Priority Access 3: Enhancing the Competitiveness of SMEs
Enabling Technology to Support Productivity Growth Among SMEs

Welcome

- Introductions
- Purpose of event
  - Format:
    - Strategic overview of European Structural & Investment Fund (ESIF)
    - Context; Growth Hub/ Fastershire
    - Key detail outlined in the Call
    - European Regional Development Fund (ERDF) and how to apply
    - The outline application form – and things to consider

- Housekeeping

European Union
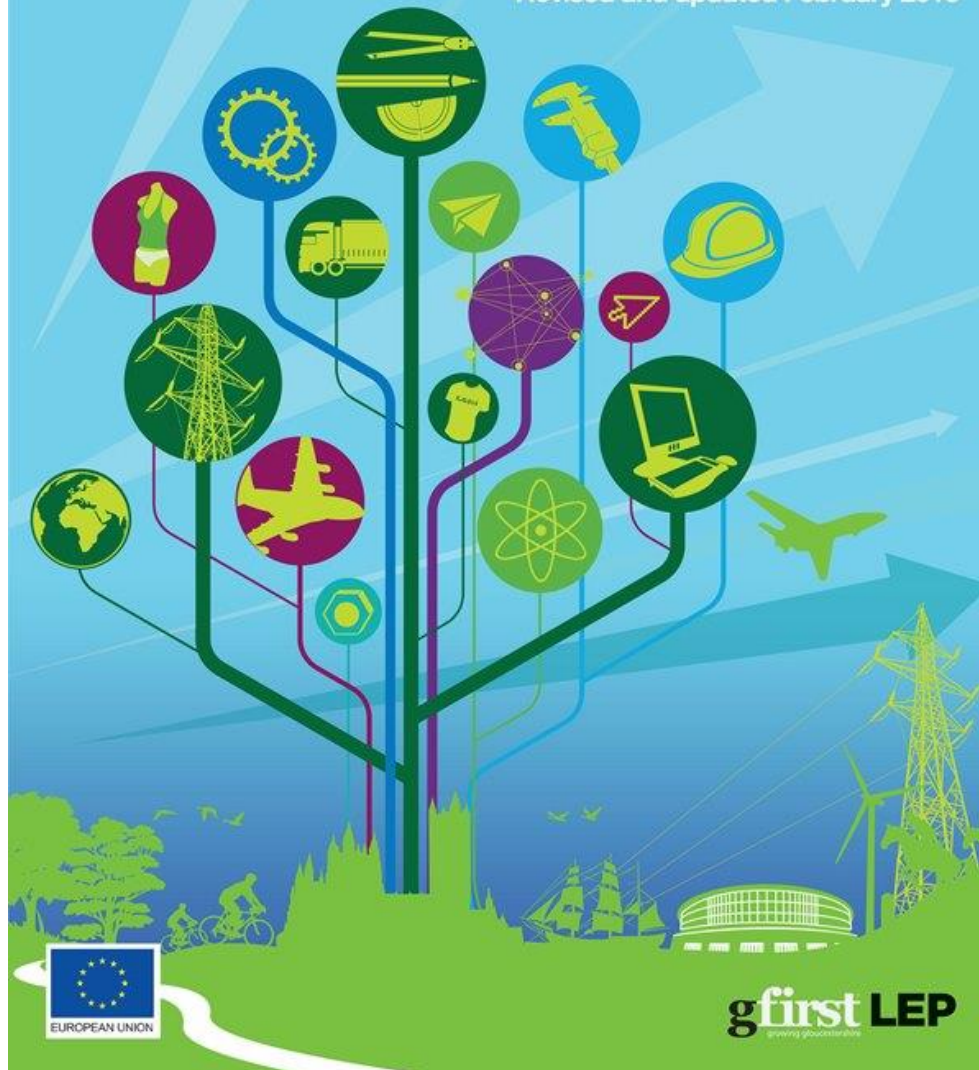European Regional
Development Fund

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growing gloucestershire

EU Structural and Investment Fund Strategy

Gloucestershire

2014 - 2020

Revised and updated February 2016

Gloucestershire European Structural & Investment Fund Strategy

Thematic Objective 3: Enhancing the Competitiveness of SMEs

Key aim is to support SMEs to move up the value chain to address the county's productivity challenge.

Significance of cyber developments, enhanced broadband (Fastershire) & mobile technologies.

The delivery of high quality bespoke business support that will increase the understanding and application of digital technologies to improve performance and growth.

