

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL  
MUNICIPAL YEAR 2015-2016**

**FINANCE AND PERFORMANCE**

**SCRUTINY COMMITTEE**

**7TH OCTOBER 2015**

<b>AGENDA ITEM NO. 3</b>
<b>PROGRESS ON THE DELIVERY OF THE EUROPEAN UNION FUNDING PROGRAMMES IN WALES 2014 – 2020</b>

**REPORT OF THE DIRECTOR, REGENERATION AND PLANNING**

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**1. Purpose of the Report**

1.1 This report provides an update on the approval and delivery of the current round of European Union Funding Programmes available in Wales. It also considers the new guiding principles which govern the programmes and the more limited opportunities for local government as a result.

**2. Background and Context**

2.1 The new round of European Union ( EU ) Funding Programmes will operate between January 2014 and December 2020 for the approval of projects, and to the end of 2023 for the delivery of approved projects. The new Welsh programmes have been subject to a long period of negotiation between the European Commission and Welsh Government, Wales European Funding Office ( WEFO ). This has led to the late approval of the programmes with the West Wales and the Valleys European Regional Development Fund ( ERDF ) Programme being approved in November 2014 and the European Social Fund ( ESF ) Programme being approved in December 2014. The European Rural Development Programme for Wales was approved in May 2015. All of the new EU Funding Programmes have been subject to similar delays including those available in East Wales that do not cover Rhondda Cynon Taf. The total EU investment is almost £3 billion at current Euro / Sterling exchange rates but this will be subject to fluctuations in the rate over the programme period.

### **3. Guiding Principles of the New Programmes**

3.1 The delay in approving the Welsh programmes has had a knock on effect on the development and approval of new projects. In addition the programmes are subject to new delivery arrangements for projects governed by some key guiding principles as a result of the negotiations between WEFO and the European Commission.

- The new programmes are more focussed than previous ones with fewer priorities and less activity eligible for funding.
- There will still be a requirement for match funding to be provided in any project supported by EU funding but this is now even more of a difficult issue given the current public expenditure environment.
- There will be a portfolio of projects built around the development of strategic backbone projects which are largely led by Welsh Government. Projects led by other organisations will generally follow these and be justified as adding value and filling gaps around the backbone projects. Essentially the backbone projects are higher priority for approval.
- Projects will need to demonstrate regional or national significance in outcomes which achieve economic or transformational change. This means that they will be large scale and collaborative in nature and for ESF type training projects work across administrative boundaries.
- There is new cost, eligibility, target and governance regulations which apply to projects and there is still uncertainty about how some of this will actually work for projects in the delivery phase.

### **4. Programme Progress**

4.1 These new principles mean that there are fewer opportunities for local government to lead on the delivery of projects and where local government does lead they will usually be joint or collaborative in nature. There may also be opportunities for involvement in the delivery of projects that are led by other organisations including Welsh Government.

4.2 WEFO released information on progress at the Wales European Programme Monitoring Committee in June 2015. This Committee oversees the delivery of the EU funding programmes in Wales and meets quarterly. WEFO reported that 26 projects had been approved with £290 million of EU funds allocated. 72% of the value of the funds committed had been awarded to Welsh Government led projects, 12% to those led by the third sector, 11% to higher

and further education led projects and 5% to private sector projects. There were no local government led approvals at this time. A summary of approved projects (although not all approved to date); taken from the WEFO website is shown at Appendix 1. Since this information was released several further projects have been approved by WEFO which will be added to the information summarised on their website in due course.

- 4.3 Given the reduced scope for local government involvement in the new programmes considerable work has been undertaken to explore where EU funding opportunities are able to support local government priorities. Because of the emphasis on national and regionally based projects this work has been organised on a collaborative basis across local government boundaries. In South East Wales this work has been facilitated by the group of Directors of Regeneration and Environment ( SEWDER ) and where there are national issues local authority work has also been supported by the WLGA. Further details of this development work as it relates to Rhondda Cynon Taf are outlined below in this report.
- 4.4 The two principle EU funding programmes in Wales are available in the West Wales and the Valleys area which includes Rhondda Cynon Taf are the European Regional Development Fund ( ERDF ) and European Social Fund Programmes. The European Rural Development Programme ( RDP ) is also available in Wales.

