

Economy and Enterprise Overview and Scrutiny Committee

25 March 2021

EU funding Update



Report of Amy Harhoff, Corporate Director of Regeneration Economy and Growth

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 The purpose of the report is to provide an update, since the last report in January 2020 to Overview and Scrutiny, on the current status of the EU Structural and Investment Funds Programme within County Durham.

Executive summary

- 2 The European Structural and Investment Funds (ESIF) programme provides invaluable funds to help local areas grow. Durham as a Transition Region has a ring-fenced allocation of £155m. This is made up of a European Regional Development Fund (ERDF) allocation of £86m and European Social Fund (ESF) allocation of £69m. The County also benefits from a share of £10.5m from the European Agriculture Fund for Rural Development (EAFRD) fund for the NELEP area and has delivered two LEADER programmes worth £4m.
- 3 Significant work has been undertaken through the County Durham Economic Partnership's (CDEP) ESIF work streams, supported by the Council's Funding and Programmes Team, to realise this opportunity and commit ESIF resource in County Durham. Currently, 89% of the ERDF allocation, £75.7m, is committed in either approved projects or pipeline applications. £50.9m ESF has been contracted in Durham with a further £22.5m in pipeline applications.
- 4 The County Council has submitted several applications for ESIF funding, delivering 21 projects, worth a total of £71.3m in grant and total project value of £119m, with a further application in development of £3m ESF.

- 5 The two LEADER Programmes in Durham Coast and Lowlands and North Pennine Dales have now closed. They have committed 100% of the funding, and have supported 95 projects, creating 145 jobs.
- 6 The Government has announced that ESIF funding will be replaced by a new UK Shared Prosperity Fund (SPF), which will be delivered from 2022/2023. The Government has said it will publish a UK-wide investment framework for SPF in Spring 2021 and confirm multi-year funding profiles at the next Spending Review.
- 7 Had the UK remained in the EU, it is estimated that funding from EU structural funding for the county would have more than doubled to at least 300 million euros in investment up to 2027. It is vital that future funding through the UKSPF is secured for Durham at a level which at least matches what it would have received under the next EU programme, to continue to fund major programmes for skills and employment, the environment and business support.
- 8 To prepare for the rollout of the SPF, the Government has launched a £220m UK Community Resource Fund programme for 2021/22. This will sit alongside a Levelling Up Fund, providing investment of £4 billion in England to fund capital investment for local transport, town centre regeneration, and cultural and heritage assets. The County Council has been identified as the lead bidding authority for both funds.

Recommendations

- 9 Economy and Enterprise Overview and Scrutiny Committee are recommended to:
 - (i) Note the content of the report.
 - (ii) Support the principle for County Durham to continue to make a case for the maximum allocation of funding from the UK Shared Prosperity Fund, which at least matches what it would have received under the next EU programme, and that the Fund is allocated on a needs basis, flexible in nature and locally controlled.
 - (iii) Receive further reports as the programme continues as part of the 2021/22 work programme.

Background

- 10 The European Structural and Investment Fund (ESIF) programme for 2014-2020 programme period allocated circa €537 million of funding for the North East LEP area, this includes a ringfenced allocation of €157 million for County Durham as a Transition Region. The ERDF

allocation for Durham is £86m, and the ESF allocation is £69m, this includes an additional £9m to fund the recently approved three-year extension to the YEI (Youth Employment Initiative) DurhamWorks scheme. This gives a notional allocation for County Durham of £155m. In addition to this funding, the County also benefits from a share of £10.5m EAFRD to support rural development in the NELEP area, and has two LEADER programmes worth £4m, delivering capital grants to support businesses, farming, tourism development and services within rural areas of the County.

- 11 Following the referendum in June 2016, the Government announced that it would guarantee EU funding for Structural and Investment Fund projects. Under the terms of the Withdrawal Agreement Bill it confirmed that participation in the 2014-20 EU Programmes will continue as originally planned until 2023. In light of this 'business as usual' position, work has continued with partners to support project applications, extending and supporting project delivery to the end of 2023, in order to maximise this funding opportunity for County Durham.

Current Spend Position

- 12 Significant work has been undertaken to realise this opportunity and commit ESIF funding in County Durham. The tables below show the current ESIF allocation for County Durham by Priority Axis, the value of contracted projects that have been approved and are in delivery, projects within the pipeline that have submitted either full or outline applications, and the balance of allocation remaining to be committed.