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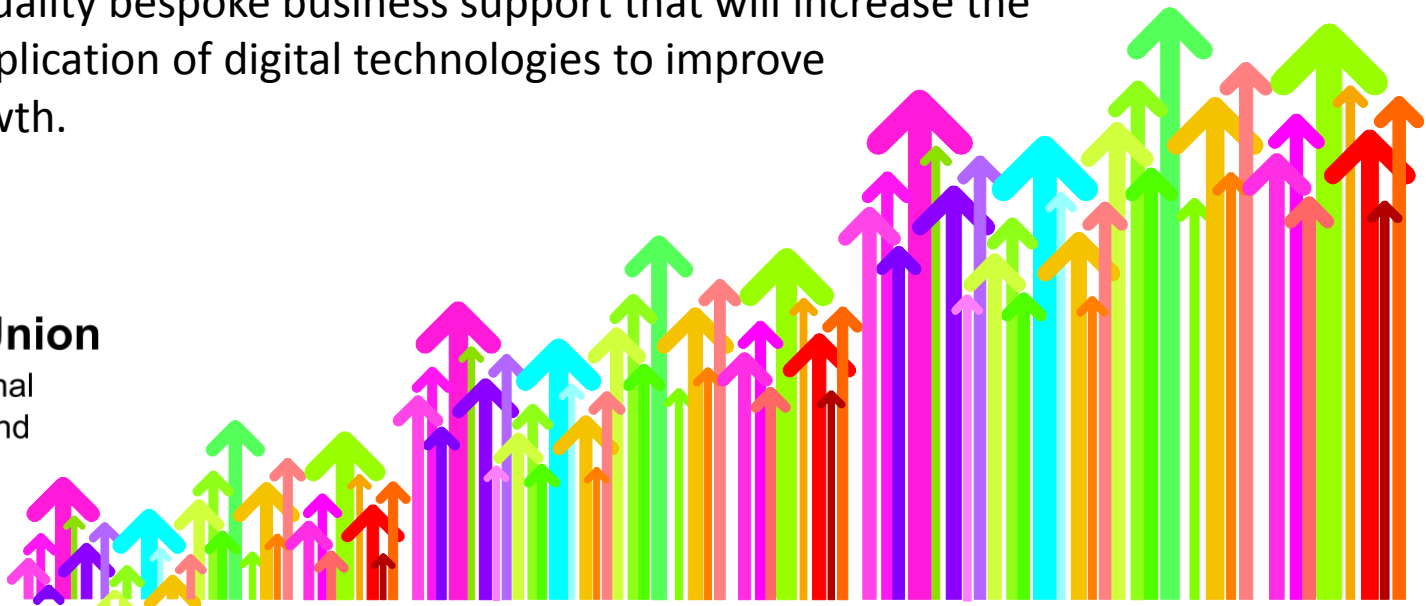
Fastershire

ERDF Digital Tech Call workshop 14/7/17

Faster broadband for Herefordshire and Gloucestershire

www.fastershire.com

Fastershire Background

- Partnership between Herefordshire & Gloucestershire Councils Established 2011

- Conduit for Public funding to overcome market failure to provide **<u>superfast</u>** broadband

- Also focused on encouraging adoption and exploitation

fasterbusiness

fasterwomen fasterfarmers

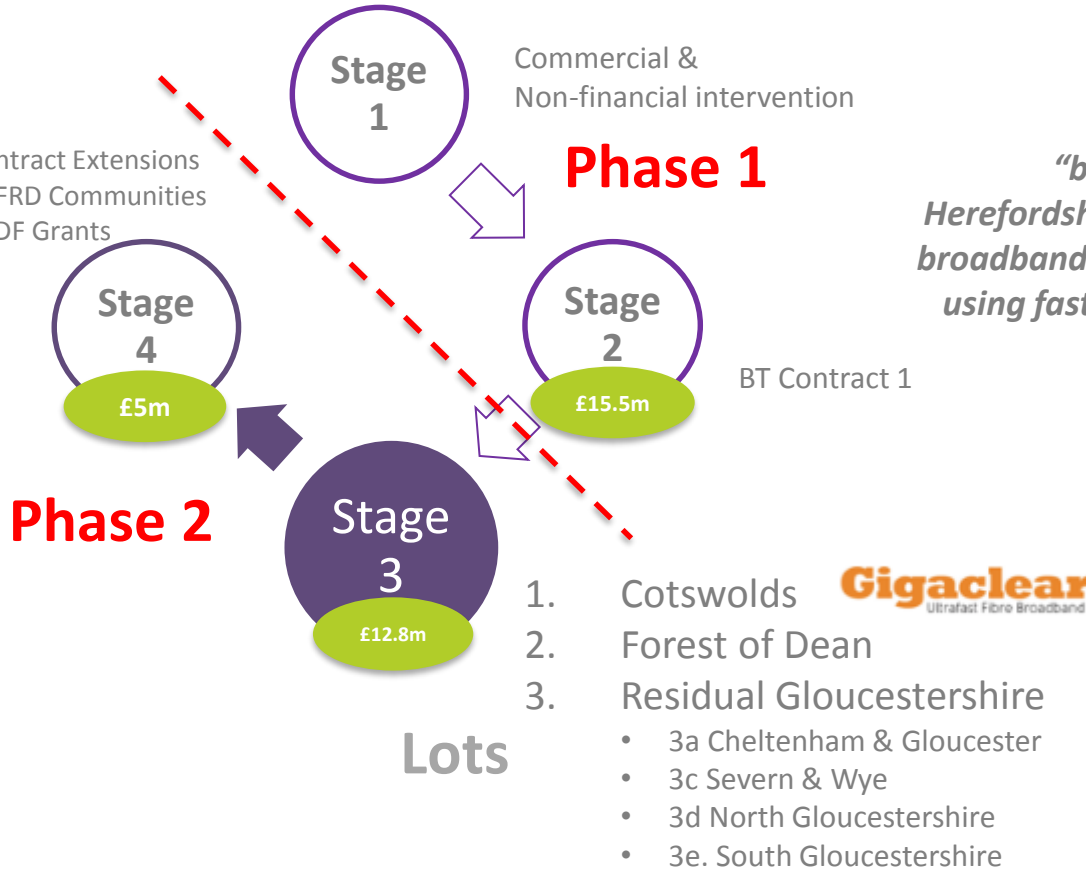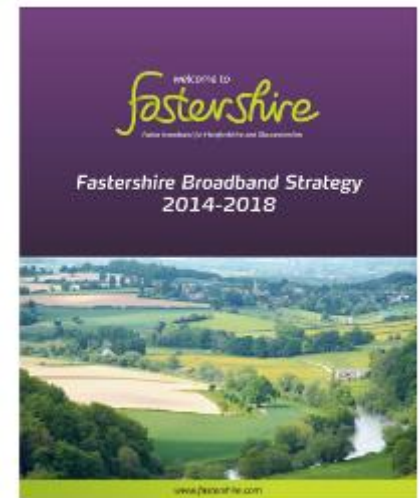Faster broadband for Herefordshire and Gloucestershire