## **5. The West Wales and the Valleys European Social Fund ( ESF ) Programme (£650m EU grant at current exchange rate)**

- 5.1 This Programme is aimed at effectively supporting people into work and upskilling those people in work but at risk because of a lack of appropriate skills. The following are the key priorities for the Programme:
- Tackling Poverty Through Sustainable Employment
  - Skills For Growth
  - Youth Employment and Attainment
- 5.2 Proposals for project activity that meet these priorities have been developed in South East Wales collaboratively and are being taken forward with WEFO.
- 5.3 A decision was taken at the Council Cabinet Meeting held on the 23<sup>rd</sup> July for the Council to participate in a key collaborative ESF project which is currently at the development stage. The Inspire to Work Programme will involve local authorities in the Valleys area and is aimed at supporting young people who are not in education, employment or training ( NEET ) into a position where they can enter employment. Inspire to Work meets the priorities of the Council and will help to add value to service provision in this area leading to further improvements in the reduction of numbers of young people who are NEET.

- 5.4 One of the South East Wales collaborative projects which the Council is not participating in, Bridges into Work 2 was approved in late August. It is important that the current activity within RCT to support people into work is considered, together with how new European programmes would add value to this current work in RCT. This is not the same across SE Wales, and in RCT, Bridges into Work 2, whilst offering good value for money in some Council areas, was less appropriate for RCT. The Council can work collaboratively with other projects, rather than commit its own scarce resources into Bridges into Work 2 which would add little value in RCT.
- 5.5 In addition there are a number of projects led by other organisations including Welsh Government, Further and Higher Education Institutions and the Third Sector that are in the development stage or recently approved. These will benefit people who live and work in Rhondda Cynon Taf and their successful delivery will bring potentially valuable benefits to the area. These include Communities4Work led by Welsh Government and delivered in Community First cluster areas by Lead Delivery Bodies and the Department for Work and Pensions. Active Inclusion is led by the WCVA and will be delivered by local organisations including those in the community and third sector. Summaries of these projects are included at Appendix 1.

**6. The West Wales and the Valleys European Regional Development Fund ( ERDF ) Programme (£965m EU grant at current exchange rate)**

- 6.1 The Programme aims to support business and innovation and improve the business environment by specifically targeted infrastructure improvements. It has a much more targeted focus than previous ERDF programmes which have been available in Wales. The range of projects which local government has delivered in the past will no longer be available in the current Programme. This is explained in more detail below under the specific Programme Priority headings:

- Research and Innovation

This priority intends to support businesses involved in research, development and innovation and business and product development research based in universities. Projects here will be delivered by Welsh Government, higher education institutions and the private sector.

- SME Competitiveness

This priority will give direct support to grow SMEs and will be largely delivered by Welsh Government through Business Wales and Finance Wales.

In past programmes local government including this Council, has been directly involved in business and social enterprise support through projects such as the South East Wales Local Investment Fund ( SEWLIF ) and the South East Wales Community Enterprise Development Programme ( SEWCED ). Initial

proposals for the development of this approach by Welsh local government have not been supported by WEFO.

- Renewable Energy and Energy Efficiency

This priority will support projects which involve renewable energy and energy efficiency which benefit the business sector or contribute to reducing poverty. Projects will be largely led by Welsh Government and the private sector. There may be future opportunities to look at energy efficiency approaches for households facing the highest levels of fuel poverty. WEFO intend engaging with local authorities and registered social landlords ( RSLs ) during Autumn 2015.

- Connectivity and Urban Development

This part of the Programme concentrates on improvements to the transport system and targeted urban regeneration investments including key town centre building and site development and strategic business site development.

Road improvements will be very limited and will focus on bottlenecks affecting the A40 and A55. Further support for the A465 dualling is unlikely to take place. Public transport improvements are a key priority with the Metro project being a Welsh Government priority project. Welsh Government launched its National Transport Finance Plan 2015 in July 2015 and in this there is detailed information on the projects Welsh Government propose to deliver using EU funding from the ERDF Programme. Local government involvement in this is still unclear but there are opportunities for improvements in Rhondda Cynon Taf.

6.2 The type of town centre regeneration projects such as those supported in Rhondda Cynon Taf in the last programme will not be eligible nor will road infrastructure in town centres.