ERDF	Innovation	SME Comp	Low Carbon	Climate Change	CLLD	Total
Allocation	18,645,527	42,790,378	19,932,877	3,043,160	1,884,031	86,295,973
Contracted	17,481,228	42,283,556	10,321,518	2,795,501	1,745,003	74,626,806
Pipeline (in assessment/ appraisal)	1,038,197	0	0	0	0	1,038,197
Commitments	18,519,425	42,283,556	9,611,360	2,795,501	1,745,003	75,665,003
Balance	126,102	506,822	10,321,518	247,659	139,028	10,630,970
% remaining	1%	1%	52%	8%	7%	12%

- 13 As of the end of February 2021, a total of £74.6m of ERDF grant has been contracted in County Durham, with a further pipeline of £1.036m in ERDF applications at appraisal stage, this represents an overall commitment of £75.7m, leaving a balance of £10.6m.
- 14 The residual funds have been pooled nationally into a National Reserve Fund. Plans for the Reserve fund have been taken over by the response to Covid-19, with £50m contracted nationally across England to support the wider economy/visitor economy via LEP Growth Hubs and the Reopening High Street Safely Fund via local authorities. The North East LEP area, including Durham has benefitted from c£2.4m to support the wider visitor economy, 289 businesses have been supported to date. A further c£1.7m is supporting the reopening of high streets, of this £469,256 was allocated to Durham County Council, providing 100% funding to support business communities with measures that enable safe trading in public places, particularly focussed on high streets, as well as other public places gearing up to re-open as safe, welcoming spaces. This funding is available until June 2021.
- 15 The residual funds are expected to progress via commissioning and likely to focus on covid-19 response and economy recovery, taking into account high performing projects and emerging government agenda such as green recovery.

ESF Priorities	Allocation (£)	ESF Committed Spend	Pipeline apps in appraisal	Commitments	% Committed (inc Pipeline)
1.1	7,259,987	6,191,968	2,987,214.55	9,179,182.55	126%
1.2	6,612,963	611,111	6,000,000	6,611,111	100%
1.3 (YEI)	15,660,000	21,780,000	0	21,780,000	139%
1.4	8,980,110	6,045,136	£5,117,486	11,162,622	124%
1.5	2,023,086	1,813,796		1,813,796	90%
PA1 Employment Total	£40,536,146	£36,442,011	£14,104,700	£50,546,711	125%
2.1	19,367,618	12,134,478	3,289,761.00	15,424,239	80%
2.2	3,509,711	2,343,385	2,103,027	4,446,412	127%
PA2 Skills Total	22,877,329	14,477,864	5,392,788	19,870,651	87%
ESF Total	63,413,475	50,919,875	19,497,489	70,417,364	111%

- 16 In County Durham, £50.9m of ESF is contracted, this includes projects that have received grant offer letters and Opt Ins that have been agreed at ESIF Sub Committee. There is a further £19.5m in commitments in either full applications or extensions to Opt In contracts that are due to be considered shortly. Due to securing

additional YEI funding this means £70m (111%) is in commitment to projects delivering employment and skills activity in Durham.

- 17 A new Open Call for Youth Employment Initiatives has been launched to respond to the economic impact of Covid-19 and support young unemployed people into education, employment or training. £3.0m has been allocated to County Durham through this open call. The Council is developing an application for this, which will be an extension to its existing DurahmWorks initiative, it would enable a further 1,192 young unemployed people to receive support during the period January 2022 – December 2023. The deadline for submission of applications is 22nd March 2021.
- 18 The ESF Managing Authority has been working with local ESIF Sub Committees to agree how to prioritise the remaining funds in the ESF Reserve Fund for distribution this year, it is expected that calls will be issues before April 2021 focusing on Covid-19 recovery.

Durham County Council Projects

- 19 The County Council has submitted a significant number of applications for ESIF Funding. It has secured extensions to many of the projects, ensuring delivery until the programme closes in 2023, reducing the risk of lack of provision until replacement funding is rolled out. In total the County Council is the lead or a key delivery partner in 21 ESIF projects, worth a grant total of £71.3m and with a total project value of £119m. A list of all DCC approved projects is attached as Appendix 2.
- 20 A list of all ERDF projects that have been approved and delivering activity in County Durham is attached as Appendix 3.