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Fastershire Broadband Strategy

welcome to fastershire
Faster broadband for Herefordshire and Gloucestershire

Stage 1 — Commercial & Non-financial intervention

Phase 1

Contract Extensions
EAFRD Communities
ERDF Grants

Stage 4 — £5m

Phase 2

Stage 2 — £15.5m

BT Contract 1

Stage 3 — £12.8m

Lots

Gigaclear Ultrafast Fibre Broadband

1. Cotswolds
2. Forest of Dean
3. Residual Gloucestershire
   - 3a Cheltenham & Gloucester
   - 3c Severn & Wye
   - 3d North Gloucestershire
   - 3e. South Gloucestershire

Adopted December 2015

"by the end of 2018 all residents and businesses in Herefordshire and Gloucestershire will be able to order the broadband service they need and a high percentage will be using faster broadband to do more online, boost business growth and achieve their potential"

welcome to **fastershire**
Faster broadband for Herefordshire and Gloucestershire

Fastershire Broadband Strategy 2014-2018

www.fastershire.com

Gloucestershire County Council

Herefordshire Council

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BT

Herefordshire Council

Gloucestershire COUNTY COUNCIL

Department for Culture Media & Sport

Gigaclear Ultrafast Fibre Broadband

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Phase 1
Stage 2 BT contract

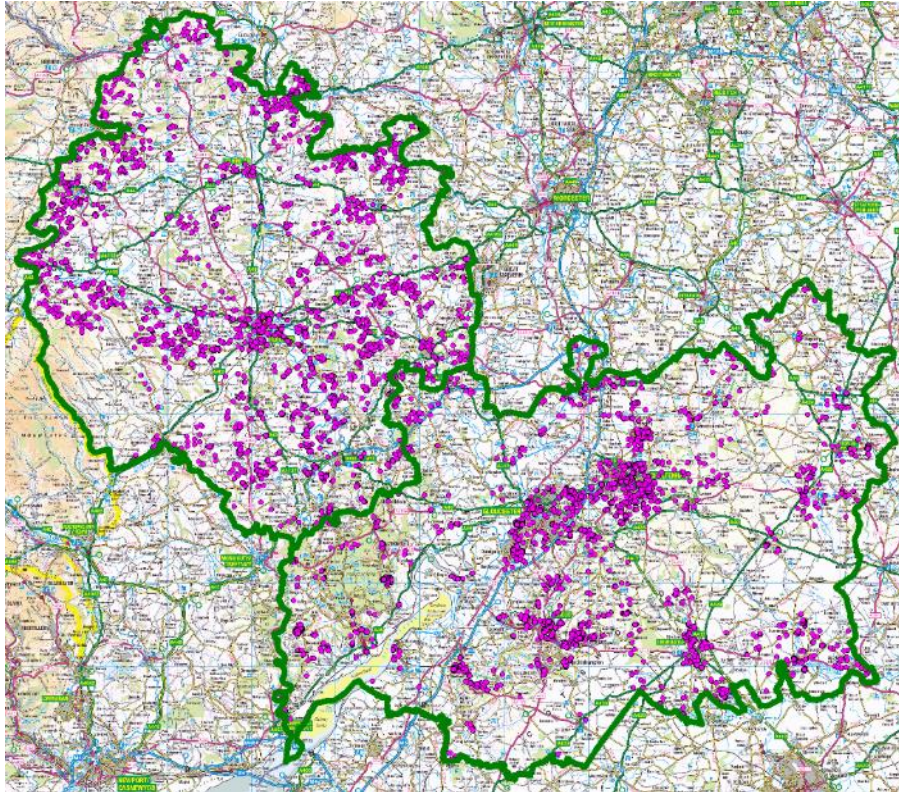|	Total Properties without Superfast
Gloucestershire Coverage **86%**	
Gloucestershire	**48,189**
Herefordshire	**14,974**
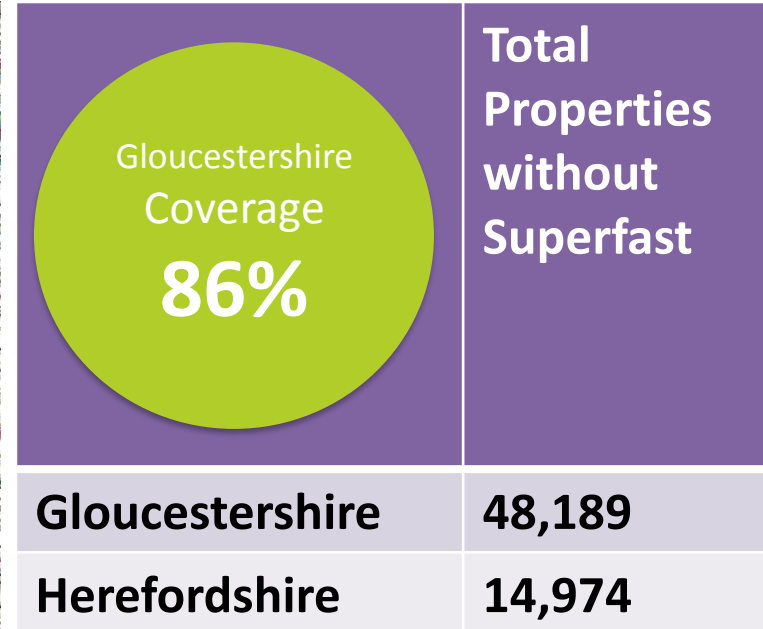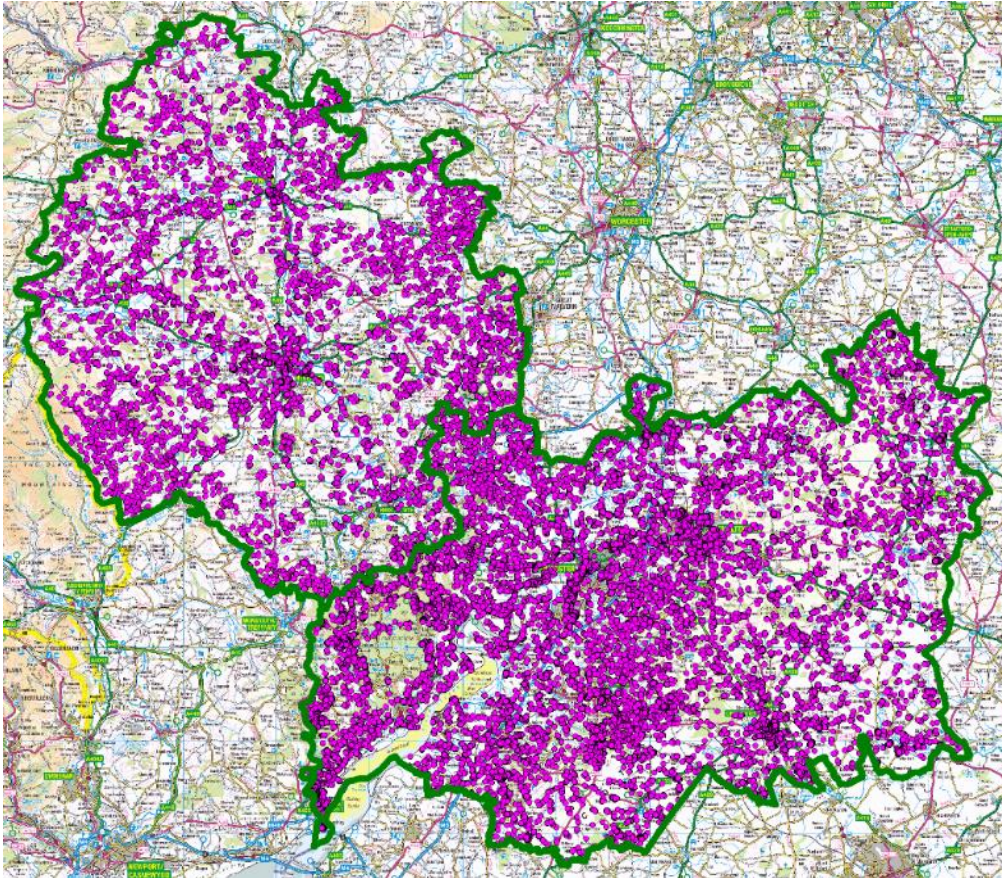
Faster broadband for Herefordshire and Gloucestershire