6.3 There are opportunities for carefully targeted urban regeneration investments including town centre key building and site development. There are proposals for a joint Welsh Government and local government project for the redevelopment of town centre key buildings and sites across the programme area. This project is now called Building For The Future and is currently at business plan preparation stage and may be approved before the end of this financial year. Preparation to date has included regional prioritisation of potential local authority projects for potential inclusion in the business plan.

In South East Wales the prioritisation process has been managed by SEWDER (South East Wales Directors of Environment and Regeneration) and has resulted in twelve projects being forwarded for Welsh Government consideration to be included in the business plan. Five of these are proposals submitted by RCT.

6.4 There are also opportunities for strategic business site development which WEFO intend engaging with local authorities and Welsh Government during Autumn 2015 to discuss developing a portfolio of priority projects.

## **7. Wales Rural Development Plan 2014-2020 (£960m EU grant at current exchange rate)**

7.1 The Rural Development Plan (RDP) is a European Union and Welsh Government sponsored programme. An element of the RDP budget is ring-fenced for community led local development activities (named LEADER ) in targeted wards across Wales. In Rhondda Cynon Taf there are 3 eligible wards - Maerdy, Rhigos and Ynysybwl.

7.2 Delivery of LEADER activity will be through LEADER Local Action Groups (LAGs). A Rural Action Cwm Taf LAG has been established and covers the eligible rural wards in Rhondda Cynon Taf and Merthyr, with Merthyr Tydfil CBC acting as the Lead Body. (LAG boundaries do not need to be aligned with Local Authority boundaries and the population of the eligible Rhondda Cynon Taf wards of Maerdy, Rhigos and Ynysybwl alone was lower than the minimum population required for securing LAG status).

7.3 The LAG has developed a draft Local Development Strategy (LDS) and has been undertaking consultation and stakeholder workshops to inform the development of a detailed action plan. The LAG is likely to have a budget for project implementation of approximately £1.21m over the duration of the Programme which is for revenue project expenditure only. The LAG can either issue an open call for project proposals or could potentially commission a particular proposal through an open procurement process. Timescales for the roll out of this activity are still to be determined.

7.4 A further opportunity under the RDP has been launched during July 2015. The Wales Rural Community Development Fund will offer funding for projects in the eligible LEADER wards which contribute towards the delivery of the agreed LDS. A summary of the opportunities offered by the fund is shown at Appendix 2.

## **8. Conclusion**

8.1 The current round of EU funding programmes in Wales have been approved later than expected following a long period of negotiation with the European Commission. This has resulted in programmes with fewer priorities and eligible activities than previous programmes. The new guiding principles have resulted in local government having less opportunity to benefit. Where opportunities exist or emerge, proposals will be developed, such as the Building for the Future project outlined above, and potential areas for

stimulating the local economy and employment opportunities, such as Treforest Industrial Estate.





# Approved Projects 2014-2020

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**Last updated:** 5 August 2015

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## ESF Tackling Poverty through Sustainable Development

<b>Title</b>	<b>ReACT III</b>		
<b>Organisation</b>	Department for Education & Skills (Welsh Government)		
<b>Synopsis</b>	The Welsh Government's ReAct III programme aims to address the needs of people who have been made redundant, or are under notice of redundancy, through a series of measures designed to remove barriers to obtaining new employment.		
<b>Programme</b>	ESF Tackling Poverty through Sustainable Employment		
<b>Specific Objective</b>	SO 1: To increase the employability of those closest to the labour market at most risk of poverty.		
<b>Group(s) targeted</b>	Individuals aged 25 years old and over within the West Wales and the Valleys area who have been made redundant in the previous 3 months or those who are under notice of redundancy.		
<b>Geographical area</b>	West Wales and the Valleys		
<b>Region</b>	West Wales and the Valleys		
<b>WEFO team contact (inbox)</b>	<a href="mailto:WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK">WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK</a>		
<b>Total Operation Cost at approval</b>	£16.7m	<b>Total ESF at approval</b>	£10m

