



Department for
Communities and
Local Government



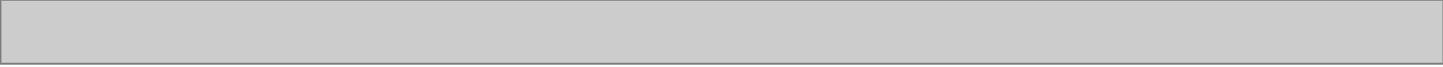
Annual Review

January to December 2013

East Midlands European Regional Development Fund Programme 2007 - 2013



EUROPEAN UNION
Investing in Your Future
European Regional
Development Fund 2007-13



Any enquiries regarding this publication and the East Midlands European Regional Development Fund Programme should be sent to:

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Setting the Scene

Overview of the Programme

The European Regional Development Fund Programme, which runs from 2007 to 2013, is one of the funds established by the European Commission to help local areas stimulate economic development. The Department for Communities and Local Government is responsible for the management of the Programme.

The East Midlands Programme has been allocated 268.5 million euros to invest in projects which will support local businesses, local people, create jobs and more specifically:

- Increase productivity through innovation
- Improving resource efficiency in businesses and communities
- Increasing sustainable economic and enterprise activity in disadvantaged communities

To achieve these objectives, the Programme is focussed on supporting activities within two main priority axis areas:

- **Priority Axis 1:**
Increasing productivity through innovation and sustainable business practices
- **Priority Axis 2:**
Increasing sustainable economic and enterprise activity in disadvantaged communities

To date the ERDF funding awarded to projects in the East Midlands will deliver the following results by the end of the Programme:

- 12,270 jobs will have been created
- 12,750 new businesses will have been created in the East Midlands
- 27,390 existing businesses will have been helped to improve their performance

Review of the Year

Achievements and Challenges



Rachel Quinn
Chief Executive
One East Midlands

Deputy Chair
East Midlands Local
Management Committee

When I first became involved in the East Midlands ERDF Programme as Deputy Chair of the Local Management Committee, I was warned that it was an 'interesting, challenging and dynamic' area of work. That description was not wrong!

Our focus over the past 12 months has been to fully allocate the remaining Programme budget to ensure reach and impact across the region and to meet a rather challenging annual spend target. I am pleased to announce that as a result of the final Challenge Fund call for projects the East Midlands programme is now fully committed. However, a number of factors conspired against the spend target and despite everyone's best efforts we were disappointed to narrowly miss the target for 2013. The LMC is learning from this and putting in place changes for 2014 to ensure that this does not happen again in the latter stages of the 7-13 programme. Nonetheless, the workload undertaken by both the staff team and LMC members over the last year has been phenomenal, especially those involved in the Investment Sub Group, and I would like to personally thank everybody who has played a part in this.

The impact of this investment on the businesses and communities that we serve is considerable. To date projects supported by ERDF have helped nearly 9,700 existing businesses to improve their performance, and a further 6,300 people get a new business venture off the ground. On top of this 3,500 new jobs have been created. We have focussed investment both regionally to achieve high impact innovation and locally to ensure local benefit and reach resulting in a balanced investment portfolio that I truly believe benefits all across the East Midlands.

We have seen some great successes and achievements with projects this year. Just last month the Future Factory won a Green Gown Award in the Learning and Skills category after being recognised as a great example of a University supporting sustainable economic development, working with a wide range of industry sectors and engaging large numbers of staff and students. Based at Nottingham Trent University, the project brings together businesses, creative industries and academics to develop more efficient and sustainable ways of doing business. Congratulations, this is great news.



Professor Iain Stewart MBE, Andy Barron and Angela Scott receiving the award on behalf of Future Factory (from left to right)

The achievements and success figures are set to rise further as new projects get up and running and deliver results.