www.fastershire.com

Phase 2
Stage 3 Gigaclear (& BT) contract

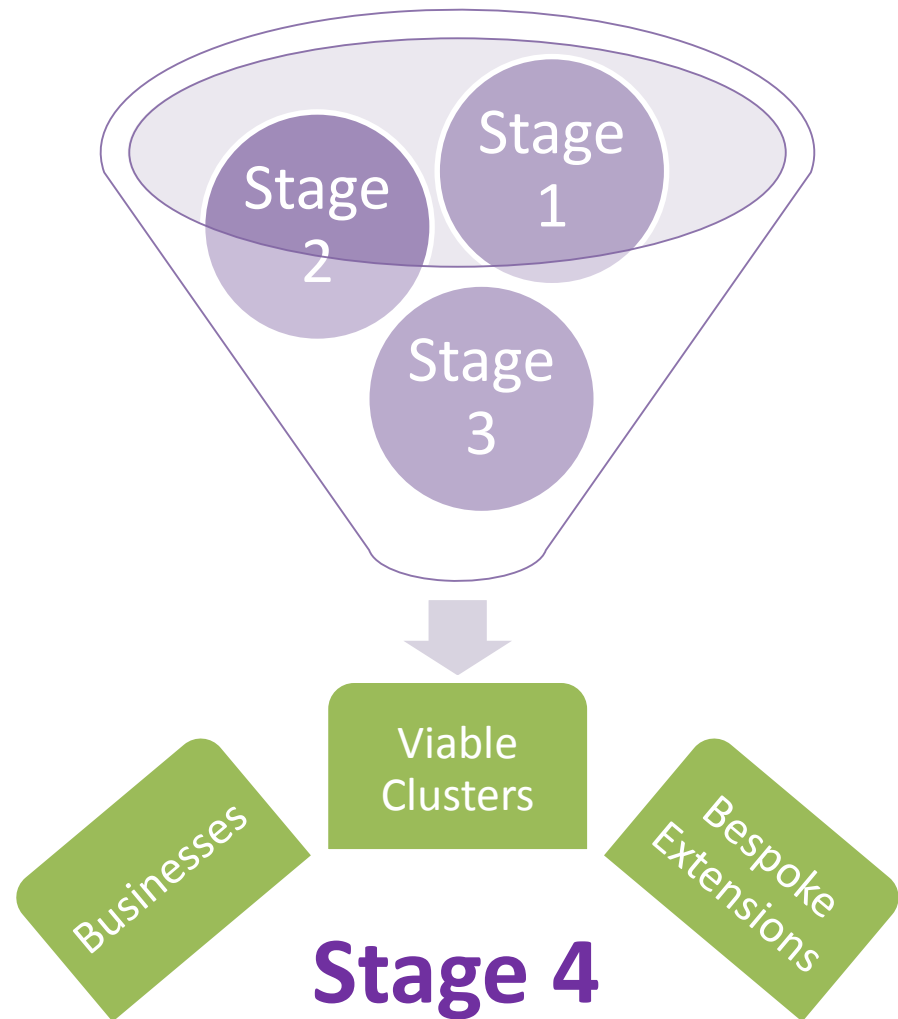| Gloucestershire Coverage **97%**	**Total Properties without Superfast**
Gloucestershire	**9,460**
Herefordshire	**4,015**

Phase 2
Stage 4

- Clear from Day 1 who is not covered

- We have moved beyond sequential stages and can start deploying alternative solutions immediately

- Therefore we can deliver Stage 4 over a similar timeframe as Stage 3

Stage 2

Stage 1

Stage 3

Businesses

Viable Clusters

Bespoke Extensions

Stage 4

BT

Herefordshire Council

Gloucestershire COUNTY COUNCIL

Department for Culture Media & Sport

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Businesses ERDF

- Marches & Gloucestershire Business Broadband Grant

- £500,000 exclusively for Gloucestershire

- Up to £25k per business of up front capital funding

- NGA / Business Grade Broadband to individual SMEs

- Can be aggregated

- Beneficiaries will **need to demonstrate economic benefit**

- Managed through an Online Portal that allows eligible SMEs to illustrate their requirements and receive compliant quotes in a timely manner

- 20+ suppliers registered

- www.mgbroadbandgrants.com

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Department for Culture Media & Sport
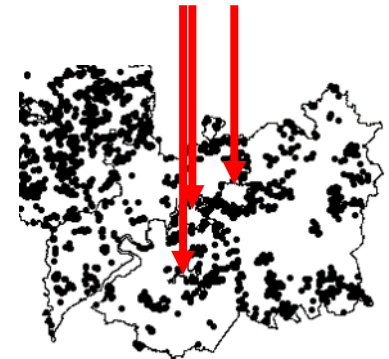
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Viable Clusters EAFRD

EAFRD Ineligible Areas

- Marches & Gloucestershire Deep Rural Broadband Project

- EAFRD Programme launched end of July

- £1m allocated to Gloucestershire - could be more

- Targeted at clusters that remain which could be viable for an alternative solution

- Using **businesses as the anchor for each cluster** to demonstrate the economic potential

- Ranked in order of latent economic potential

The European Agricultural Fund for Rural Development: Europe investing in rural areas

