



European Regional Development Fund 2007-2013

Priority Axis 2 in Corby

Local Investment Plan

Refresh 2011-13



Introduction – Corby ERDF Local Investment Plan

This Document has been produced to act as a guide to help applicants develop projects that are effective local solutions to enhancing and supporting areas of weakness in the Corby economy.

It has been decided that Corby's priority under this plan is:

“...to improve the economy of Corby by creating an environment that builds aspiration, empowers and encourages people and in so doing, creates improved opportunities for employment, wealth and investment that will further grow and enhance Corby as a place to work and live”.

Corby secured ERDF funding for the first time in 2007 and this Investment Plan is intended to build on those activities funded within the first half of the programme. There is recognition that there is still a great deal to do. The recession has hit unemployment rates hard within Corby and businesses have found trading difficult. Geographically the greatest areas of need are in the urban areas of the town. The ERDF PA2 is for those areas of greatest need, therefore the projects that emerge from this investment plan need to demonstrate how they will reach these target communities.

Corby Board

The Corby Board is the local governance vehicle for the administration and decision making processes associated with this funding. The Corby board includes representation from:

- Corby Borough Council
- North Northamptonshire Development Company
- East Midlands Business
- University of Northampton- business school
- Northamptonshire County Council
- Northamptonshire Enterprise Limited

To date the Board has not had any representation from within the Voluntary and Community sector and would be keen to address this in the second half of the programme.



Background

The European Regional Development Fund (ERDF) is one of the European Union's Structural Funds

ERDF funding aims to strengthen economic and social cohesion in the European Union by supporting regional economic development. The East Midlands is eligible for more than £190m between 2007 and 2013, which when combined with national public match funding, provides a programme value of approximately £380m – a significant investment in the economic development of the region.

The East Midlands qualifies as a competitiveness and employment region under the EU's Cohesion Policy, which aims to meet the EU objective to become 'the most competitive and dynamic knowledge based economy in the world, capable of sustainable economic growth with more and better jobs and greater social inclusion'.

From 1st July 2011 The Department for Communities and Local Government will be responsible for the programme management and delivery of the region's ERDF Competitiveness Programme.

(PA2) PA2 deals with activity at a specific local level. PA2 provides support and resources to localities with high levels of deprivation and low levels of economic and enterprise activity in order to increase sustainable economic and enterprise activity. Within the Operational Programme (OP), 12 such target districts have been identified and) of the Programme's total allocation will be used to support four Key Strands of activity:

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



These activities have been structured along the following lines:

Strand	Ref:	Indicative Actions
2a. Enterprise Support	2a-1	Enhanced enterprise and start-up initiatives including enterprise awareness coaching, mentoring provision and initiatives to support enterprise in target communities.
	2a-2	Bespoke business support initiatives for businesses and social enterprises to develop and enter new markets, including those concerned with waste minimisation, renewable energies and resource efficiency opportunities, including financial assistance and consultancy support.
	2a-3	Developing the capacity of local businesses and social enterprises to access local procurement opportunities.
	2a-4	Creation and refurbishment of premises, employment sites and small scale enterprise facilities.
2b. Access to Finance	2b-1	Development and provision of appropriate financial instruments, including Community Development Finance Instruments (CDFI).
	2b-2	Access to finance and investor readiness support.
2c Access to Resources and Support	2c-1	Developing and improving access to employment opportunities, including local transport initiatives, connectivity (including ICT) and accessibility.
2d. Reviving Local Infrastructure and Environments	2d-1	Rehabilitation and development of local environments to create more attractive places for communities and investors.



As one of the identified target districts, Corby has been allocated its own budget (see table below), and has been charged with the task of organising itself and setting out a plan to spend its allocation of money between now and the end of 2014. This document indicates these ideas (see “Priorities for Investment”).

Corby's ERDF allocation 2011-13	2011	2012	2013	Total
	£500,000	£959,000	£959,000	£2,418,000

Strategic Context

Corby has the lowest rate of new business formation in Northamptonshire. Since the closure of the local steelworks during the 1980s, the Town's economy has been based largely around low wage/low skill employment in sectors such warehousing and distribution. There is a lack of innovative or “value added” businesses located in Corby.