Achievements and Challenges

Over the last year I have been pleased to see more organisations and sectors playing a positive role in ERDF delivery. This not only bodes well for long term growth and impact across the East Midlands but also for creating a partnership culture that will benefit the next programme. Examples of projects poised for success include the multi Local Enterprise Partnership-led programme Catalysing Growth which received £6.9 million of funding and will provide financial support to local businesses right across the East Midlands to help with growth plans; and the £4.5 million initiative Enterprising Leicester over the next 2 years will place the spotlight on Leicester as a place to locate and do business.

The Charities Enterprise Project which supports new and existing voluntary and community groups in Nottingham who want to use enterprise to achieve their social aims, is starting to make an impact. Led by Nottingham Community and Voluntary Service, the project is providing a start up training programme, one to one advice, a range of courses, and networking events to enable social enterprises to build relationships with similar organisations in the city.

Other large scale projects approved this year and set to make an impact during 2014 include the Sustainable Construction Innovation Centre in Nottingham.



The final vision

The new eco-friendly building will provide incubation units and flexible space for businesses just starting out to develop their business skills at the early crucial stage. These are just a few of the projects we have provided help to this year with others included in this Review that I hope you enjoy reading about.

The final big area of activity during the year has been the development of the 2014-2020 European Structural Investment Funds (ESIF) Growth programme. In June the allocations of funding to each Local Enterprise Partnership (LEP) was announced and work is well underway on the development of the individual LEP Investment Strategies which set out investment priorities at a local level. Final decisions on the strategies will be taken early 2014 and the LMC is working hard to ensure that lessons learnt from the current programme are shared with LEPs for the benefit of a quick and effective start in the next.

In parallel, work has also been taking place across Government departments involved in the Programme. New systems, processes, forms and management arrangements are being developed and will continue to be finalised through next year. I am fortunate to sit as an alternate third sector representative at the national Shadow Growth Programme Board and am keen to ensure that our local learning is also shared here for the benefit of the next programme.

Looking forward to 2014 there will be many challenges ahead of us for the current Programme and also the new 2014 – 2020 Growth Programme as it starts to take firm shape. I hope you agree that this is an exciting time for ERDF funding and I look forward to working with you during 2014.

Project Case Studies:

Priority Axis One

Increasing Productivity through Innovation and Sustainable Business Practices

Catalysing Growth Programme:

Earlier this year a new Government supported funding programme, Catalysing Growth Programme, was launched set to provide financial support ranging from £25,000 to £500,000 to over 100 existing businesses based in the East Midlands looking to grow and invest in innovation. With almost £7 million of ERDF funding, this innovative partnership programme sees three East Midlands Local Enterprise Partnerships working together with economic development company East Midlands Business Ltd to deliver the programme, create jobs for local people and critical financial support to companies looking to expand.

Healthcare and Bioscience Phase 3:

An additional £ 2.1 million of ERDF funding is helping to continue the provision of essential support to the East Midlands life sciences sector through the Healthcare and Bioscience project phase 3. With the Healthcare and Bioscience iNet located at BioCity in Nottingham, through this new phase an extra 110 local businesses in this specialised area will be able to access high quality innovation support and get involved in networks to share knowledge and exchange ideas. In addition to practical support, grants are also on offer allowing businesses to become more

innovative and competitive in their chosen field. The success of the project so far has encouraged a number of additional partners to get involved and provide the support. This includes De Monfort University, Nottingham University Hospitals NHS Trust, Derby Hospitals NHS Foundation Trust and University Hospitals Leicester NHS Trust.

Leicester Innovation Workspace:

The largest undeveloped employment site in Leicester is set for big plans with the building of an Innovation Centre at the Leicester Innovation and Technology Park. With the development of over 3,000 square meters of land and supported with £1.8 million of ERDF funding, 55 flexible workspaces will be built providing essential office, commercial and laboratory spaces for budding local companies. Specialist training, business support and communal spaces ideal for collaboration activities, are just some of the areas that will be on offer at the BREEAM excellent rating standard centre. By the end of the project in 2015, over 55 jobs will have been created and 35 local businesses helped to improve their performance.