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Contract Extensions

- C. £3.5m retained for contract extensions
- Could be augmented e.g. Cotswolds funding
- This will be used to periodically bring outlying premises into the existing contracts
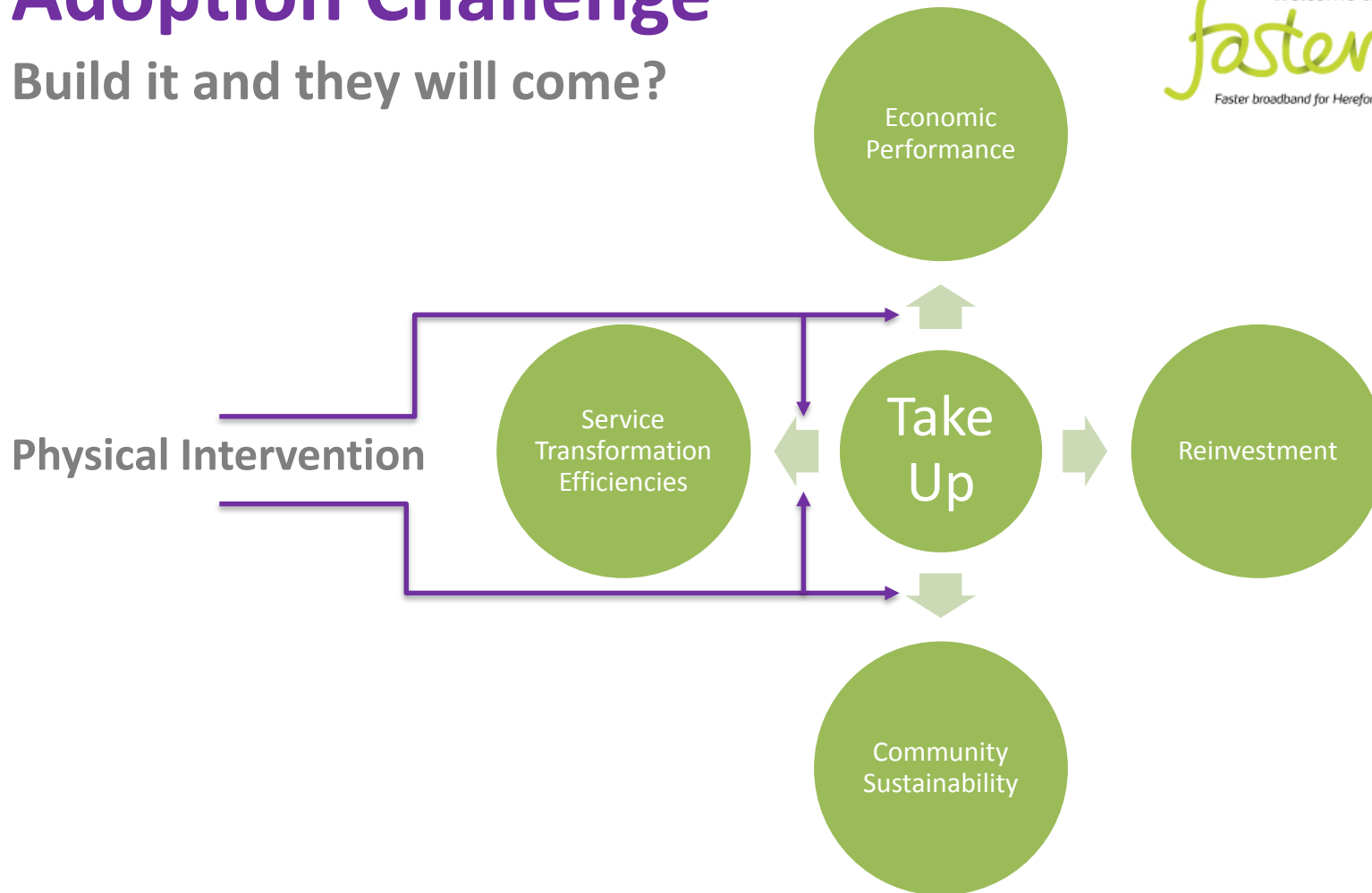- This will be discretional and based on a **cost / benefit assessment**

Adoption Challenge

Build it and they will come?

