



Implementation Plan 2017-20

South East Midlands European
Structural Investment Fund 2014-20

May 2018 v25

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1. Introduction

The South East Midlands Local Enterprise Partnership (SEMLEP) Implementation Plan 2017-20 sets out the priorities for European Social Fund (ESF) and European Regional Development Fund (ERDF) spending in the second half of the SEMLEP ESIF Programme, as well as the funding that will be available and the timetable for calls.

The ESF and ERDF priorities used in the document are derived from the 2014 – 2020 ESF and ERDF Operational Programmes. See Annex 1 for corresponding SEMLEP/NEP ESIF priorities.

Following the merger between SEMLEP and NEP (Northamptonshire Enterprise Partnership), it was decided that rewriting a combined ESIF strategy was not practical. SEMLEP have produced this implementation, which outlines priorities for uncommitted allocations for the second half of the programme, to cover both LEP areas.

In 2017 SEMLEP undertook a refresh of ESF key data sets. This refresh compares overall LEP statistics across England and explores the data divided into 13 Local Authority areas for trend analysis with greater granularity. An ESF Project Directory has also been produced (http://www.semlep.com/modules/downloads/download.php?file_name=648) which details the contracted provision from the first half of the ESIF programme.

This Implementation Plan has considered stakeholders' consultations undertaken from May to July 2017 by SEMLEP on the ESF Key Data Refresh and analysis of ESF activity procured in the first half of the programme. The consultation included ESIF Committee members and stakeholders at two events supplemented by an online consultation. Such input was valuable in view of changes to the local labour market and to ensure that ESF provision in the second half of the programme addresses gaps in provision.

No stakeholder consultation has been undertaken for the ERDF Programme as the conditions that underpinned its priorities in the first half of the ESIF Growth Programme have remained broadly unchanged. As with ESF, an ERDF Project Directory has also been produced (http://www.semlep.com/modules/downloads/download.php?file_name=647) which details contracted provision from the first half of the ESIF programme.

The Implementation Plan does not cover the EAFRD Programme as the funds have now been fully committed.

At the start of the second half of the SEMLEP ESIF Growth Programme £33m of ESF and ERDF funds were uncommitted. This has the potential to make a significant contribution to the delivery of jobs, skills and support for SMEs across the SEMLEP area.

The ESIF resources will contribute to achieving the SEMLEP 2017 [Strategic Economic Plan vision](#) delivering critical outcomes for individuals and businesses

and having an economic impact in the period up to 2020. Due to the European Union referendum result, currently only projects contracted by March 2019 will be underwritten by the Treasury to 2020. Any changes to this timetable will be notified on our website.

2. Approach to Delivery

SEMLEP has identified a range of strategic programme activities to bring forward using the remaining area's ESIF funding allocation, to

1. deliver targeted impact and sustainable benefit;
2. minimise duplication and maximise added value;
3. make a significant contribution towards the achievement of the SEMLEP Strategic Economic Plan.

In all our proposed activities, we anticipate cross-cutting benefits of sustainability and the promotion of equality.

To ensure the value of ESIF funds is maximised locally, we plan to ensure that our Programme is open and accessible across the private, public, voluntary and community sectors.

The timetable for calls is largely predicated on Britain's timetable for leaving the EU in 2019 and the Government guarantee for funding to all projects that have a signed Funding Agreement before the UK formally ceases to be an EU member.

In most areas funding is not matched at source, requiring potential applicants to identify their own match funding (primarily cash and/or staff time). ERDF will continue to have a minimum grant size of £500k, while for ESF the approach is to allow a blend of project sizes to ensure maximum flexibility and impact.

For further details, please contact SEMLEP on 01234 436100 or visit www.semlep.com/esif

3. ESF Priority Axis 1: Inclusive Labour Markets

Interventions under Priority Axis 1 include Investment Priorities aimed at supporting: the unemployed and economically inactive; young people not in education, employment or training (age 15-24); those in poverty and who are socially excluded.

Strategic Context:

Since the launch of the ESIF 2014-2020 programme the South-East Midlands area has enjoyed a period of sustained growth. The employment market has improved and job density in several local areas is approximately one job per person of working age. Current forecasts are for continued improvement in the immediate short term. SEMLEP statistics in most areas and overall match or exceed national averages.

a. IP 1.1 – Access to employment local development needs

Projects must deliver activity which directly contributes to the objectives of Priority Axis 1, Investment Priority 1.1 of the Operational Programme, and which meets the **local development need**. The overall direction for the South East Midlands is set out in the recently [launched 2017 Strategic Economic Plan \(SEP\)](#) which will drive economic growth through innovation.

Since the launch of the ESIF 2014-2020 programme the South-East Midlands area has enjoyed a period of sustained growth. The area has a high percentage of its working-age population (80%) in employment, but there is a need to support more people to access work. The focus of projects should be on co-ordinating and delivering integrated wrap-around employment support activities.