Future Funding post Brexit – UK Shared Prosperity Fund

- 21 The Government intends to replace EU Structural Funds with a new UK wide Shared Prosperity Fund. Few details on the operation of the fund have been published so far, although some were released as part of the 2020 Spending Review and in the recent Budget, March 2021. From this we know that it is proposed the fund will help level up and create opportunity across the UK, targeting those places most in need, such as ex-industrial areas, deprived towns and rural and coastal communities. The Fund will be split into two parts:
 - (i) An employability and skills programme to improve employment outcomes for those in and out of work, in specific cohorts of people who face labour market barriers

- (ii) Place based - targeting areas in greatest need focusing investment in people and skills, communities and place and local business, including support for innovation.
- 22 The Government has committed that the total domestic UK wide funding for SPF will at least match current EU receipts, on average reaching around £1.5 billion a year, although details on how this will be allocated have not yet been announced. It is expected Government will publish an Investment Framework in Spring 2021 and confirm the quantum of SPF funding in the next Spending Review (Sept 2021).
- 23 Recent research shows that had the UK stayed in the EU, County Durham, on the basis of its relative levels of GDP, would have been classified as a 'less developed' region and as such the county's EU structural funding would have more than doubled to at least 300 million euros in investment in the next programme period up to 2027. It is key therefore that the under the proposed UKSPF, that County Durham has a protected allocation of funding, which at least matches what it would have received under the next EU programme. This funding must be in addition to existing national regeneration funding. The UKSPF should also be allocated on need and more flexible than current arrangements, tailored to local priorities and delivered with less bureaucracy, with local control of the funding and responsibility for decisions as close to citizens as possible.
- 24 In the interim, the Government has launched the **UK Community Renewal Fund** which will provide £220 million to spend in 2021-22 to help local areas pilot new approaches and help prepare them for the UK Shared Prosperity Fund when it launches in 2022. Government has identified 100 priority places, including County Durham (based on a new index of economic resilience) where it will prioritise spend. Bids up to the value of £3 million (90% revenue) can be submitted that support investment in skills, local business, communities and place and supporting people back into employment. A 'lead body' for each priority place has been identified (for Durham this is the County Council), it will need to work with local partners to identify and submit a prioritised list of projects to Government, by 18 June 2021. The lead authority for each priority place will receive capacity funding of £20,000 to help with bid coordination and appraisal.
- 25 In the 2021 Budget, the Chancellor also announced details of the new **Levelling Up Fund**, to provide investment in regeneration and growth in places with low productivity and connectivity. County Durham is identified as one the areas of greatest need in the UK (a Tier 1 area) and this should mean priority for funding. Bids will need to ensure effective consultation among public and private stakeholders, including MPs. The deadline for submitting proposals for 2021/22 funding

awards is 18th June, and priority will be given to spend that can deliver on the ground in 2021-22. There will be future opportunities to bid in subsequent rounds for delivery up to 31 March 2024, or exceptionally into 2024-25 for larger schemes.

- 26 The fund for England is £4 billion. Each Local Authority proposal is expected to be up to £20m or exceptionally up to £50m for transport schemes, with each area able to submit one bid for every MP within the local authority area. Local authorities can only have one successful bid for each of their allocated number of bids over the lifecycle of the Fund. There are three main priority areas for the scheme:
- (i) Transport investments - public transport, active travel, bridge repairs, bus priority lanes, local road improvements and major structural maintenance, and accessibility improvements.
 - (ii) Regeneration and town centre investment - upgrade eyesore buildings and dated infrastructure, acquire and regenerate brownfield sites, invest in secure community infrastructure and crime reduction, and bring public services and safe community spaces into town and city centres.
 - (iii) Cultural investment - regenerating, or creatively repurposing museums, galleries, visitor attractions (and associated green spaces) and heritage assets as well as creating new community-owned spaces to support the arts and serve as cultural spaces.
- 27 A summary of the criteria for the Levelling Up Fund and UK Community Renewal Fund is attached as Appendix 4.

Conclusions

- 28 The committee will be aware of the various projects and schemes in the county which are being delivered using EU funds.
- 29 European Funding has provided vital funding, supporting investment in innovation, businesses, skills and employment, creating jobs and growth in the County. Going forward it is important that replacement future replacement funding is secured to meet the needs of Durham, addressing local priorities and at a level which at least matches what Durham currently receives or would have received under the next EU programme.