<b>Title</b>	<b>Active Inclusion Fund - WWV</b>		
<b>Organisation</b>	Wales Council for Voluntary Action (WCVA)		
<b>Synopsis</b>	This operation will reduce the number of economically inactive and long term unemployed people across West Wales and the Valleys.		
<b>Programme</b>	West Wales and the Valleys		
<b>Specific Objective</b>	<p>Specific Objective 2:</p> <p>To increase the employability of economically inactive and long term unemployed people aged 25 and over, who have complex barriers to employment.</p>		
<b>Group(s) targeted</b>	<p>Activities will be targeted and concentrated on the following groups; Economically inactive over 25 years of age</p> <ul style="list-style-type: none"> <li>• Low/non skilled</li> <li>• Work Limiting Health Conditions/disability</li> <li>• Carers and those with childcare responsibilities</li> <li>• Over 54 years</li> <li>• Jobless households.</li> </ul> <p>Long term unemployed over 25 years of age</p> <ul style="list-style-type: none"> <li>• Low/non skilled</li> <li>• Work Limiting Health Condition/disability</li> <li>• Carers and those with childcare responsibilities</li> <li>• Jobless households</li> <li>• BAME individuals</li> </ul>		
<b>Geographical area</b>	West Wales and the Valleys		
<b>Region</b>	West Wales and the Valleys		
<b>WEFO team contact (inbox)</b>	<p>Poverty and Youth Branch</p> <p><a href="mailto:WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK">WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK</a></p>		
<b>Total Operation Cost at approval</b>	£16,521,519	<b>Total ESF at approval</b>	£11,565,064

<b>Title</b>	<b>Communities4Work</b>		
<b>Organisation</b>	Welsh Government, Department for Local Government and Communities		
<b>Synopsis</b>	Communities4Work is a major development of the Welsh Government's Communities First Programme to tackle poverty, co-sponsored by the Department for Work and Pensions. This operation will provide opportunities to deliver creative and innovative models of intensive mentoring and employment support, engaging long term unemployed and economically inactive "hard to reach" groups, supporting them into work.		
<b>Programme</b>	West Wales and the Valleys		
<b>Specific Objective</b>	<p>Specific Objective 2:</p> <p>To increase the employability of economically inactive and long term unemployed people aged 25 and over, who have complex barriers to employment.</p>		
<b>Group(s) targeted</b>	<p>Economically inactive over 25 year olds with low or no skills, with working limiting health conditions or disabilities (including substance or alcohol abuse), with care or childcare responsibilities, from jobless households and over 54 year olds.</p> <p>Long term unemployed males over 25 years old with low or no skills, work limiting health conditions or disabilities (including substance and alcohol abuse), from a BME group and jobless households and</p>		
<b>Geographical area</b>	West Wales and the Valleys		
<b>Region</b>	West Wales and the Valleys		
<b>WEFO team contact (inbox)</b>	<p>Poverty and Youth Branch</p> <p><a href="mailto:WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK">WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK</a></p>		
<b>Total Operation Cost at approval</b>	£22,548,610	<b>Total ESF at approval</b>	£14,431,110

**New addition:**

<b>Title</b>	<b>Communities4Work</b>		
<b>Organisation</b>	Welsh Government, Department for Local Government and Communities		
<b>Synopsis</b>	Communities4Work is a major development of the Welsh Government's Communities First Programme to tackle poverty, co-sponsored by the Department for Work and Pensions. This operation will provide opportunities to deliver creative and innovative models of intensive mentoring and employment support, engaging long term unemployed and economically inactive "hard to reach" groups, supporting them into work.		
<b>Programme</b>	East Wales		
<b>Specific Objective</b>	Specific Objective 2: To increase the employability of economically inactive and long term unemployed people aged 25 and over, who have complex barriers to employment.		
<b>Group(s) targeted</b>	Economically inactive over 25 year olds with low or no skills, with working limiting health conditions or disabilities (including substance or alcohol abuse), with care or childcare responsibilities, from jobless households and over 54 year olds. Long term unemployed males over 25 years old with low or no skills, work limiting health conditions or disabilities (including substance and alcohol abuse), from a BME group and jobless households and		
<b>Geographical area</b>	East Wales		
<b>Region</b>	East Wales		
<b>WEFO team contact (inbox)</b>	Poverty and Youth Branch <a href="mailto:WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK">WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK</a>		
<b>Total Operation Cost at approval</b>	£7,583,874	<b>Total ESF at approval</b>	£3,791,937