In fact 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 double from 57 000 in the next 30 years and create thousands of new jobs. A series of new developments – such as Eurohub (a £5.5 million employment area, opened in 2007), Southern Gateway Business Park, new residential development at Prior's Hall, new retail development in the town centre (Willow Place), a new international swimming pool complex (opened in 2009), new railway station the £8million Corby Enterprise Centre and new civic facilities (Corby Cube, opened in 2010) – have started to physically transform the town. The task is now to create a thriving local economy that can start to address the issues of high unemployment, low business births and survival, low skilled jobs and low qualification levels

The Corby PA2 ERDF programme is open for applications from groups or organisations wishing to deliver ERDF-eligible activity, compatible with this Local Investment Plan (LIP).

It is restricted to projects which:

- Are discretely located, or delivering outputs, in the eligible area (see Section 5 below)
- Are for eligible activity as described in Corby Local Investment Plan (LIP) list of eligible actions
- Can claim all expenditure, outputs and undertake a project evaluation by 30 June 2015.



The PA2 ERDF funding in Corby is to be used to deliver activities set out in the Corby LIP. After the first half of the programme there have been a number of beneficial projects that have helped contribute to the economic development of the town.

Please note, it is possible that activities can take place outside of these target areas however, any proposal that does so must show how such activity will benefit the groups in these target areas. In theory, they could even take place outside of the Corby district boundaries, but it will still be necessary to provide an excellent economic argument and targeting methodology to demonstrate the benefit on these target communities. The table below demonstrates those wards that are considered priority.

List of Corby Wards		
Ward	Urban / rural	Priority
Rural West	Rural	Low
Weldon and Gretton	Rural	Low
Stanion and Corby village Ward	Rural	Low
East Ward	Urban	High
Exeter Ward	Urban	High
Beanfield ward	Urban	High
Central ward	Urban	High
Danesholme	Urban	High
Shire Lodge	Urban	High
Rowlett Ward	Urban	High
Lodge Park	Urban	High
Hazelwood	Urban	High
Kingswood	Urban	High
Great Oakley	Urban	High
Oakley Vale	Urban	High
Tower Hill	Urban	High



Outputs, Results and Impacts

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.

	Total	2007-10	2011-13
Outputs	Target		
No of businesses assisted to improve performance	185	106	79
Public and private investment leveraged (€)	6,449,999	3,685,714	2,764,285
Sq metres of new or upgraded floorspace (internal premises)	950	543	407
No of people assisted to start a business	135	77	58
Brownfield land reclaimed or redeveloped (ha)	0.850	0.486	0.364
Results			
No of jobs created	310	177	133
No of businesses improving performance	165	94	71
GVA resulting from businesses improving performance (€)	5,899,999	3,371,428	2,528,571
No of new businesses created and new businesses attracted to the region	80	46	34

Definitions of each of these indicators can be found in the East Midlands Competitiveness Programme Priority Axis 2 Applicant Guidance, which can be downloaded from:

http://www.eastmidlandserdf.org.uk/index.php?option=com_docman&task=cat_view&gid=83&Itemid=58

There are a number of projects that have been supported under the first half of the programme that are delivering against these outputs. At the time of writing the Corby programme is not yet performing against certain targets as follows:

- Number of businesses assisted to improve performance
- Private sector leverage
- Number of new jobs created (as a result of investment activity)

The Board would welcome projects that can help the programme to improve against these outputs and measures.



Priorities for Investment

The investment in ERDF activities in Corby will serve to achieve the aims of this plan and should add value and support efforts to improve the economic prosperity of Corby and in so doing, help prepare for the future challenges of growth. These activities are those that have been determined locally through a process of consultation. We have tried to ensure that any activity will have synergy with the planned regeneration of the town as outlined in the and also in line with the Strategic Northamptonshire Economic Action Plan (SNEAP)

Enterprise support

Start up stimulation

Under the first half of the programme two main projects helped support the stimulation of enterprise within Corby. The **regional outreach project** is providing additional support for those wanting to start up a business and **enterprise coaching** is supporting the delivery of an innovative enterprise programme within Corby by seeking to deliver enterprise stimulation activities in the town. Currently Enterprise Coaching feeds into the start up service. After December of this year the start up provision both under the outreach project and also as part of the mainstream offer will no longer exist.

The Partnership Board is keen to see this programme support the development of a culture of entrepreneurship within the town and to help provide solutions that help people realise their entrepreneurial ambitions.