Background papers

- Levelling Up Fund: Prospectus 3 March 2021
- UK Community Renewal Fund: Prospectus 2021-22, 3 March 2021
- Economy and Enterprise Overview and Scrutiny Committee, EU Funding Update, 10 January 2020

Other useful documents

- None

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Appendix 1: Implications

Legal Implications

There are no legal implications arising out of the report. Any legal implications in relation to specific funds/applications will be considered on a case by case basis.

Finance

Financial implications are considered for individual ESIF applications

Consultation

Not applicable

Equality and Diversity / Public Sector Equality Duty

Not applicable

Climate Change –

20% of Durham's Transition ERDF allocation is ring-fenced to Priority 4: Supporting the shift towards a low carbon economy in all sectors. This funding will support projects that will move the economy towards a low carbon model by reducing the levels of Green House Gas (GHG) emissions, increasing the share of renewable energy, and enhancing the energy efficiency of homes, businesses and transport. A further £3m has been allocated in Durham to Priority 5: Promoting Climate Change Adaptation, Risk Prevention and Management. All ESIF applications also need to consider how the project will respect the principle of sustainable development. In particular, how it will maximise positive environmental impacts or mitigate potential negative impacts.

Human Rights

Not applicable

Crime and Disorder

Not applicable

Staffing

Not applicable

Accommodation

Not applicable

Risk

The revision and implementation of the EU Governance process will mitigate against risks associated with applying for European funding Procurement

Appendix 2: List of Durham County Council ESIF projects

Project Name	Description	ERDF Value	Match Funding	Total Project Cost	End Date
Durham Future Innovation Building	Aims to increase the number of SMEs in County Durham engaged in research and innovation to help them bring new products and processes to market.	£813,803	£542,535 DCC and SME Contributions	£1,356,338	30 June 2023
	Approved PA1 Total	£813,803			
Durham Business Opportunity Programme (DBOP)	Programme of business support to encourage and enable SMEs in County Durham to grow, through engaging the businesses and connecting them to opportunities.	£1,377,171	£1,048,763 DCC and Delivery Partner (CDMEN)	£2,295,285	30 th Nov 2022 with extension
Durham Internships and Collaborative Enterprise (DICE)	DCC is a delivery partner in a Durham University led project. Its element to develop an enterprise incubator, based at Salvus House with an associated accelerator programme of intensive and bespoke support.	£481,877.22	£321,251.48	803,128.70	30 June 2023 With extension
SME Digital Engagement Programme	Support for SMEs to improve their competitiveness through take up of digital technology. Delivered in Partnership with UMi	£4,740,000 with extension	£3,160,000 with extension DCC and SME Contributions	£7,900,000 with extension	30 th September 2020 30 th June 2023 with extension
Community Enterprise Durham 'Durham Sparks'	Countywide project aimed at increases the number of community enterprises in County Durham and support them to grow and thrive by promoting entrepreneurialism.	£525,000	£350,000 DCC, delivered by Finchale Consortium	£875,000	30 th September 2020
County Durham Growth Fund	The County Durham Growth Fund provides grant support to SMEs in County Durham for capital investment projects to stimulate and enable sustainable business growth. Delivered by Business Durham and UMi as delivery Partner	£6,092,446 £10,836,523 with extension	£9,100,000 £16,871,749 with extension SME Contributions	£15,192,446 £27,708,272 with extension	31 March 2022 30 June 2023 with extension

Durham Ambitious Business Start ups	Programme to encourage more high quality start-ups in County Durham, and to support them during the critical first 12 months of trading. Will foster eco-system within County Durham to support the creation of businesses, which have both the ambition and the capacity to grow rapidly from the first twelve months of inception.	£687,082	£458,055 DCC and SME contributions	£1,145,137	31 January 2023
	Approved PA3 Total	£18,647,653			
BEEP	BEEP will provide an intensive package of support for SMEs on energy efficiency, renewable energy and business resilience to reduce greenhouse gas emissions and bottom line costs, enhancing competitiveness and supporting business growth.	£533,887	£356,924 DCC and SME Contributions	£890,811	30 Sept 2019
BEEP2		£1,038,010	£692,007	£1,730,017	30 Sept 2022
SWII	The SWII project has delivered a 'Whole Place' energy efficiency pilot programme in 210 fuel poor homes in two Durham former mining villages of South Moor and Evenwood including: innovative solid wall insulation, 'next phase' domestic smart heating controls and Peer to Peer community energy efficiency advice and support.	£1,506,422	£1,004,282 DCC and Delivery Partner (Durham University)	£2,510,704	31 st July 2019
Low Carbon Depot	This project will deliver an innovative, low carbon, whole place solution for the Morrison Busty Depot, incorporating a range of innovative technologies, comprising of 3MW of Solar PV, Energy Storage Solutions, Air source Heat Pumps installation, Insulation works, Infrared Heating and EV charging infrastructure	£5,005,618	£3,337,080 DCC Invest to save	£8,342,698	30 April 2023
Durham History Centre	Measures to make Durham History Centre as energy efficient as possible, including installation of ground source heat pump, solar photovoltaics and solar thermal collector.	£1,460,850	£973,901 DCC	£2,434,751	30 June 2023
	Approved PA4 Total	£9,544,787			
Chester le Street De-culverting	The Chester-le-Street Flood Alleviation scheme aims to reduce flood risk to the businesses and properties around the Cong Burn River	£2,795,501	£1,880,287 DCC and Environment Agency	£4,675,788	31 st December 2021
	Approved PA5 Total	£2,795,501			