The ambition in the South East Midlands LEP is to ensure young people and adults are equipped with the skills and support they will need to secure and sustain employment and thereby contribute to, and benefit from, economic growth.

This will be achieved through promoting inclusion, raising aspirations, facilitating educational excellence and delivering an employment and skills system that responds quickly and effectively to changing business needs. We need the delivery of employment support and skills provision that is designed specifically to address the local needs of locally targeted communities. Applicants are encouraged to facilitate employment and skills opportunities for young people, disadvantaged communities and the long term workless that take account of individual circumstances, health, and social and psychological aspects which affect behaviour and motivation.

Projects are sought to support individuals who are unemployed to enable them to secure the basic and employability skills to secure employment within rural communities or the Priority Sectors, in particular:

- Health and Social Care
- Construction
- Logistics
- Rural Communities

or those sectors where there is a significant 'job replacement' demand, via bespoke pathways to work designed with, and for, businesses operating in those sectors.

We encourage project proposals that:

- Demonstrate how they will focus on, engage with and meet the basic skills and specific employability needs of individuals, particularly those from disadvantaged communities;
- Include opportunities to access apprenticeships;
Offer a flexible range of Information, Advice & Guidance (IAG) and job skills workshops and other activities targeted on specific localities and communities;
- Contain Employability Courses that deliver to the specific and differing needs of individuals who are just entering the labour market, those who have recently become unemployed and those who are long term unemployed;
- Deliver pre-recruitment training which is focused on enhancing the individual's awareness of employer and sector specific skills requirements;
- Include bespoke job skills provision which targets occupations for which local entry-level vacancies exist, including work trials and work experience which affords the employer and the potential employee a risk-free opportunity to decide if 'they are right for each other';
- Address the issue of digital inclusion and the need for digital/IT skills development, in order to help workless people to fully access jobs and training opportunities, and which recognize the need to provide access to community-wide connectivity, including those in social housing and areas of deprivation;
- Apply technology to provide personalised, targeted and incentivised support for individuals and communities facing multiple labour market disadvantages.

Local priorities

Access to employment will help those who are disadvantaged but still relatively close to the labour market to tackle their barriers to work, enter and sustain employment. As a result of the consultation the following target groups have been identified as a priority. Please refer to the ESF Data Refresh for more in-depth information.

- People with work-limiting illnesses on ESA, especially those who have been on benefits for 2 years and over. The number of people claiming ESA benefits over 2 years and over 5 years have both increased from 2014 -

2016 despite suggested market improvement in every other statistic of employment and economic activity.

- Individuals with mental health issues and individuals with learning, physical or sensory disabilities. Employment among EA core or those with a work-limiting disability is still 25 points behind the SEMLEP average for those people without a disability. Research indicates people with secondary mental health needs are more likely to also suffer long term unemployment. Individual placement and support (IPS) services have been proven to have a major impact on employment rates for this group.
- Support for armed forces personnel to move into employment. There is a need to provide holistic support to aid ex-servicemen back into civilian life and into work.
- Carers, lone parents and women returning to the work force. While lone parents and carers contribute to only 2% of SEMLEP benefits claimants, 37% of economically inactive women cite family reasons. Despite many of these not being on benefits, they may still miss out on career opportunities and the SEMLEP area is missing workforce contributors.
- Women whose first language is not English, enabling them to access training at the appropriate level and take up employment opportunities, including self-employment. Employment among ethnic women is 20 points below the SEMLEP average for 16 – 64-year-olds on average [56.8% versus 77.6%].
- Over 50s, addressing the barriers and challenges that long-term unemployed and those who work in declining industries face in this age group. Huge variances [-10 to +20%] between employment rates in different areas for males and females over 50 years old against the SEMLEP average suggest how poorly we understand the issues of older people staying in or re-entering the workforce.
- People affected by financial exclusion, interventions to support personal budgeting and IT skills of unemployed individuals from disadvantaged groups.
- Rural communities facing challenges accessing basic services including health, education, and training. Lack of public transport is a major issue particularly for young people who are unable to access employment outside their immediate residential area. Several SEMLEP areas, while ranking well in statistics for employment, income and environment, still show almost 20% of their local areas present in the bottom of England's IMD rankings for access to services and 10% rank in the bottom 20% of England for education and training.
- Applications are encouraged from consortia or other similar types of

partnership arrangements. In each case the application must be submitted by a lead organisation on behalf of the partnership/consortia and the lead applicant must have the financial capacity to meet the required Due Diligence criteria.

For further information please refer to:

- Details of the [South East Midlands local ESIF Strategy](#)
- Details of the [Northamptonshire Enterprise Partnership local ESIF Strategy](#)
- Details of the [South East Midlands 2017 ESF Data Refresh](#)
- Details of the [South East Midlands Skills Strategy](#)

Approach to Implementation

Funding for ESF Priority Axis 1 will be drawn from the European Social Fund (ESF) through an open call process with the possibility of 'opt ins' if available.

We will use ESF funding to add value to statutory programmes through innovative interventions, delivering support to overcome barriers to education, training and employment for some of the most disadvantaged residents in the SEMLEP area.