## ESF Skills for Growth

<b>Title</b>	<b>Agile Nation 2</b>		
<b>Organisation</b>	Chwarae Teg		
<b>Synopsis</b>	<ul style="list-style-type: none"> <li>• Promote gender equality, career advancement and contribute to the reduction of the pay gap in the labour market.</li> <li>• Deliver skills support and mentoring for women in employment enabling them to progress in employment fully utilising their skills.</li> <li>• Deliver activities for employers focussing on gender disadvantage in the workforce &amp; modern working practices fostering the promotion of diversity in workforce development.</li> </ul>		
<b>Programme</b>	ESF		
<b>Specific Objective</b>	SO4		
<b>Group(s) targeted</b>	Females/males in non-traditional sectors; women in growth sectors where they are under-represented in the workforce and in senior management roles.		
<b>Geographical area</b>	West Wales and the Valleys		
<b>Region</b>	West Wales and the Valleys		
<b>WEFO team contact (inbox)</b>	ESF Skills Branch <a href="mailto:WEFOSkillsBranch@Wales.GSI.Gov.UK">WEFOSkillsBranch@Wales.GSI.Gov.UK</a>		
<b>Total Operation Cost at approval</b>	£9.2m	<b>Total ESF at approval</b>	£7m

<b>Title</b>	<b>Agile Nation 2</b>		
<b>Organisation</b>	Chwarae Teg		
<b>Synopsis</b>	<ul style="list-style-type: none"> <li>• Promote gender equality, career advancement and contribute to the reduction of the pay gap in the labour market.</li> <li>• Deliver skills support and mentoring for women in employment enabling them to progress in employment fully utilising their skills.</li> <li>• Deliver activities for employers focussing on gender disadvantage in the workforce &amp; modern working practices fostering the promotion of diversity in workforce development.</li> </ul>		
<b>Programme</b>	ESF		
<b>Specific Objective</b>	SO3		
<b>Group(s) targeted</b>	Females/males in non-traditional sectors; women in growth sectors where they are under-represented in the workforce and in senior management roles.		
<b>Geographical area</b>	East Wales		
<b>Region</b>	East Wales		
<b>WEFO team contact (inbox)</b>	ESF Skills Branch <a href="mailto:WEFOSkillsBranch@Wales.GSI.Gov.UK">WEFOSkillsBranch@Wales.GSI.Gov.UK</a>		
<b>Total Operation Cost at approval</b>	£2m	<b>Total ESF at approval</b>	£1.5m

<b>Title</b>	<b>Apprenticeships</b>		
<b>Organisation</b>	Welsh Government – Department for Education and Skills		
<b>Synopsis</b>	To provide an increased number of opportunities for those of working age to undertake apprenticeships at level 3 and above. The operation's priority will be learners aged 16-24 and higher level apprenticeships.		
<b>Programme</b>	ESF		
<b>Specific Objective</b>	Specific Objective 2: To increase the number of people in the workforce with technical and job specific skills at an intermediate level and higher level.		
<b>Group(s) targeted</b>	<ul style="list-style-type: none"> <li>• Employed, including self employed participants whose highest qualification is at lower secondary level.</li> <li>• Employed, including self employed participants whose highest qualifications is at high secondary level and above.</li> </ul>		
<b>Geographical area</b>	East Wales		
<b>Region</b>	East Wales		
<b>WEFO team contact (inbox)</b>	WEFOSkillsBranch@Wales.GSI.Gov.UK		
<b>Total Operation Cost at approval</b>	<b>£76,674,880</b>	<b>Total ESF at approval</b>	<b>£5,777,995</b>



## ESF – Youth Employment and Attainment

<b>Title</b>	<b>Jobs Growth Wales</b>		
<b>Organisation</b>	Welsh Government – Department for Education & Skills		
<b>Synopsis</b>	The operation is aimed at unemployed young people aged 16-24, giving them valuable work experience for a 6 month period paid at or above National Minimum Wage between 25 and 40 hours per week		
<b>Programme</b>	West Wales and the Valleys and East Wales		
<b>Specific Objective</b>	Specific Objective 1: To reduce the number of 16-24 year olds who are Not in Employment Education or Training (NEET).		
<b>Group(s) targeted</b>	16-24 year olds who are unemployed not on the DWP's Work Programme, that are work ready and have completed all relevant training but have failed to secure employment as they lack work experience.		
<b>Geographical area</b>	West Wales and the Valleys and East Wales		
<b>Region</b>	West Wales and the Valleys and East Wales		
<b>WEFO team contact (inbox)</b>	Poverty and Youth Branch <a href="mailto:WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK">WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK</a>		
<b>Total Operation Cost at approval</b>	£32,000,000 (West Wales)	<b>Total ESF at approval</b>	£18,000,000 (West Wales)
	£20,900,000 (East Wales)		£7,000,000 (East Wales)