Community Led Local Development	<p>North Durham CLLD Area – the area of Chester-le-Street, Stanley and the western edge of the Derwent valley AAP area</p> <p>South Durham CLLD Area – this includes the areas of Bishop Auckland, Shildon and Spennymoor</p> <p>The priorities for the Programmes are:</p> <ul style="list-style-type: none"> • Sustainable communities • Enhancing economic inclusion • Stimulating entrepreneurialism • Enterprising spaces • Developing growth and enterprise 	<p>£744,202 ERDF and £780,101 ESF</p> <p>£986,501 ERDF and £1,019,899 ESF</p>	DCC and projects	<p>Total Programme Value:</p> <p>North: £2,363,309</p> <p>South: £3,109,118</p>	<p>31st March 2022</p> <p>Awaiting approval to extend delivery until 31st March 2023</p>
	ESIF CLLD Total	£3,530,703		£5,472,427	
National Reserve Fund	Reopening High Streets Safely Fund	£469,256	0	£469,256	
Project Name	Description	ESF Value	Match Funding	Total Project Cost	End Date
DurhamWorks	DurhamWorks is an innovative programme supporting 15-24 year old unemployed residents into employment, education or training through intensive and long-term support.	£21,780,000	£7,260,000 DCC and Delivery Partners	£29,040,000	31 Dec 2021 Extended with an additional £9m.
Durham Advance	This project will offer a comprehensive package of advice, guidance and support to participants targeting those with health conditions and the over 50s.	£1,500,000 £2,600,000 (with extension)	£1,000,000 £1,733,333	£2,500,000 £4,333,333	30 April 2021 31 Dec 2023
LINKCD	The LINKCD project will work with 1252 participants in County Durham using a caseworker-led model for delivery, providing a tailored package of support for participants, including those with protected characteristics, workless housing tenants and offenders and ex-offenders.	£2,000,000	£1,333,333 DCC and Delivery Partners	£3,333,333	31 Dec 2021

Durham Directions	DurhamDirections will engage 5129 15-24 year old young people living in County Durham. It is a ground-breaking, partnership solution to preventing young people from becoming NEET and to addressing youth unemployment amongst vulnerable groups in the county.	£6,000,000	£4,000,000 DCC and Delivery Partners	£10,000,000	1 July 2020 – 31 Dec 2023
Durham Enable	DurhamEnable will be delivered by Durham County Council and will support 900 County Durham residents with disabilities to move into or closer to work.	£2,167,486	£1,444,990	£3,612,476	1 July 2020- 31 Dec 2023
	ESIF Total	£71,349,189		£118,928,755	