Funds under ESF Priority Axis 1 may be available for large strategic projects across the whole SEMLEP area as well as for smaller targeted initiatives. The minimum ESF grant would be £50,000.

Investment Priority 1.1	Access to Employment
2018 Local Priorities	<p>ESF will not support activities that duplicate or replace existing support within national programmes but may be used to support additional activities or target groups, including provision co-designed with local partners.</p> <p>Examples of actions which may be supported for all unemployed and inactive people include:</p> <ul style="list-style-type: none">• additional and innovative approaches to pre-employment training, to ensure individuals have the core work-related skills that employers require, including preparation for apprenticeships;• support for those who need pre-traineeship and pre-work programme assistance, to prepare them for the next step;• training for those who need to upgrade their skills or learn new skills (including basic skills and English for non-speakers) to compete in the local

	<p>labour market and adapt to changes in the economy;</p> <ul style="list-style-type: none"> • helping people access or benefit from apprenticeships, including support for women to enter non-traditional sectors which addresses barriers to entry (e.g. construction); • providing access to transport where this is a barrier to taking up a job; • providing advice, guidance and support by plugging gaps in national provision where appropriate, in order to help people make better informed choices, and in particular to take account of the jobs available in the local area; • specific careers advice for women, to help them make informed career choices; <p>using self-employment as a route out of worklessness, including providing advice and support for self-employment (an attractive option where an individual is struggling to find work with an employer, either because they lack experience or because they face discrimination))</p> <p>The investment priority will focus on providing extra support for long-term unemployed people, including those who have completed the Work Programme. When a person is still unemployed after many efforts to help them, innovative solutions are required, including new approaches to work experience and training, intermediate labour market activity and volunteering opportunities</p>
Total ESIF Allocation 2014-20	£15,590,726 ESF
Committed	£6,035,906 ESF
Approximate Value of next call	£5,000,000 ESF
ESF Grant size	Min £50k ESF
Intervention Rate	50%
Contract Start	
Duration	3 years
Geography	Available across SEMLEP
Potential for collaboration with other LEPs	Yes
Route to Market	Open Call/possibly opt-in if available
Number of Awards	Multiple
Timing of Call	May 2018

Note: The uncommitted value is likely to change as a result of applications that are currently in appraisal.

b. IP 1.2 – Sustainable integration of young people [15 – 24 year-olds], local development need

As a result of previous calls this investment priority has received outline applications to the uncommitted value. There may be future calls and if this is the case this section will be revised to articulate local priorities.

c. IP 1.4 – Active inclusion, local development need

Since the launch of the ESIF 2014-2020 programme the South-East Midlands area has enjoyed a period of sustained growth. Although the area has a high percentage of its working-age population (80%) in employment, there is a need to support more people to access work. At present, specific groups face multiple barriers to accessing or returning to work with limited awareness of emerging employment opportunities. It is important to have well targeted and specialist interventions to address the multiple factors that contribute to social exclusion and deprivation, affecting economic growth.

The focus of projects should be on co-ordinating and delivering integrated wrap-around employment support activities. These should provide a mechanism for engaging with appropriate unemployed individuals early in their benefit claim and clear referral routes from and to key local partners.

Eligible individuals will have severe and/or complex challenges to work that put them at high risk of long term unemployment, with integrated support resulting in them finding and keeping paid work.

Without being prescriptive, the proposal should seek to address actual and perceived barriers to employment that individuals may face, for example confidence, health, housing, skills, debt and substance misuse, through a mix of direct support and the utilisation of existing specialist support either within their own organisation or by working with other projects/organisations. Levels of support should be tailored depending on the identified 'need' of individual participants.

The call is for projects to deliver one or more of three stands of activities:

- Employment support for those with Protected Characteristics
- Employment support for offenders and ex-offenders
- Support for individuals who are homeless and families in temporary accommodation to move closer to the employment market

Investment Priority 1.4	Active Inclusion
2018 Local Priorities	<p>This priority is to help people who are more distant from the labour market, facing multiple complex barriers to move towards or into employment or progress within work.</p> <p>Activity must demonstrate a targeted, effective and potentially 'tiered' approach to tackling local social inclusion issues. Provision to provide additional support to individuals with complex barriers that prevent them from gaining employment. While provision is invited across all target groups the following are considered specific local priorities:</p> <p>Employment support for those with Protected Characteristics</p> <p>This call will support those with protected characteristics who are facing multiple barriers to employment and economic inclusion. This should include women who are disadvantaged in the labour market, lone parents and those with caring responsibilities, people from BAME communities, those experiencing domestic violence, and members of workless households.</p> <p>Proposals should demonstrate:</p> <ul style="list-style-type: none"> • A detailed knowledge of the protected characteristics of the cohort as well as the local labour market; • Flexibility in provision which demonstrates ability to respond to an individual's circumstances and the demands of local economies; • Complementarity with mainstream funded activity and other interventions. <p>Employment support for offenders and ex-offenders</p> <p>Ex-offenders face barriers typical of disadvantaged jobseekers such as poor basic skills, low self-esteem and health conditions. However, these can be compounded by a lack of recent work experience and negative employer perceptions. Ex-offenders generally experience greater health inequalities and social exclusion.</p> <p>The call invites proposals to directly support ex-offenders into work. It will seek to identify effective mechanisms for</p>

