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Committee:	Date:
City Bridge Trust	25/09/2014
Subject: Strategic Initiative – Access Europe Network	Public
Report of: Chief Grants Officer	For Decision
Summary	
<p>This report requests funding to enable the Access Europe Network to run a pilot programme, as a Strategic Initiative, providing capacity building support to London's voluntary sector organisations wishing to access European funding. The pilot will include more intensive, tailored support for a cohort of 20 organisations to not only apply for funding but also to manage funds once these have been secured.</p>	
Recommendation	
Members are asked to:	
<ul style="list-style-type: none">• Approve a Strategic Initiative of £60,400 over 30 months to enable Access Europe Network, to run a pilot programme of capacity building support designed to enable voluntary organisations in London take up funding opportunities offered various European funding streams.	

Main Report

Background

1. Access Europe Network (AEN) is a newly formed Community Interest Company, established to improve access to EU funding for London's public and voluntary sectors. The City of London Corporation is one of its four core supporters, funding of £50,000 a year for three years having been approved by Policy and Resources Committee in February 2014. The other three funders are London Councils, the GLA and Greater London Enterprise.
2. AEN evolved from London Councils, through the London Councils European Service which was delivered by Greater London Enterprise until June 2014. The new organisation is more developed than its predecessor and has been set up in response to the new round of EU funds (well in excess of €750 million) that will become available for London between 2014 and 2020.
3. AEN provides a combination of free and paid-for services to London local authorities. It provides intelligence, advice and support to ensure that London

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organisations, including London's voluntary sector, are well equipped to access the opportunities available. Services include:

- Web-based information on funding opportunities, via a membership log-in, including briefings on all relevant funding opportunities, the policy background, case studies of funded projects and tips for successful applications.
- Email alerts providing early intelligence and information on opportunities.
- Newsletters providing policy and funding updates.
- A partner search, providing access to a wide range of contacts.
- Seminars outlining the scene for each new funding stream and setting out investment priorities, eligibility criteria and case studies of previously successful projects.
- Training events on topics such as monitoring and evaluation. Partnership development and management, and how to identify match funding.
- Regular conferences to provide overarching information about forthcoming funding opportunities and networking opportunities.
- Interactive workshops to enable participants to go through the application process page by page, including looking at good and poor quality applications, with a view to providing would-be applicants with all the information they need to make a high-quality application.

New EU Funding Programmes

4. The new EU programming period will run from 2014 to 2020. Designed to tackle many of the challenges to jobs, social inclusion and growth that face London, EU funding offers opportunities for voluntary sector organisations to develop and provide services. It can help fill funding gaps in a wide range of services and projects, providing at least 50%, and often a greater proportion, of project costs.
5. From mid-2014, major opportunities will be available in the large-scale European Investment and Structural Funds (EISF) programmes; the European Social Fund (ESF) and European Regional Development Fund (ERDF). London has been allocated €750 million ESF and ERDF funds, with programmes due to launch in mid-2014.
6. These programmes are implemented principally through large-scale projects, often on a pan-London basis, and access to these by smaller voluntary organisations can be very difficult. Accessing EU funds can be complex, competitive and too bureaucratic to manage for many smaller voluntary organisations.
7. However, there are routes by which the voluntary sector could benefit from the ESF, potentially through London Councils' ESF programme and through the new Big Lottery Fund ESF programme. Potentially these could present opportunities for smaller voluntary organisations, perhaps working in consortia.

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8. There are programmes that are more accessible for smaller organisations and that recognise the value that smaller, specialist and more local organisations bring when addressing social issues. Some of these programmes also reflect the priorities of your Investing in Londoners programmes and therefore supporting the sector to access these funds could, potentially, add value to your grant-making. Whilst the detail of these new programmes is still being finalised, it is anticipated that they will include:
- The new Employment and Social Innovation programme with €850 million to tackle high unemployment rates, poverty, social exclusion and the ageing population. This programme is likely to meet 80% of project costs.
 - The Asylum and Migration fund will offer €3.8 billion to support activities related to asylum, legal migration and integration, including the provision of ESOL courses for immigrants facing language barriers. Between 50% and 90% of project costs will be met, depending on the area of activity.
 - Erasmus for All has a budget of €19 million for projects aimed at improving skills and job mobility and progression and improving the quality of education systems in response to the changing needs of the changing European labour market. The programme funds will meet up to 100% of project costs.
 - The Equality, Rights and Citizenship programme has €439 million to promote non-discrimination on the grounds of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation; and for projects aimed at preventing violence against women and children. 80% of project costs will be met on this programme.
 - Europe for Citizens has €185 million to foster European citizenship. The programme will promote mutual understanding and tolerance between European citizens, while contributing to international dialogue. It will cover 70% to 90% of project costs.