Priority will be given to;

- Approaches that focus support on the areas of most need
- Tailored support for those wishing to start a business and those within the first 12 months of trading

Support for Existing Businesses

Support to help businesses expand and look to new markets and new opportunities through innovation and the development of new ideas is seen as vital. It is recognized that the majority of new jobs will come from existing businesses within Corby and there is a need to help support businesses to diversify beyond their current level of performance if this programme is to help Corby's economy to grow and prosper. The Board would particularly welcome applications that help support this activity as jobs created is an output that is currently under performing,

Applications are welcomed that will provide;

- Tailored business support programmes for important business clusters and potential growth businesses
- Support to existing enterprises to assist entry to new markets and access local procurement opportunities
- Support for inward investment and trade
- Strengthening supply chain linkages
- Nurturing key sub-sectors



Access to Finance

Since the recession began in 2008 access to finance for small businesses has been difficult to obtain. This has been a key barrier to new and existing businesses. The take up of grants within the Business outreach project have identified the hunger for finance to help pump prime or kick start investment and growth.

We would like to develop loan and loan funds on a micro-finance level for enterprises and/or sole traders.

The Board recognises that some of the outputs for this measure will be achieved at regional level as part of the regional allocation. At this point, we await further information regarding the take up of this regional project within Corby. Some gaps in service may emerge, and we would anticipate interventions in this measure to address these gaps.

The Partnership board will work with local partners to understand the opportunities relating to community finance offers and identify activity to;

- enable maximum access of local support by Corby businesses and social enterprises, e.g. through Midlands Community Finance
- opportunities for additional local microfinance initiatives
- Increase the take up of grants on offer through current projects.

Access to resources and support

Within the first half of the programme there was no activity under this measure within Corby. This priority area relates to ensuring that businesses and employees have easy access to employment and transport and ICT connections.

The availability of the most flexible and affordable ICT infrastructure combined with skilled people are key foundations for economic development. Projects that help increase access to and the use of ICT to improve business productivity are welcomed.

With regard to transport related projects there was only one project supported in the whole PA2 programme regionally, so, although we would still consider projects under this theme there would need to be clear and tangible outputs delivered from this activity that do not contravene issues regarding state aid etc. . .

Priorities for the second half of the programme will include:

- Further development of next generation connectivity to support SMEs in disadvantaged areas
- Travel initiatives where these can be shown to increase competitiveness for disadvantaged areas in the town



Reviving Local Infrastructure and Environments

Employment Space

The first half of the programme has helped to develop new and refurbished space for businesses to grow in disadvantaged areas of the town. The brand new Corby Enterprise Centre (CEC) provides early stage companies with business support, strategic advice and flexible accommodation, all designed to accelerate the successful development of entrepreneurial companies.

This is a theme that we want to continue to prioritise in the second half of the programme, particularly where specialised facilities aimed at specific sectors can provide added value for businesses to grow in a mutually supportive environment.

Priorities for the second half of the programme will be broadly similar and include:

- Support for growth sectors and businesses including working with partners on the provision of workspace to create an effective ladder of accommodation
- Business incubation units in areas where these are needed
- Workspace for new or existing businesses.

Public Realm

The Partnership Board acknowledges that high quality public realm activities can improve the town and complement the existing regeneration and development activity. Public realm activity can greatly assist the attraction of new investment into the Borough as its appearance, vibrancy and attractiveness will change for the better. This can in turn help stimulate economic activity from which areas of deprivation in the Borough will benefit as employment opportunities improve.

There are however limitations to the Partnership Board investing in Public Realm activity. By their very nature public realm projects create very little direct outputs. Under the Lisbon agenda (see annex 2) the Partnership board are able to grant ERDF to projects that are not contributing outputs to the Lisbon agenda but these must not exceed in value 23% of the total allocation for Corby. Given the way in which ERDF within the East Midlands operates we must also ensure that the region as a whole is not exceeding the 23% and that the investment available to Corby is able to maximize the investment available to deliver the outputs contained in this LIP.



Application processes - Advice to applicants

The documents required to apply an Expression of Interest to the Corby ERDF PA2 Partnership Board are to be found on the ERDF East Midlands website. Applicants are strongly advised to read through these documents and make sure that any activity that they propose tries as much as possible to focus activity on delivering the outputs highlighted previously and their results. All activities will have their own merits, but only those that can strongly show a direct correlation with the outputs as set out in this plan will have any real chance of being recommended by the board to go to emda for full application.