Appendix 3: List of Approved ERDF Projects

Project	Applicant	Total ERDF	MD	Durham
PA1 Innovation				
North East SME Innovation Programme	North East Business & Innovation Centre Limited	£820,438	£622,799	£197,639
Innovate2Succeed	RTC North Limited	£498,918	£408,116	£90,802
The Innovation Pathway	RTC North Limited	£1,033,631	£818,551	£215,080
Emerging Electronics Manufacturing Centre (EEMaC) at NETPark	Centre for Process Innovation (CPI)	£2,595,800	£218,736	£2,377,064
Northern Accelerator	Newcastle University	£433,864	£274,861	£159,003
Creative Fuse North East	Newcastle University	£801,301	£688,351	£112,950
North East Innovation Supernetwork	North East Business & Innovation Centre Limited	£521,439	£446,433	£75,006
CIF ESM Outreach	Centre for Process Innovation (CPI)	£1,300,351	£402,763	£897,588
Development of a North East Water Hub	Durham University	£344,222	£214,614	£129,609
Collaborative Outreach in Applied Surface Engineering Technologies (COAST)	Centre for Process Innovation (CPI)	£2,709,735	£0	£2,709,735
SME SPOTLIGHT - Photonics and Emerging Technologies for Healthcare SME Support Programme	Centre for Process Innovation (CPI)	£848,784	£0	£848,784
Innovate Durham	Teesside University	£373,844	£0	£373,844
Pathways to Innovation	RTC North Limited	£787,500	£562,500	£225,000
Arrow	Newcastle University	£1,696,186	£1,356,949	£339,237
Sustainable Advanced Manufacturing (SAM)	University of Sunderland	£5,770,513	£3,921,228	£1,849,285
Catalysing innovation in North East clusters	North East Business & Innovation Centre Limited	£1,235,226	£1,049,945	£185,281
Intensive Industrial innovation Programme - North East (IIIP-NE)	Durham University	£3,505,427	£2,513,349	£992,078
Digital Innovation Partnership	The Council of the City of Sunderland	£2,235,191	£1,896,855	£338,336
GX	NewcastleGateshead Initiative	£860,893	£756,636	£104,257
North East SME Innovation Programme 2	North East Business & Innovation Centre Limited	£899,250	£685,500	£213,750
Innovative Materials via Precision Additive Coating Technologies (Project IMPACT)	Centre for Process Innovation (CPI)	£2,536,608	£608,784	£1,927,824
Northern Accelerator II	Newcastle University	£500,770	£315,997	£184,773
Creative Fuse North East	Newcastle University	£1,080,353	£802,250	£278,103
SONNET - Smart cONNected	Centre for Process Innovation (CPI)	£2,010,926	£1,182,685	£828,241
tEchnology innovaTion Programme	Durham County Council	£813,803	£0	£813,803
Durham Future Innovation Building PROSPECT	Centre for Process Innovation (CPI)	£1,419,504	£450,347	£969,157
North East SME Innovation Programme 2 (Parent 25R17P02285)	North East Business & Innovation Centre Ltd (BIC)	£225,000	£180,000	£45,000
PA3: SME Competitiveness				
Project				
Enterprise Support in the North East	North East Enterprise Agency Limited (NEEAL)	£874,937	£518,652	£356,285
North East Business Support Fund (NEBSF3)	Northumberland Business Service Limited (NBSL)	£3,882,148	£2,272,640	£1,609,508
Expanding North East presence in International Markets	North East Worldwide Limited	£2,999,179	£2,228,863	£770,316
Designing Better Business	RTC North Limited	£1,475,338	£1,184,378	£290,960
Advancing the Competitiveness of NE Automotive SMEs (ACE SME)	NE Automotive Alliance	£606,310	£452,074	£154,235

