



Department for
Communities and
Local Government

1 April 2014

Dear ERDF Grant Recipient

**West Midlands European Regional Development Fund Programme 2007 – 2013
Invitation to ERDF projects to apply for additional funds to provide additional impact**

The Local Management Committee for the ERDF Programme would like to invite projects which are performing well against their existing funding agreement to bid for additional funding where they are able to demonstrate additional impact. This will ensure that all available ERDF funding is properly invested to support the local economies of the West Midlands.

We are able to offer grant at a higher contribution rate than the usual 50% to activity which comes forward through this call, provided the amount requested is still the minimum required for the additional activity to take place. A private sector contribution may still be required in some cases in order for the proposed activity to accord with state aid rules. Please note we are only able to offer a higher contribution rate where it is paid against additional activity that will be coming forward as a result of this invitation. We are not able to increase the contribution rate on activity which is already contracted.

We are able to consider extensions to project activity up to 31 December 2015, which is the last date for eligible expenditure under the current programme. We are also able to consider expansions to current activity.

I am writing to ask you to consider this invitation with regards to your own project and also to set out the process for requesting additional funding.

Criteria

Requests for additional funding are invited which meet the following criteria:

- **Value for money** is maintained by offering additional impact for the additional funding requested;
- There is **sufficient demand** to support the request for additional funds;
- Additional ERDF funds will **not be substituting** for other sources of finance in the existing funding package.

We will also need to consider past performance as an indicator of a project's ability to take up additional funds, specifically the level of slippage that may have previously occurred on the project.





Process for submitting requests

Grant recipients who wish to apply for additional funding and can meet the above criteria should complete a Project Change Request Form and the associated Annexes A and B.

The detail within the Project Change Request Form should be proportionate to the value of additional funds requested and show how the request meets the above criteria. Where you are proposing changes to the scope of your project, for instance, new activity or new ways of delivery, sufficient information should be provided to support the rationale, need and demand for the changes. Project Change Requests should use as a baseline the approved expenditure and output profiles for the project following the outcome of the 2013 slippage exercise. These will have been communicated to you at the end of March 2014 by your Project and Contract Manager. The Project Change Request Form is attached as an annex to this invitation.

An electronic and signed hard copy of the Project Change Request should be sent to your named Project and Contract Manager.

The deadline for the submission of Project Change Requests is **noon on Friday 9 May 2014**.

Process for assessing and agreeing requests

All project change requests will be reviewed against the criteria listed above by the Growth Delivery Team. Where the change falls into the following categories we may also be required to complete a reappraisal.

- extension of more than 12 months
- additional ERDF grant of £250,000 or 50% of the approved ERDF value whichever is the lower
- Change in project scope (for instance, introduction of a new type of activity, or delivery method)
- Introduction of a new delivery partner or match funder

If a reappraisal is required it will be proportionate to the change requested, and we will endeavour to process these as quickly as possible. To facilitate this process, please ensure that sufficient information to support any changes is included in your Project Change Request.

We aim to notify grant recipients of the decision on their Project Change Request by no later than 20 June. Where successful, MCIS will be updated to reflect the agreed changes to the project value, targets and milestones, and you will be asked to accept the Change on MCIS. Where deemed appropriate a contract variation will also be issued. This may require you to review your existing full application (which forms part of the contract) to ensure that it is reflective of any significant change made to the project.

Until such time as a change is formalised as above, projects should continue to perform their Funding Agreement in compliance with their existing terms.





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Timescales

This invitation is open from 1 April 2014 to noon on 9 May 2014. During this time, grant recipients will be able to submit requests for additional funding using the attached project change request pro forma and accompanying annexes.

Communication

This invitation has been communicated via the following methods:

- This invitation has been sent to all current projects funded from the West Midlands ERDF Programme
- The invitation has also been published on the ERDF pages of the Gov.uk website to ensure that the process is operated in an open and transparent manner
- The invitation has also been sent for information to all members of the Local Management Committee and its Subcommittee

Further Advice

If you have questions regarding the attached invitation, please contact your named Project and Contract Manager from the Growth Delivery Team: West Midlands at DCLG.

Yours sincerely,

Mark Foley
Head of the Growth Delivery Team: Midlands