<b>Title</b>	<b>Traineeships</b>		
<b>Organisation</b>	Welsh Government, Department for Education and Skills		
<b>Synopsis</b>	To provide vocationally based learning for 16-18 year olds who are NEET.		
<b>Programme</b>	ESF		
<b>Specific Objective</b>	Specific Objective To reduce the number of 16-24 year olds who are Not in Employment, Education or Training (NEET)		
<b>Group(s) targeted</b>	<p>Young people 16-18 years of age who are NEET.</p> <p>Those that have left compulsory education, who are undecided on a post 16 learning opportunity and/or do not have the skills and aptitudes to secure employment.</p>		
<b>Geographical area</b>	West Wales and the Valleys		
<b>Region</b>	West Wales and the Valleys		
<b>WEFO team contact (inbox)</b>	<a href="mailto:WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK">WEFOEmploymentYoungPeople@Wales.GSI.Gov.UK</a>		
<b>Total Operation Cost at approval</b>	£50,220,000	<b>Total ESF at approval</b>	£20,088,000

## ERDF – Research & innovation

<b>Title</b>	<b>Aberystwyth Innovation and Enterprise Campus (AIEC)</b>		
<b>Organisation</b>	Aberystwyth University & Biotechnology and Biological Sciences Research Council (BBSRC)		
<b>Synopsis</b>	The overall aim of the AIEC is to serve as a platform to develop and evaluate new plant, microbial and animal production systems and increase research and innovation capacity in Wales. The infrastructure, facilities, advanced technology expertise will also help businesses translate innovations and investments in basic plant science, food supply chain, nutrition and environmental research into new products, processes and services.		
<b>Programme</b>	ERDF		
<b>Specific Objective</b>	S.O. (1.1) To increase the success of Welsh research institutions in attracting competitive and private research funding.		
<b>Group(s) targeted</b>	SME's and Research Institutes		
<b>Geographical area</b>	West Wales and the Valleys		
<b>Region</b>	West Wales and the Valleys		
<b>WEFO team contact (inbox)</b>	Andrew Davies Andrew.davies4@wales.gsi.gov.uk		
<b>Total Operation Cost at approval</b>	£35.5m	<b>Total ERDF at approval</b>	£20m

<b>Title</b>	<b>SMART Innovation</b>
<b>Organisation</b>	Welsh Government – Economy, Science and Transport
<b>Synopsis</b>	<p>The SMART Innovation operation will provide Pan Wales support for innovation and commercialisation in the form of specialist advice for SMEs and large companies.</p> <p>The operation will fund:</p> <ul style="list-style-type: none"> <li>- Innovation Specialists to provide technical support</li> <li>- Intellectual Property advisors</li> <li>- Manufacturing and Design Advisors (procured via a framework consultancy model)</li> <li>- Collaboration with the National Institute for Social Care and Health Research to facilitate the commercialisation of IP from the health service</li> <li>- Open Innovation activity focusing on developing R&amp;D collaboration opportunities between Welsh SMEs, academia and Anchor companies.</li> <li>- A Commercialisation Manager, who will be closely aligned to the Open Innovation activity.</li> <li>- Innovation Specialists will link closely with academic institutions and develop collaborative projects with businesses and related academic departments.</li> </ul> <p>The operation represents the Welsh Government's core support for innovation and commercialisation. It links very closely with ES&amp;T's SMART Cymru and SMART Expertise operations.</p>
<b>Programme</b>	ERDF
<b>Specific Objective</b>	S.O. (1.2) To increase the successful translation of research and innovation processes into new and improved commercial products, processes and services, in particular through improved technology transfer from HEIs
<b>Group(s) targeted</b>	SMEs and large enterprises

<b>Geographical area</b>	Pan Wales		
<b>Region</b>	West Wales and the Valleys & East Wales		
<b>WEFO team contact (inbox)</b>	Natalie Owen Natalie.owen@wales.gsi.gov.uk		
<b>Total Operation Cost at approval</b>	West Wales: £11.8m  East Wales: £7.9m	<b>Total ERDF at approval</b>	West Wales: £7.7m  East Wales: £3.9m