	<p>engagement, delivery of support, and improved job outcome rates.</p> <p>The project will be expected to work with Community Rehabilitation Company (CRC), National Probation Service (NPS), Her Majesty's Prison and Probation Service (HMPPS), known formerly as the National Offender Management Service (NOMS) and other organisations. Activity cannot duplicate with existing provision and must complement the national activity.</p> <p>Activities may include but are not limited to:</p> <ul style="list-style-type: none"> • Employment support, skills training, and support mechanisms to achieve job outcomes for ex-offenders. • Effective engagement and retention mechanisms • Initiatives around gang culture and those with substance abuse issues <p>Support for individuals who are homeless and families in temporary accommodation to move closer to the employment market</p> <p>This activity invites approaches to directly support this cohort. It will seek to identify effective mechanisms for engagement, delivery of support, and improved job outcome rates. The number of homeless children being housed in temporary accommodation rose by more than a third in the last three years, according to official figures. Based on the latest figures from the Department for Communities and Local Government, covering January to March 2017, there was a net increase of 32,650 (37%) since the second quarter of 2014 - an average of 906 extra children every month.</p> <p>Activities may include but are not limited to:</p> <ul style="list-style-type: none"> • Effective engagement and retention mechanisms to reach the cohort additional to mainstream provision. • Integration of employment support and housing management. Housing costs may be applicable for those in crisis although this will be accessed on a case by case basis.
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	<ul style="list-style-type: none"> • Delivery models tailored to meet the specific needs of the cohort which will result in an improvement in job outcome and retention rates. • A place-based approach targeted to estates / neighbourhoods with support delivered on-site and using social community networks. <p>Caseworker / personal advisor models with financial advice and counselling.</p>
Total ESIF Allocation 2014-20	£8,306,986 ESF
Committed	£4,208,593 ESF
Approximate Value of next call	£5,000,000 ESF
ESF Grant Size	Min £50k ESF
Intervention Rate	50%
Contract Start	
Duration	3 years
Geography	Available across SEMLEP
Potential for collaboration with other LEPs	Yes
Route to Market	Open Call/possibly Opt-ins if applicable
Number of Awards	Multiple
Timing of Call	May 2018

Note: The uncommitted value is likely to change as a result of applications that are currently in appraisal.

4. ESF Priority Axis 2: Skills for Growth

Interventions under Priority Axis 2 include Investment Priorities aimed at upskilling the workforce and encouraging SMEs to participate in projects improving the labour market relevance of education and training systems.

Strategic Context

SEMLEP is a high-growth economy with GVA currently standing at some £50bn, up from c.£45bn in 2010. The area includes some highly productive economies; for example, Milton Keynes has the fifth highest GVA per worker of all British cities. Meanwhile, between 2000-2015 SEMLEP's population grew by 16%, from 1.70m to 1.97m while England's population grew by only 11%. This growth is set to continue with the ONS projecting a South-East Midlands' population of 2.42m by 2039, representing a 23% increase from 2015.

The LEP area offers significant opportunities to support a growing enterprise base that can help to drive productivity gains. SEMLEP are revising the Structural Economic Plan and developing a Skills Strategy which will further explore the opportunities and challenges within our area. The 2017 ESF Data Refresh provides further information on the current job market and highlights areas of focus.

SEMLEP's 2015 Business Survey indicates that of businesses with vacancies, 46% experienced difficulty in recruiting staff. This is supported by the UKCES Employer Skills Survey 2015 data showing that the percentage of unfilled vacancies due to skill shortages is increasing (23% in 2015 compared with 16% in 2011).

Details on skilled labour by sector is highlighted in the same document [Table 6.3, page 60] showing on average that 27% of businesses surveyed reported a lack of skilled labour within the workforce with Transport, Information and Communication (Logistics) (24%); Manufacturing (28%); Education and Health (20%) and Construction (44%) reporting significant needs. Accommodation and Food Services; Professional, Scientific and Technical Activities; Arts, Recreation and Other Services; Agriculture, Mining and Utilities; Wholesale and Retail also report skills gaps within a band of 13 to 31%.

As well as the priority growth sectors identified in the ESIF Strategy 2014, changes in the labour market suggest that SEMLEP should include Health and Social Care as a priority sector. Statistics from NHS Digital, which collates local data, show the number of vacancies climbed by almost 8,000 compared to the same period in 2016 [BBC News 25/07/17]. More than 86,000 NHS posts were vacant between January 2017 and March 2017, figures for the NHS in England suggest.