Economic Performance

Take Up

Service Transformation Efficiencies

Reinvestment

Community Sustainability

Physical Intervention

- 1-1 Business Support

- Relatively basic

- Potential gateway to this

- Over 200 to date

  - Diagnostic & infographic

  - Business Case for Grants and additional intervention

- Events

Increased Take Up & Exploitation

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Synergies with Digital Tech

- Gateway via
  - Faster Business and / or
  - to build a business case for bespoke investment
    - ERDF
    - EAFRD
    - Contract Extensions
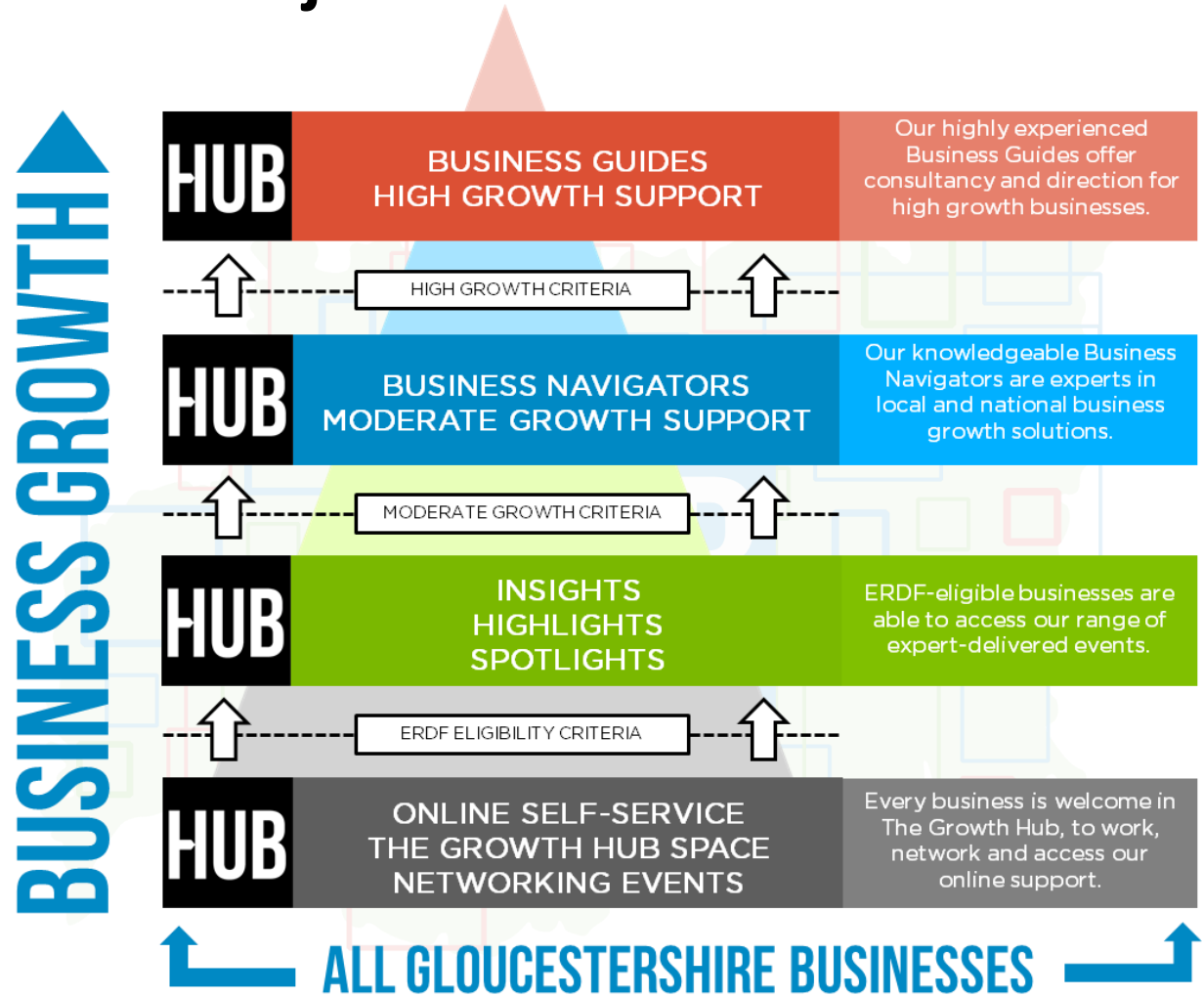- Enabler through infrastructure provision

The Growth Hub Phase 1

- Opened at Oxstalls Campus in October 2014

- Has welcomed **9548** unique visitors

- Delivered **7522** support interventions

- Worked with **861** High Growth businesses

- Has over **220** providers in the business support directory

Figures Oct 2014 – May 2017

ERDF Core Growth Hub Project

- Communicate the new and improved offer

- Simplify the journey

- Create aspiration

BUSINESS GROWTH

HUB — BUSINESS GUIDES HIGH GROWTH SUPPORT — Our highly experienced Business Guides offer consultancy and direction for high growth businesses.

HIGH GROWTH CRITERIA

HUB — BUSINESS NAVIGATORS MODERATE GROWTH SUPPORT — Our knowledgeable Business Navigators are experts in local and national business growth solutions.

MODERATE GROWTH CRITERIA

HUB — INSIGHTS HIGHLIGHTS SPOTLIGHTS — ERDF-eligible businesses are able to access our range of expert-delivered events.

ERDF ELIGIBILITY CRITERIA

HUB — ONLINE SELF-SERVICE THE GROWTH HUB SPACE NETWORKING EVENTS — Every business is welcome in The Growth Hub, to work, network and access our online support.

ALL GLOUCESTERSHIRE BUSINESSES

The Growth Hub Phase 2

What does Phase 2 look like?

1.   Expansion of the Growth Hub at Oxstalls, new building that will be co- located with the UoG   Business School.

2.   Roll out a Network of Growth Hub centres across the county.

- Delivered with a range of partners who will receive capital investment to create attractive and vibrant facilities to deliver Growth Hub services.
- A 'no wrong door approach' with each Network Centre acting as point of access into the network.
- All centres will provide free of charge diagnostic support.

3.   A digital Growth Hub.

THE GROWTH HUB

Powered by

UNIVERSITY OF GLOUCESTERSHIRE

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European Union
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ESIF Projects

GRIP - GLOUCESTERSHIRE RESEARCH AND INNOVATION PROJECT

GRIP will focus on driving an innovation culture and improving innovation capacity amongst Gloucestershire's ERDF eligible, high growth potential SMEs.

GAIN - GLOUCESTERSHIRE ACCELERATED IMPACT NETWORK

GAIN will build on the national service previously delivered by The Business Growth Service, to offer a Gloucestershire specific programme of support for ERDF eligible High Growth SMEs.

SAGE – START AND GROW ENTERPRISE

Designed to stimulate successful enterprise in Gloucestershire – particularly amongst priority demographic and geographical groups.

Detail In The Call

- £500,000 ERDF (£1M total budget)

- Focus on SME growth
- Delivery across the LEP area – urban & rural

- Activities should;
- raise awareness of new digital utilisation opportunities;
- include training activities which focus on current and emerging technological opportunities and threats;
- utilise digital advances to develop operational efficiency, increase employee engagement and productivity, and evolve stakeholder (both customer and supplier) experiences.