<b>Title</b>	<b>Cardiff University Brain Research and Imaging Centre II (CUBRIC II)</b>			
<b>Potential backbone operation</b>	No			
<b>Organisation</b>	Cardiff University			
<b>Synopsis</b>	<p>CUBRIC's vision is to understand variation in brain and behaviour in health and disease by developing advanced imaging methods that reveal specific, biologically informative features of brain structure and function.</p> <p>CUBRIC has outgrown its current physical space and imaging capacity and needs to move and expand to develop and meet the demand for further research. There is a CU proposal for CUBRIC to be relocated and significantly expanded on the Research, Innovation &amp; Enterprise Park (Maindy Road site development). The new development will provide:</p> <ul style="list-style-type: none"> <li>- World-class imaging capacity / facilities</li> <li>- Hospital-standard clinical suite for patient research and clinical trials</li> <li>- Laboratory suites</li> <li>- Office space for people / students, with Hot-desking for researchers / external collaborator visitors</li> </ul>			
<b>Programme</b>	ERDF			
<b>Specific Objective</b>	S.O. (1.1) To increase the success of Welsh research institutions in attracting competitive and private research funding.			
<b>Group(s) targeted</b>	Researchers and Industrial Partners			
<b>Geographical area</b>	South East Wales (Cardiff)			
<b>Region</b>	East Wales			
<b>WEFO team contact (inbox)</b>	Gareth Llewellyn Gareth.llewellyn@wales.gsi.gov.uk			
<b>Estimated total operation cost</b>	Up to £4,999,999	£5,000,000 to £24,999,999	£25,000,000 to £39,999,999	£40,000,000 +
		✓		

## ERDF – SME Competitiveness

<b>Title</b>	<b>Entrepreneurship Support – Business Wales</b>		
<b>Organisation</b>	Welsh Government – Economy, Science and Transport Dept.		
<b>Synopsis</b>	<p>This operation will deliver entrepreneurship promotion and support to Wales based entrepreneurs and young growth businesses in order to develop an entrepreneurial environment and sustainable stock of young businesses in Wales.</p> <p>The operation targets an improved entrepreneurial environment and an increase in number of sustainable business starts ups in Wales leading to an increase in jobs and business growth.</p>		
<b>Programme</b>	ERDF		
<b>Specific Objective</b>	<p>S.O. (2.2)</p> <p>To increase the number of SME start-ups through the provision of information, advice and guidance.</p>		
<b>Group(s) targeted</b>	Individuals, SMEs		
<b>Geographical area</b>	Pan Wales		
<b>Region</b>	West Wales and the Valleys and East Wales.		
<b>WEFO team contact (inbox)</b>	<p>Fiona Hay</p> <p>Fiona.Hay@wales.gsi.gov.uk</p>		
<b>Total Operation Cost at approval</b>	<p>West Wales and the Valleys: £30.3m</p> <p>East Wales: £10.1m</p>	<b>Total ERDF at approval</b>	<p>West Wales and the Valleys: £18.2m</p> <p>East Wales: £6m</p>

<b>Title</b>	<b>SME Support – Business Wales</b>		
<b>Organisation</b>	Welsh Government – Economy, Science and Transport Dept.		
<b>Synopsis</b>	<p>The operation will support micro businesses and SMEs in Wales to grow and prosper. The Welsh Government in collaboration with its partners in the public, private and third sector will deliver a comprehensive and tailored information and support package to enable job creation, wealth and business growth in Wales.</p>		
<b>Programme</b>	ERDF		
<b>Specific Objective</b>	<p>S.O. (2.4)</p> <p>To increase the growth of those SMEs with growth potential, in particular through accessing new markets (both domestic and international).</p>		
<b>Group(s) targeted</b>	SMEs		
<b>Geographical area</b>	Pan Wales		
<b>Region</b>	West Wales and the Valleys and East Wales.		
<b>WEFO team contact (inbox)</b>	<p>Fiona Hay</p> <p>Fiona.Hay@wales.gsi.gov.uk</p>		
<b>Total Operation Cost at approval</b>	West Wales and the Valleys: £33m	<b>Total ERDF at approval</b>	West Wales and the Valleys: £19.8m
	East Wales: £11m		East Wales: £6.6m