With such a dynamic economy some South East Midlands businesses are already reporting difficulties in finding employees with the skills that they need. SEMLEP want to change this by delivering an employer-led approach to skills development,

provision and labour market information, producing a talent pipeline which will involve effective and ongoing engagement between businesses and educators, and enable excellent responsiveness to sectoral and technological change. Provision should focus on being proactive through guidance from primary education through to relevant training and pathways, including technical qualifications and apprenticeships.

Measures of the skills mismatch between those employed, those seeking work and employers can be identified through analysis of SEMLEP's Employer Survey vacancies and recruiting data. The most frequent reason employers state for finding it difficult to fill vacancies is having a low number of applicants with the skills they require. Other common reasons given are not enough people interested in the role, lack of work experience and lack of qualifications. To increase economic activity, provision is needed to support vulnerable groups and potential work returnees to overcome employment barriers and by providing lifelong opportunities for up-skilling and re-skilling.

Analysis of the types of skills required show three types of skills needed by employers across all sectors. Those skills are:

- Those specific to a job
- Technical and practical skills
- Advanced IT
- Customer Services

Core competencies, often referred to as 'transferable' or 'soft' skills include:

- Communication
- Confidence
- Initiative
- Planning and Organisational
- Problem Solving
- Resilience
- Teamwork
- Basic IT

Basic skills:

- Literacy
- Numeracy
- English

Interventions are sought to support all businesses to adapt to changes in the labour market and enable SMEs and public services to maintain a skilled workforce. We need to equip the workforce with the skills that employers need to drive competitiveness and innovation. There is a requirement for a more flexible approach which is sector and employer driven to ensure that it is responsive and supports people to enter and progress in employment. If the available workforce constricts there will be a need to upskill individuals at all levels with some sectors

being more affected by labour market fluctuations, for example

- Health and Social care
- Medical and scientific professionals
- Logistics
- Construction

Any initiative should link with employers to ensure that progression routes are clearly defined. This is particularly relevant to individuals who suffer potential work poverty due to insecure, part-time work and zero-hour contracts.

Initiatives are sought that focus on female participation and progression in the labour market, particularly those from ethnic communities. Women from these communities have multiple barriers that reduce their ability to move into employment. Interventions are sought that support training and provide access routes into work, including self-employment.

Approach to Implementation

Funding for Priority 2 will be available through an open call process with the possibility of 'opt- ins' if available.

Funds will be available for large strategic projects across the whole of SEMLEP as well as for smaller targeted initiatives. Projects could focus on a specific target group, sector or concentrate on a geographic area.

Investment Priority 2.1	Enhancing equal access to lifelong learning
2018 Local Priorities	<p>IP2.1 initiatives focus on improving the skills of employed individuals to meet their goals and to encourage progression in work. This is particularly relevant to individuals who suffer potential work poverty due to insecure, part-time work and zero-hour contracts.</p> <p>Individual's work profiles are changing; people are working longer and more people have 'portfolio' careers. There is a need for a lifelong learning approach that enables employed individuals to up-skill and change roles, developing transferable skills to help them to progress within employment.</p> <p>Innovative support is sought to engage with SMEs to promote apprenticeship and training for employees. Tailored provision should provide support for all skill levels and focus on target participants to upgrade the knowledge, skills and competencies in key sectors addressing a lack of skills at practical and technical levels.</p> <p>Interventions are encouraged but not limited to:</p> <ol style="list-style-type: none"> 1. Pre-qualification initiatives to enable employed individuals that have low literacy levels to advance within the workplace. This to be achieved by supporting a range of training to develop transferrable skills and qualifications to support low paid employees. Special emphasis to be given to carers, lone parents, and part-time workers. 2. Support for women whose first language is not English enabling them to access training at the appropriate level to help them progress from part time or zero-hour contracts to full time employment. 3. Work with SMEs around individual CPD (continuing professional development) and career portfolios to identify specific opportunities for progression within employment. 4. Support employed individuals with a disability or mental health issue to access support to assist them to remain within the work place and progress within employment. 5. Support to enable those underemployed to consider self-employment and work with these

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	<p>entrepreneurs to develop their ideas and start a business.</p> <p>6. Tailored support for over 50s to develop transferrable skills enabling them to retrain and remain in work.</p> <p>7. Mentoring and training opportunities to support youth people to move into management roles.</p>
Total ESIF Allocation 2014-20	£17,828,143ESF
Committed	£10,885,000 ESF
Approximate Value of next call	£5,400,000 ESF
ESF Grant Size	TBC
Intervention Rate	50%
Contract Start	Before March 2019
Duration	3 years
Geography	Available across SEMLEP
Potential for collaboration with other LEPs	Yes
Route to Market	Open Call/possibly opt ins if available
Number of Awards	Multiple)
Timing of Call	TBC

Note: The uncommitted value is likely to change as a result of applications that are currently in appraisal.