It is also worth checking the strategic fit with other initiatives to see if their project has a good crossover, especially if they are using other regional or government sources of money to match fund ERDF PA2. (See introduction for next section “Priorities for Investment” for examples). Any project that has a low correlation, or cannot demonstrate connection to any of the aims of ERDF PA2, will not be recommended.

All ERDF-funded projects must be eligible with basic ERDF eligibility requirements. More information is contained in the emda regional PA2 guidance. Specifically, applications must:

- Be for an eligible activity as listed in the activity tables of the Local Investment Plan
- Make a direct contribution to the projected targets and outputs of the Local Investment Plan

The Bidding Process

There are two stages to the PA2 ERDF bidding process – expression of interest followed by full applications from selected projects.

The Expression of Interest (EOI) form

The EOI form can be downloaded from:

http://www.eastmidlandserdf.org.uk/index.php?option=com_docman&task=cat_view&qid=83&Itemid=58



Applicants should fully complete the Expression of Interest form. Failure to do so is likely to result in the project being rejected at the initial checking stage.

All Expressions of Interest must meet a minimum quality threshold of 50% (30 points out of 60), determined by a scoring process. The full Expression of Interest Assessment Framework used in selection is also available to download from the above web address.

Submission of Applications

Applicants must ensure they provide a fully completed Expression of Interest form, both a signed hard copy and an electronic copy of their application form. Electronic copies may be emailed to Norman.Stronach@corby.gov.uk or provided on CD or memory stick.

Hard copies may either be sent by post or hand delivered. Postal applications should be sent to: Norman Stronach, Corby Borough Council, Corby Cube, George Street, Corby NN17 1QG

If you have submitted an electronic copy by email, you should receive an acknowledgement within 2 working days of submission. Please telephone if you have not received acknowledgment within this time.

If you have submitted your electronic copy by CD or memory stick enclosed with your hard copy, you will receive an acknowledgement in writing. Please telephone 01536 if you have not received an acknowledgement letter within one week of submitting your application.

Selection Criteria

In order to be eligible for assistance through the East Midlands 2007-13 ERDF Programme, all projects must:

- Deliver against the objectives of the ERDF Operational Programme;
- Form part of a Key Activity or Programme of Investment identified in the Investment Framework
- As a general rule, be located within the programme area and demonstrate that the outputs will be delivered in, and impact on, the programme area ;
- Identify expected outputs and results and provide details of clear and attainable targets;
- Demonstrate an additional and sustainable benefit to the socio-economic development of the area;
- Demonstrate acceptable value for money in terms of outputs/results and benefits returned on the investment;
- Have a sound funding package in place, identifying the recipient of the funds and the sources of match funding;
- Not duplicate existing activity (but could extend such activity) and must not be a substitute for existing or planned domestic expenditure;
- Undertake an options analysis to ensure their proposals are the best way of achieving the desired outputs/results;
- Demonstrate full consideration of the cross cutting themes of environmental sustainability and equalities at project design stage; and
- Demonstrate that they have fully considered procurement and state aid issues.



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.

We 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. Emda will ensure that this is in the projects through monitoring, but we would like to use TA funds to help employ someone to increase Corby's capacity in ERDF activity. A key area of that role would be to help applicants understand the importance of mainstreaming environmental sustainability and equality in our projects.

Monitoring and Evaluation

Monitoring and evaluation by the PMC 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.



Contact Details

If you would like to discuss the eligibility of your proposal, please contact:

Jennie Johnson
Corby Borough Council
Regeneration and Growth,
Deene House,
New Post Office Square,
Corby,
NN17 1GD.
Jenniek.johnson@corby.gov.uk
Tel 01536 464165

Further information about technical aspects (e.g. procurement rules, state aids etc.) of the East Midlands ERDF Programme can be obtained from Michelle Targett: Tel: 0115 9471768. Email: MichelleTargett@emd.org.uk

Approved projects will be subject to monitoring, audit and evaluation and further details on this will be provided to applicants at the full bidding stage.

More information on managing approved projects can be found at:
http://www.eastmidlandserdf.org.uk/index.php?option=com_docman&Itemid=59

If you are successful, you will receive a letter informing you of the next stage of the application process. If you are unsuccessful, you will receive a letter explaining why you were not considered on this occasion. There is NO right of appeal.