**New addition:**

<b>Title</b>	Social Business Wales		
<b>Potential backbone operation</b>	Yes		
<b>Synopsis</b>	Aligning to the Business Wales provision this operation provides an overarching service to support growth social businesses in Wales. Social businesses include social enterprises, mutuals, co-operatives and employee owned business. The operation aims to grow the social business sector and create good new quality jobs. It will support consortia development and work to build the capacity of SMEs to access procurement opportunities and will provide support for business succession and employee ownership.		
<b>Programme</b>	ERDF - West Wales and the Valleys ERDF – East Wales		
<b>Specific Objective</b>	S.O. (2.4) To increase SME productivity and promote business growth through the provision of advice and guidance.		
<b>Group(s) targeted</b>	Social Enterprises and SMEs		
<b>Geographical area</b>	Pan Wales		
<b>Region</b>	West Wales and the Valleys and East Wales.		
<b>WEFO team contact (inbox)</b>	Fiona Hay Fiona.Hay@wales.gsi.gov.uk		
<b>Total Operation Cost at approval</b>	West Wales £8.9m  East Wales £2.2m	<b>Total ERDF at approval</b>	West Wales £5.2m  East Wales £1.1m

## ERDF – Renewable Energy & Energy Efficiency

<b>Title</b>	Deep Green 1.5MW Holyhead Deep			
<b>Potential backbone operation</b>	Yes			
<b>Organisation</b>	Minesto AB			
<b>Synopsis</b>	The establishment of the Minesto UK HQ in Anglesey, Wales, and the development of a 1.5MW Deep Green low velocity tidal energy array in Holyhead Deep, off the coast of Holyhead, Anglesey, Wales.			
<b>Programme</b>	ERDF			
<b>Specific Objective</b>	3.1 To increase the number of renewable energy devices being tested in Welsh waters and off the Welsh coast, including multi-device array deployments, thereby establishing Wales as a centre for marine energy production			
<b>Group(s) targeted</b>	The Marine Energy Sector			
<b>Geographical area</b>	Tidal array in Holyhead Deep off the coast of Anglesey, North Wales, Minesto UK HQ based in Anglesey. Potential grid connection point in Llaingoch substation (53.309761°N, -4.650777°E) close to Holyhead.			
<b>Region</b>	West Wales and the Valleys			
<b>WEFO team contact (inbox)</b>	Bethan.owen@wales.gsi.gov.uk			
<b>Estimated total operation cost</b>	Up to £4,999,999	£5,000,000 to £24,999,999	£25,000,000 to £39,999,999	£40,000,000 +
			✓	

**WELSH GOVERNMENT**  
**RURAL COMMUNITY DEVELOPMENT FUND**

**Areas for Intervention**

These will include;

- Drawing up of community / village development plans to build in resilience and sustainability and address key, locally identified needs and poverty in its widest form
- Investments in small scale infrastructure including renewable energy
- Investment in ICT provision including next generation broadband and digital inclusion;
- Investments in local basic services to improve access, increase the non-statutory services such as childcare, and help develop options for service delivery through locally-led social enterprise models
- Access to advice services and information about financial services
- Rural transport where economies of scale can require regional intervention in rural transport initiatives, supported by community based leadership and to help address specific local issues
- Investments in recreational / tourist infrastructure which clearly link to health, education or employment prospects for households on low incomes
- Studies or investments in cultural and natural heritage which clearly linked to health, education or employment prospects for households on low income
- Investments in relocation of activities for environmental / quality of life reasons
- Welsh Government has not provided a definitive list of activities that would be eligible under RCDF because the potential scope of the fund is very broad and designed to respond to local need.

### **Eligible Applicants**

- Grants will be aimed at Local Action Groups and other community based organisations.
- Geographical coverage is consistent with that of the LEADER element of the Rural Development Programme. In Rhondda Cynon Taf this will include the wards of Maerdy, Rhigos, Ynysybwl.
- All applicants must discuss their proposals with the appropriate Local Action Group to ensure fit with the agreed priorities of the LAG's Local Development Strategy.

### **Financial**

- There is an indicative allocation for this first round of £6million for all eligible areas in Wales.
- The Fund will support capital expenditure only.
- The intervention rate will vary depending on the type of activity being undertaken and will vary from 20% up to 80%.
- Match funding can be provided in cash or in kind contributions.

### **Application Timescale for Current Round**

- EOI deadline 31 January 2016
- Full applications invited from 30 April 2016
- Deadline for submission of full applications 31 October 2016