Investment Priority 2.2	Improving labour market relevance of training and education systems
<p>2018 Local Priorities</p>	<p>Investment Priority 2.2 provision should focus on improving the labour market relevance of education and training systems by promoting employer participation and engagement in learning.</p> <p>Interventions are sought to address discrepancies between the skill needs of employers and those held by potential recruits. Developing better links between businesses and education, particularly for the identified priority groups, is also essential.</p> <p>There is a need for training providers and education establishments to work with employers to align initiatives across all sectors but most urgently in health and social care, construction and logistics.</p> <p>Interventions are sought to:</p> <ol style="list-style-type: none"> 1. Provide a comprehensive training regime from level 2-3 upwards developing innovative brokerage models focusing on engagement. 2. Provide the training and recruitment of apprenticeship assessors at all levels. 3. Build capacity for SMEs to help them understand the benefits and opportunities of apprenticeship, internship and work placement programmes. 4. To work with SMEs to support the business to recruit a skilled workforce utilising the type of intervention mentioned above to sustain their workforce. 5. By working in collaboration with specialist organisations to provide mentoring to support SMEs to adapt to current labour markets. 6. Champion support for self-employment and skills development for SME owners especially for women and entrepreneurs from BAME communities.
Total ESIF Allocation 2014-20	£3,919,551 ESF
Approximate Value of next call	£1,500,000 ESF
ESF Grant Size	
Intervention Rate	50%
Contract Start	Before March 2019
Duration	3 years
Geography	Available across SEMLEP

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Potential for collaboration with other LEPs	Yes
Route to Market	Open Call/possibly opt ins if available
Number of Awards	Multiple (minimum of 2)
Timing of Call	TBC

Note: The uncommitted value is likely to change as a result of applications that are currently in appraisal.

5. ERDF Priority Axis 1_ Promoting Research and Innovation

Strategic Context and Approach to Implementation

The South East Midlands has a high concentration of innovation assets, including innovation centres, science parks, enterprise zones, technology clusters and universities/ colleges. These assets have contributed to the area becoming the most innovative LEP area in the country, as measured by the percentage of firms engaged in product or service innovation. There are strong links between universities and large companies: over the 2010/11-2012/13 period, Higher Education Institutes in the area received 79% of their contract research income from large businesses (nearly 2.5 times the share for England as a whole).

However, while links between universities and large companies are strong, the relationship between universities and small and medium enterprises (SMEs) is weaker. The SEMLEP 2017 Business Survey found that only 8% of businesses had any links with universities or colleges for research and development purposes, and some South East Midlands businesses report difficulties in finding employees with the skills that they need (26% of businesses with vacancies said they had experienced problems in obtaining employees with 'job specific skills').

We want to change this by delivering an employer-led approach to skills development provision and labour market information, producing a talent pipeline which will involve effective and ongoing engagement between businesses and educators to enable excellent responsiveness to sectoral and technological change. This work will build on existing networks and projects, including the South East Midlands Universities (SEMU) and Further Education South East Midlands (FuSE) working groups, and Innovate Northamptonshire and Central Bedfordshire Council's Innovation Bridge project, which offer the support of research experts to SMEs to develop an innovation action plan and new products and services. It will also encompass new projects, such as Milton Keynes' proposal for a new, technology-focused university in the city.

The funding for Priority Axis 1 will be made available through an open call with a project minimum size of £500k ERDF.

Activities

Priority Axis 1	Promoting Research and Innovation
2018 Local Priorities	Activities to exploit the strengths and opportunities within the existing Research & Development (R&D) and science base of the SEM economy – especially the area's HE sector that can be adopted by local firms across the area to facilitate their growth in new and emerging markets. The Programme will also involve working with SMEs across all sectors to improve their ability to innovate and exploit knowledge, promote emerging technologies and new products and business processes.
Total ESIF Allocation 2014-20	
£12,397,830 ERDF	

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Committed	£6,421,100
To be committed	£5,976,730
Intervention Rate	Max 50%
Call date	October 2018
Duration (<i>no more than 3 years</i>)	3 years
Geography	Available across SEMLEP
Potential for collaboration with other LEPs	Yes
Route to Market	Open Call
Timing of call	October 2018 and March 2019

Note: The uncommitted value is likely to change as a result of applications that are currently in appraisal.

6. Priority Axis 2: Enhancing access to, and use and quality of, information communication and technology

The Digital Technology and Demand Stimulation Programme aims to ensure that local businesses and communities can benefit from digital technological changes and market opportunities. A key focus of the programme will be on demand stimulation and the exploitation of new and emerging digital technologies rather than investment in 'hard-wiring' to connect communities to broadband infrastructure.

Support delivered under Priority 2 will include pre-business start-up, start-up and support existing businesses, encourage and support exporting, and stimulate growth and business opportunities for SEM companies.

