessment, or the financial checks on the applicant organisation are not supportive, the application will be rejected without completing the full assessment. Project assessments will be considered in a competitive process to select which applications will progress to the full application stage. This will take place in October 2012.

Project applicants will be notified of the decision relating to their project by letter following consideration by the Corby ERDF Board. The decision of the Corby ERDF Board will be final.

8.1 Full Applications

Successful applications will have four weeks to prepare full applications. Applications must be submitted on the Full Application Form, this is available on the DCLG website and sent to Corby Borough Council on the same contact details as above.

Details of the deadline and submission requirements will be provided to successful applicants.

All applicants will receive acknowledgement of safe receipt within three working days of submitting their bid.

Full applications are appraised by the regional ERDF team who are part of the Department of Communities and Local Government. Applicants will be contacted by DCLG directly regarding any queries with the full application, and then whether the applicant has been successful or not.

8.2 Support for applicants

For further information and/or guidance on Corby's application process, please contact a Jo Singleton – 01536 464165 or email Joanne.singleton@corby.gov.uk

For detailed information about technical aspects (e.g. procurement rules, state aids etc.) of the ERDF PA2 programme you can contact a member of DCLG's ERDF PA2 Team:

Michelle Targett – Tel: 0303 444 6433 or email: michelle.targett@communities.gsi.gov.uk

ANNEX 1 - Useful links and documents

Corby Local Investment Plan

<http://www.communities.gov.uk/regeneration/regenerationfunding/europeanregionaldevelopment/eastmidlands/funding/priorityaxis2/>.

East Midlands Competitiveness Programme Priority Axis 2 Applicant Guidance 2008

<http://www.communities.gov.uk/documents/regeneration/doc/1965343.doc>

East Midlands ERDF Operational Program

<http://www.communities.gov.uk/regeneration/regenerationfunding/europeanregionaldevelopment/>

ERDF Assessment paperwork

<http://www.communities.gov.uk/regeneration/regenerationfunding/europeanregionaldevelopment/nationalguidance/erdfguidance/>

ERDF Eligibility Rules

<http://www.communities.gov.uk/documents/regeneration/pdf/19272131.pdf>

ERDF Outline Application Form

<http://www.communities.gov.uk/regeneration/regenerationfunding/europeanregionaldevelopment/nationalguidance/erdfforms/>

Lisbon Agenda

<http://ec.europa.eu/archives /growthandjobs 2009>.

Northamptonshire Enterprise Partnership

<http://www.northamptonshireep.co.uk/>

South East Midlands Local Enterprise Partnership

<http://www.semlep.com/>

State Aid

<http://www.bis.gov.uk/policies/europe/state-aid>