- Response should include detail on;
- plans for sector specific support
- innovative approach and best practice

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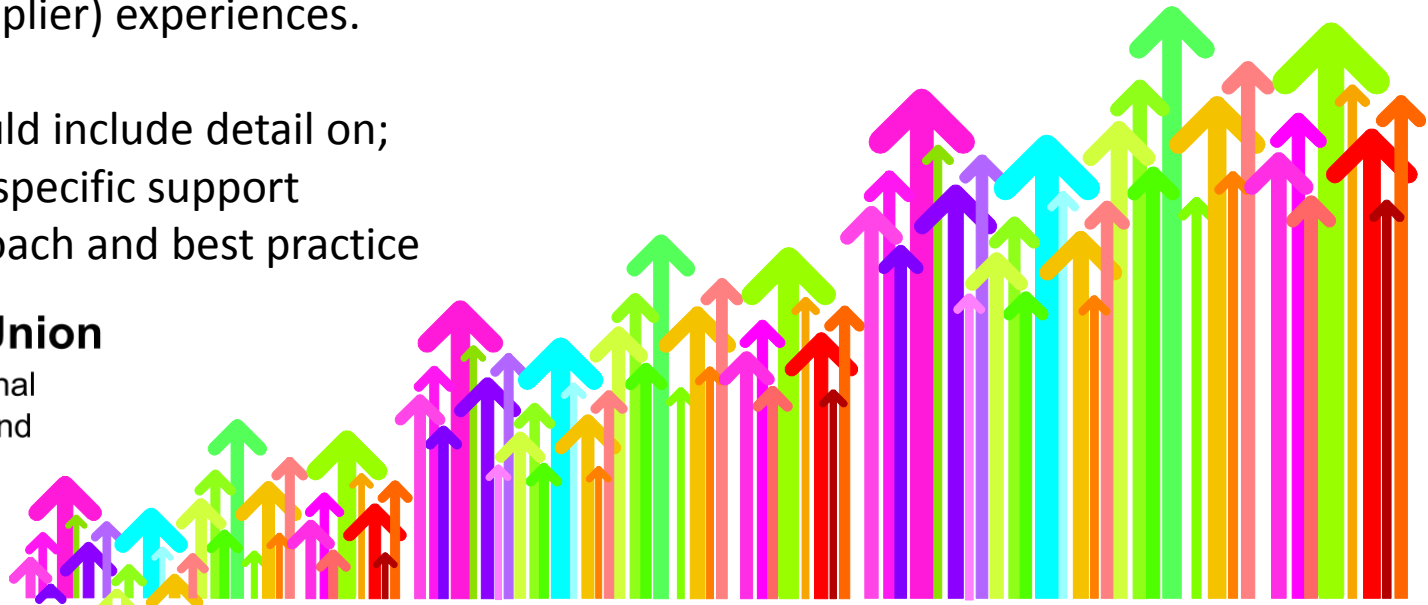
European Regional Development Fund

- The application process

- Priority Axis 3, Investment Priorities 3c and 3d

- Top tips for a strong application

The ERDF Process

- **Outline Application** (closing date – 8th September 2017)
  Assessment - ESIF Sub Committee - Managing Authority decision

- **Full Application** (approximately 6 weeks)
  Meeting - Appraisal (iterative) - ESIF Sub Committee - Managing Authority decision

- **Grant Funding Agreement (GFA)**
  pre-GFA conditions - GFA completion – contract conditions

- **Project Inception Visit (PIV) and On the Spot Verification (OtSV)**

- **Project Management**
  Claims – on-going compliance (potential audit checks / visits)

European Union
European Regional
Development Fund

Enhancing the Competitiveness of Small and Medium Sized Enterprises

Investment Priority 3c: supporting the creation and extension of advanced capacities for products, services and development.
- The indicative actions to be supported by European Regional Development Fund under investment priority 3c can be found on pages 87-88 of the ERDF Operational programme

Investment Priority 3d: supporting the capacity of small and medium sized enterprises to grow in regional, national, and international markets and to engage in innovation processes.
- The indicative actions to be supported by European Regional Development Fund Under investment priority 3d can be found on pages 93-94 of the ERDF Operational programme

European Union
European Regional Development Fund

ERDF PA3 output definitions

C1	Number of enterprises receiving support (C2 C3 C4 C5 are a subset of C1)
C2	Number of enterprises receiving grants
C3	Number of enterprises receiving financial support other than grants
C4	Number of enterprises receiving non-financial support
C5	Number of new enterprises supported
C6	Private investment matching public support to enterprises (grants)
C7	Private investment matching public support to enterprises (non-grants)
C8	Employment increase in supported enterprises
C29	Number of enterprises supported to introduce new to the firm products
P2	Public or commercial buildings built or renovated
P13	Number of enterprises receiving IDB support

Top Tips for a strong application

- Address the call; investment priorities, local need for activity, required outputs…

- Understand the difference between delivery, strategic and collaborative partners

- Ensure proposed activities are eligible

- As ERDF is the fund of last resort, ensure you demonstrate additionality

- Understand where your match funding is coming from and how it will work

- Be realistic about outputs and deliverability

- Understand indirect and direct costs, and the 1720 simplified cost methodology

- Ensure that procurement processes are EU compliant, not just UK compliant

- Consider GBER (not just de minimus) when identifying state aid routes

- If invited to full application, think granular detail…

Summary of Key Points

- Detail in the call
- Detail in the ESIF Strategy
- Clear & concise application
- Don't be scared by the regulations – just needs good planning

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Questions?

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