Priority Axis 2	Enhancing access to, and use and quality of, information communication and technology
2018 Local Priorities	<p>This programme's activities will include: business specific ICT support and advice; business support events; education, information and general awareness-raising activity; stimulating the demand for new (or improved) services, processes and products; business engagement activities to help create business champions.</p> <p>The objective for this Axis is to assist SMEs to use ICT to drive business performance, access new markets and demonstrate productivity improvements.</p>
Total ESIF Allocation 2014-20	£3,170,300 ERDF
Committed	£2,144,900 ERDF
To be committed	£2,995,810 ERDF
Intervention Rate	Max 50%

Duration (no more than 3 years)	3 years
Geography	Available across SEMLEP
Potential for collaboration with other LEPs	Yes
Route to Market	Open Call
Timing of the Call	October 2018 and March 2019

Note: The uncommitted value is likely to change as a result of applications that are currently in appraisal.

7. Priority Axis 3: Enhancing the Competitiveness of SMEs

Strategic Context and Approach to Implementation

The South East Midlands has enjoyed considerable success with regards to business and employment growth in recent years. Between 2015 and 2016, employment in the area grew by nearly 6%, the fastest growth of any LEP area in the country. Meanwhile, the business survival rate in the South East Midlands is higher than the national average. For example, the one-year, two-year and three-year survival rates of businesses born in the South East Midlands in 2012 were 93%, 76% and 61% respectively (versus 91%, 74% and 59% for England).

However, while the South East Midlands is currently strong on the start-up front, its record on scale-up is weaker, with only 1.5% of surviving 2013 start-ups growing from <£500,000 to £1 million+ turnover in the three years to 2016 (versus 2% in England). To address this, business support, premises and finance are all required. With regard to the first of these, the South East Midlands' two Growth Hubs – Velocity and Northamptonshire Growth Hub – will place an emphasis upon scale-up businesses, targeting those which:

- a) have the potential to scale up with support;
- b) are already scaling up (linking them to the right services to make that scale-up process successful and provide sustained impact); and
- c) have experienced a scale-up phase and are looking to consolidate, or enter a new growth period, in the broadest possible context.

With regard to premises, the 2017 SEMLEP Business Survey found that just 38% of businesses with 5-9 staff said availability of suitable premises was good and almost as many (32%) rated it as poor, suggesting that more premises for incubator units or scale-up businesses are required.

In terms of future funding for local businesses, SEMLEP has invested £10.7m of ERDF monies in the Midlands Engine Investment Fund (MEIF). This is a £250m 'fund-of-funds' operating across the ten LEP areas that make up the East and South East and West Midlands. This fund will provide access to finance for small

businesses, including small business loans and equity-based financial support. At the same time, MEIF will help develop the business networks and wider 'ecosystem' in the Midlands and beyond, thus helping to nurture entrepreneurship in the area over the longer term.

Activities

Priority Axis 3	Enhancing SMEs' Competitiveness
2018 Local Priorities	<p>Providing businesses with access to high quality business premises including enterprise or incubation centres, facilities and services, and move-on accommodation. Activity is likely to focus on the retrofit / refurbishment of existing business premises, including those in town centres. Funding could be used for a variety of purposes, such as remedial work, service connection and other infrastructure and site access.</p> <p>A tailored business support by experienced advisors (including pre-start-up and start-up programmes) to stimulate the creation of new businesses, including knowledge-based businesses and social enterprises (for example a focus on young people developing new businesses in a social enterprise environment).</p> <p>A specialist business growth support service providing access to a tailored and co-ordinated package of diagnostic, advisory, coaching and mentoring services to accelerate the creation and growth of sustainable ventures.</p>
Total ESIF Allocation 2014-20	£-30,249,286 ERDF
Committed	£17,111,200
To be committed	£13,138,086 ERDF
Intervention Rate	Max 50%
Contract Start	Before March 2019
Duration (<i>no more than 3 years</i>)	3 years
Geography	Available across SEMLEP
Potential for collaboration with other LEPs	Yes
Route to Market	Open Call
Timing of Call	October 2018 and March 2019

Note: The uncommitted value is likely to change as a result of applications that are currently in appraisal.

8. Priority Axis 4: Developing a Low Carbon Economy

Strategic Context and Approach to Implementation

A key objective of Priority Axis 4 is to build the market in low carbon environmental goods and services, non-domestic sector deployment of low carbon technologies, whole place low carbon solutions and low carbon innovation.

The focus of this priority is therefore to help build the market in low carbon environmental goods and services, non-domestic sector deployment of low carbon technologies, whole place low carbon solutions and low carbon innovation.

This priority aims to embed low carbon technologies and promote eco-efficiencies across all business growth activities, and promote the advantages of climate resilience, adaptation technologies, and energy efficiency. This priority will also support the development of the renewable energy supply chains, low carbon social enterprises and businesses to improve environmental performance and resource efficiency.

Activities under this Priority Axis will also support Social Housing Retrofit to support energy conservation and generation in existing social housing. It will seek to harness the best national, regional and local expertise and experience and delivering the best economic and carbon reduction outcomes.

Funding for Priority Axis 4 will be made available under an open call process.