Digital Futures	Generator North East Limited	£706,132	£637,012	£69,120
Sunderland Software City (Phase 3)	The Council of the City of Sunderland	£1,167,182	£1,043,683	£123,499
Creative Industries SME Business Support & Development	Northern Film & Media Limited	£370,740	£358,085	£12,655
Internships and Enterprise	University of Sunderland	£1,897,125	£1,635,300	£261,825
Better off in Business	Prince's Trust	£228,514	£189,152	£39,362
SME Growth via Facilitated Market Access and Energy Management	NEPIC	£387,243	£301,024	£86,219
Durham Business Opportunities Programme	Durham County Council	£1,377,171	£0	£1,377,171
Durham Internships and Collaborative Enterprise (DICE) Project	Durham University	£1,538,087	£0	£1,538,087
Community Enterprise Durham	Durham County Council	£525,000	£0	£525,000
North East Business Support Fund 4 - County Durham (NEBSF4)	Northumberland Business Service Limited (NBSL)	£3,481,121	£0	£3,481,121
Durham SME Digital Engagement Programme	Durham County Council	£4,740,000	£0	£4,740,000
The North East Fund - supported by the European Regional Development Fund	The North East Fund Limited	£53,500,005	£41,730,004	£11,770,001
Scale-Up North East	RTC North Limited	£2,500,000	£1,875,000	£625,000
Internships and Enterprise Phase 3	University of Sunderland	£3,326,399	£2,921,487	£404,912
Supply Chain North East	RTC North Limited	£3,148,515	£2,203,961	£944,554
Enterprise Support in the North East 2	North East Enterprise Agency Limited (NEEAL)	£936,486	£497,854	£438,632
County Durham Growth Fund	Durham County Council	£10,836,523	£0	£10,836,523
Durham Ambitious Business Start-ups (DABS)	Durham County Council	£687,082	£0	£687,082
Scaleup North East - Phase 2	RTC North Limited	£1,888,829	£1,247,340	£641,489
Northern Powerhouse Internationalisation Fund	Department for International Trade (DIT)	£2,300,000	£1,800,000	£500,000
Business Energy Efficiency Project (BEEP)	Durham County Council	£533,887	£0	£533,887
Going Ultra Low North East	North East Combined Authority	£1,519,784	£1,460,432	£59,352
SWli (Solid Wall Insulation Innovation) eGrid	Durham County Council	£1,506,423	£0	£1,506,423
	Offshore Renewable Energy Catapult	£2,842,478	£2,835,259	£7,220
Business Energy Efficiency Project 2 (BEEP2)	Durham County Council	£1,038,010	£0	£1,038,010
Low carbon measures at Durham History Centre - whole building solution	Durham County Council	£1,460,850	£0	£1,460,850
Low Carbon Depot	Durham County Council	£5,005,618	£0	£5,005,618
PA5: Climate Change				
Chester-le-Street Flood Alleviation Scheme	Durham County Council	£2,795,501	£0	£2,795,501
PA8: CLLD				
North Durham CLLD	Durham County Council	£7,150	£0	£7,150
South Durham CLLD	Durham County Council	£7,150	£0	£7,150

Appendix 4: Summary of Levelling-Up Fund and UK Community Renewal Fund Criteria

Criteria	Levelling-Up Fund	UK Community Renewal Fund
Timescales	Delivery to 31 March 2024. Exceptionally into 2024/25 for larger schemes	2021-22
Funding	£4.8bn (£4bn for England)	£220m: Revenue 90% up to 10% capital. Inc. £14m capacity funding for SPF. Must be spent by 31 March 2022 2m for capacity funding to coordinate and appraise
Size of bids	Up to £20m. Transport projects can be above £20m and up to £50m Each local authority can submit proposal up to the number of MPs in the LA area.	Up to £3m
Bidding process	Competitive; projects or packages. £125k capacity funding per area. LAs can only have one successful bid for each of their allocated number of bids over the lifecycle of the Fund	Competitive £20,000 capacity funding for top 100 areas (regardless of whether successful)
Bid deadline	18 June 2021 (successful bids announced in Autumn 2021)	18 June 2021 (successful bids announced in late July)
Themes	<ul style="list-style-type: none"> Local transport projects Town centres / high streets Cultural & heritage assets 	<ul style="list-style-type: none"> Skills Local businesses Communities and places Employment / employability
Assessment criteria	<ul style="list-style-type: none"> Need (recovery, growth, connectivity, regeneration) Deliverability Strategic fit Value for money Leverage; at least 10% of costs 	<ul style="list-style-type: none"> Lead authorities to invite bids from local applicants (inc. Universities) Deliverability Strategic fit Leverage of other funding
Lead department	HMT	MHCLG
Responsible bodies	Local authorities	Local authorities
County Durham status	Category 1 (highest need) of 3	1 of 100 local authorities in UK identified based on need
Spatial focus	UK-wide	
Additional criteria	<ul style="list-style-type: none"> For first round priority will be given to delivery on ground in 2021-22. Government expects bids to be backed by local MPs. Government encourages local authorities to submit joint projects Bids needs to be supported by local stakeholders 	<ul style="list-style-type: none"> Holistic approaches expected that address local issues No ring-fencing for themes Bids should contribute to net zero Interested in bids that support under-represented groups and community-led projects

	<ul style="list-style-type: none"> • Bids should target pockets of deprivation • Bids should contribute to net zero 	<ul style="list-style-type: none"> • Interested in supporting rural and coastal projects • Encourage larger projects (£500k+) where possible
More details	www.gov.uk/government/publications/levelling-up-fund-prospectus	www.gov.uk/government/publications/uk-community-renewal-fund-prospectus
	Further guidance and templates for bid submissions, including criteria and approach for selecting successful projects is due to be published shortly.	