Increasing Productivity through Innovation and Sustainable Business Practices

Enterprise Inc: Originally launched in 2008, and with phase 2 still delivering excellent results, the £2.1 million ERDF supported Enterprise Inc is providing support to budding entrepreneurial graduates emerging from East Midlands universities to get a new business venture off the ground. To date the project has helped over 200 graduates and students with their fresh ideas, helping to set up or improve over 100 businesses. Hayley Powell started her business Forever Forged through phase 1 at the University of Derby. As an Artist Blacksmith, Hayley creates bespoke pieces of functional artwork that focus on bringing blacksmithing to a new generation to preserve the craft for the future. Along with support and guidance, she was given all the tools needed to consider what was involved in running a business. After 3 years the business is still going strong.



Hayley Powell, Forever Forged

Project Case Studies: Priority Axis Two

Increasing Sustainable Economic and Enterprise Activity in Disadvantaged Communities



Vocational Heritage at Lincoln Castle: £920,000 of ERDF funding was awarded to help protect the cultural identity of Lincoln through the creation of a new Heritage Skills centre within the 900 year old walls of Lincoln castle. The historic architecture of Lincoln draws thousands of visitors to the county each year but tradesmen with the skills to maintain and restore the fabric of the city are thin on the ground. This is where the new centre plays its part. Called 'Building on the Past', and as the first new building to be developed here in 150 years, this architecturally striking centre provides both workshop and classroom facilities creating a training area for new recruits to learn bygone trades, and also a visitor attraction with public viewing spaces allowing visitors to see, for the first time, traditional skills such as stone masonry and stained glass work, and how they are being used to maintain historic buildings.

Increasing Sustainable Economic and Enterprise Activity in Disadvantaged Communities

Sustainable Construction Innovation Centre:

£2.3 million of ERDF funding is helping the plans for the cutting edge Sustainable Construction Innovation Centre to go ahead. The brand new centre will provide essential office space for new local businesses helping to get them off the ground. Based on the Basford Hall Campus at New College Nottingham, current derelict land will be transformed into an eco-friendly building providing facilities that will encourage innovation and help businesses during the early stages of developing their skills, finding markets for their products and getting them ready to move to permanent business premises. Focusing on renewable energy and low carbon industries, the centre encourage entrepreneurial activity and support the future growth creators in this industry.

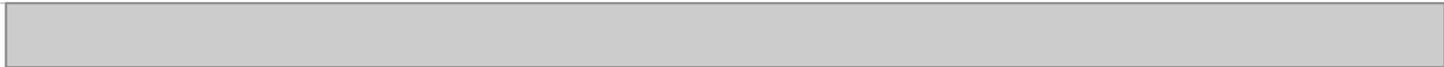
Enterprising Leicester 'Invest in Leicester':

A £2.4 million ERDF supported initiative to support local businesses and attract new investment is launched in Leicester. Over the next 2 years Leicester is to be put in the spotlight as a place to locate and do business. Through a variety of new networks, dedicated support and a website, Invest in Leicester is aiming to encourage local businesses to join forces and help promote and raise the profile of the city as a desirable business location to attract new investment. For around 300

individuals and businesses already located in Leicester, a new grant scheme is also available. Ranging from £1,000 to £15,000, local people looking to start a business can receive a grant to get things moving, whilst existing businesses will be helped to grow.

Destination Chesterfield:

£100,000 of funding was awarded to Chesterfield Borough Council to set up a promotional campaign aimed at raising the profile of Chesterfield as a premier and contemporary business location. Positioned as a desirable place to live, do business, invest and visit, the main focus of the Destination Chesterfield project is to attract new business investment to the Town and seek to keep existing businesses through reinforcing pride in the town. Through phase 1 a brand for the Town was created. An additional £617,000 of ERDF is now helping to take forward the brand plans to secure, encourage and support business investment. Activities will range from sponsorship activities of business events, inward investment activity and enhancements to the quality of public and business realm initiatives. Since the launch the town has seen major investment from a new Debenhams and TK Maxx stores to a National Distribution Centre for Andrew Page Ltd. The confidence generated by activity has built a proactive network of local businesses that are now working and trading together to support the local economy and promote Chesterfield.



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