Activities

Priority Axis 4	Developing a Low Carbon Economy
2018 Local Priorities	The Programme aims to promote greater energy efficiency through a combination of business reviews, practical advice, awareness-raising activities, tailored on-site support, to SMEs looking to reduce their energy costs, leading to increased productivity, and competitiveness and reputational gains. The Social Housing Retrofit programme aims to support energy conservation and generation in existing social housing. For example, the programme could support the adoption of domestic energy efficiency and low carbon construction techniques, including ultra-low carbon exemplar demonstrator buildings. Adaptations need to be above such standard energy efficiency measures as double glazing or loft lagging.
Total ESIF Allocation 2014-20	£10,334,178 ERDF
Committed	£1,487,700 ERDF
To be committed	£8,846,478 ERDF
Intervention Rate	Max 50%
Contract Start	Before March 2019
Duration (<i>no more than 3 years</i>)	3 years
Geography	Available across SEMLEP

Implementation Plan 2017-20

Potential for collaboration with other LEPs	Yes
Route to Market	Open Call
Number of Awards	Multiple
Timing of Call	October 2018 and March 2019

Note: The uncommitted value is likely to change as a result of applications that are currently in appraisal.

9. Priority Axis 6: Green Infrastructure

Strategic Context and Approach to Implementation

As a result of previous calls this priority axis has received outline applications to the uncommitted value. There may be future calls and if this is the case this section will be revised to articulate local priorities

Appendix 1 - Matching National ESIF Priorities to SEMLEP's ESIF Strategy

ESF Operational Programme Investment Priorities (IP)	SEMLEP/NEP Priorities
IP 1.1 Access to Employment	5.2 Basic Skills and Employment Programme/Sustainable and equitable growth
IP 1.2 Sustainable Integration of Young People	5.2 Basic Skills and Employment Programme/Sustainable and equitable growth
IP 1.4 Active Inclusion	6 .1 Social Inclusion Programme/Sustainable and equitable growth
IP 1.5 Community Led Local Development	6.2 Community Led Local Development
IP 2.1 Enhancing Equal Access to Lifelong Learning	5.1 High Level Skills for Key Sectors/Responsive and adaptable workforce
IP 2.2 Improving the labour market relevance of educational and training systems	2.2 Stimulating Enterprise & enhancing competitiveness of SMEs in target sectors/ Responsive and adaptable workforce
ERDF Operational Programme Priorities Axis (PA)	SEMLEP/NEP Priorities
PA1 Promoting Research and Innovation	1.1 Strengthening and exploiting SEM's innovation and knowledge base/Innovation
PA2 Enhancing Access to, and use and quality of, ICT	1.2 Digital technology & demand stimulation programme/Driving SME competitiveness
PA3 SMEs Competitiveness	2 Stimulating enterprise and enhancing competitiveness of SMEs in target sectors and markets/Driving SME competitiveness
PA4 Supporting the shift to a Low Carbon Economy in all sectors	1.3 Low Carbon and Technology Innovation Support Programme

Appendix 2: ABBREVIATIONS AND ACRONYMS

BIG	Lottery Funding
BIS	Department for Business, Innovation and Skills
CLLD	Community led local development
DCLG	Department of Communities and Local Government
DEFRA	Department for Environment, Food and Rural Affairs
DfE	Department for Education
DWP	Department for Work and Pensions
EA	Enterprise Advisor
EAFRD	European Agricultural Fund for Rural Development
EC	European Commission
EFA	Education Funding Agency
EMFF	European Maritime and Fisheries Fund
ERASMUS	European Community Action Scheme for the Mobility of University Students
ERDF	European Regional Development Fund
ESA	Employment and Support Allowance
ESF	European Social Fund
ESIF	European Structural and Investment Funds
ESOL	English for speakers of other languages
EU	European Union
EURES	European Employment Service
FE	Further education
FSB	Federation of Small Businesses
FUSE	Further Education Colleges in the South East Midlands
GDP	Gross Domestic Product
HE	Higher education
ICT	Information and communications technology
IP	Investment priority
ISCED	International Standard Classification of Education
JSA	Jobseeker's Allowance
JCP	Jobcentre Plus
LAG	Local Action Group
LEADER	Links between the rural economy and development actions

LEP Local Enterprise Partnership
LNP Local Nature Partnership
PMC Programme Monitoring Committee
MoJ Ministry of Justice
MoU Memorandum of Understanding
NEA National Enterprise Allowance
NEET Not in education, employment or training
NEP Northamptonshire Enterprise Partnership
NOMS National Offender Management Service
NUTS Nomenclature of Territorial Units for Statistics
OECD Organisation for Economic Co-operation and Development
OEM Original Equipment Manufacturer
ONS Office for National Statistics
SEMLEP South East Midlands Local Enterprise Partnership
SEMU South East Midlands Universities Group
SEP Strategic Economic Plan
SFA Skills Funding Agency
SME Small and medium sized enterprises
STEM Science, technology, engineering and mathematics
TA Technical Assistance
TO Thematic objective
VCSE Voluntary, community and social enterprise sector
YEI Youth Employment Initiative