Barriers to accessing and accounting for EU funding

9. Access to EU funds is increasingly important to the voluntary sector, especially in a climate where other funding opportunities are being reduced or cut. However, access to these funds is not easy and the sector needs to be realistic about the funds that could benefit them. EU projects can also be challenging to manage in accordance with EU requirements. Some of the key barriers include:
- Information is available online but can be difficult to find and is often complex, with regulations that are not readily accessible. There is no single source of information on EU funding opportunities.
 - Deadlines for submitting applications can be very tight and early warning is essential.
 - All funding programmes are competitive and require high-quality applications. No support for this is currently available apart from individual bid-writers whose work can be variable and often expensive.
 - Managing EU-funded projects can be challenging and the voluntary sector need support in meeting the demands of audit, regulation and reporting.
 - Most European funding programmes require evaluations to be carried out to inform future programme development. Project managers need support

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to develop evaluation techniques and to procure external, or undertake internal, evaluations.

10. Despite these challenges, these programmes can be accessed and delivered effectively by the voluntary sector which can bring real value to them. For smaller-scale projects, the sector needs capacity-building to help them bid for funding as lead partners. For larger projects, smaller organisations could bid as partners to another lead organisation, or could form consortia. The proposal from AEN is to build the capacity of a number of London's voluntary organisations with the aim of helping them make successful bids and manage their projects effectively, through a pilot programme of support over a 30-month period.

What will be provided?

11. As explained in paragraph 3, AEN already provides a suite of free services to the voluntary sector (these services also being equally open to local authorities) through its core funded activities.
12. In addition, AEN offers more intensive and tailored support for applications and projects on a paid-for basis. Clearly, this is beyond the reach of smaller voluntary organisations. It is therefore proposed that with funding from the Trust, AEN will provide a more intensive and tailored programme of support to a cohort of 20 voluntary sector organisations in London that are new to European funding. This is proposed as a pilot in order that the particular needs of smaller voluntary sector organisations can be understood in the context of accessing and managing EU funds. Service will include:
 - Developing a European funding strategy for each organisation that will consider its core activities, objectives and priorities; relevant funding streams; potential partners for a London consortium; and that will prioritise funding proposals.
 - Agreeing a work programme for developing a first funding proposal, including decisions on whether to act as lead partner for a proposal, or to join a partnership without lead responsibilities.
 - Support with finalising a funding proposal. It is not the intention to write proposals for an organisation but to give them the skills to write their own, high-quality bids.
 - When a proposal is successful, AEN will work with the organisation to develop project management and monitoring/evaluation skills and systems, to ensure that the project is effectively managed, and that the organisation's own capacity to manage European projects is developed throughout the project lifetime.

How will organisations be selected?

13. AEN will develop a set of eligibility criteria to determine the suitability of participants in the programme. Some of these will simply rule out the potential for EU funding, others will be more qualitative. Organisations will be identified by AEN initially through its introductory seminars (provided as part

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of its core offer) by observing their approach and discussing potential opportunities with them. The Eligibility Criteria will include:

- Financial capacity
Organisations are not able to apply for grants higher than their annual turnover and most projects will be in the range of €100,000 - €500,000. Organisations with a turnover below this will not be able to apply. In addition, some programmes will require 10%-50% match funding and the organisation will need to demonstrate its ability raise this.
 - Professional capacity
Organisations will need to demonstrate that they have sufficient staffing resources in addition to their daily activities to deliver the project effectively.
 - Experience of accounting for public funding
Organisations will need to demonstrate that they have adequate project and financial management skills. Organisation with no experience of handling public funds would face a real barrier to accessing EU funding and would be unlikely to be eligible.
14. In addition, organisations would need to demonstrate a track record in the following areas identified by the European programmes:
- Equality and social inclusion
 - Fundamental rights
 - Culture
 - Migrants and refugees
 - Youth and education
 - Employment and vocational training
 - Environmental protection
15. Whilst not every application will be successful, of course, the capacity-building support received nevertheless will be enormously valuable to the participating organisations and will help them with other future funding bids, for example, to local authority commissioners.

Cost

16. It is expected that the pilot will need to cover a period of 30 months. This would allow for a period of intensive support whilst AEN would work on a one-to-one basis with organisations, to help them determine their priorities and ensure these are realistic; followed by support and guidance to draw up funding applications; a period of six months when the outcome of funding applications is awaited (during which time AEN would work with other voluntary organisations to draw up funding bids); an average of two years to deliver the funded project, during which time AEN would support the organisations concerned in meeting the funders' project management and monitoring and evaluation requirements; and a final two or three months to complete projects and submit final funding claims.

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17. It is envisaged that the project will be delivered by a part-time (0.75 fte) Project Manager. The cost would be £24,150 per annum, to include management costs and administrative support which, over 30 months, would total £60,400.

Financial Considerations

18. AEN has set a break-even budget for the financial year 2014/15, its first year of operation. It forecasts income totalling £261,000, of which 94% (£245,000) had been confirmed as at 3rd September 2014. The remaining £15,000 is anticipated income from consultancy, the majority of which has also been confirmed. Expenditure is forecast to be £260,000. This proposal to the Trust is in addition to these funds.

Conclusion

19. Whilst EU funds are not suitable for all voluntary organisations, the latest funding round does present significant and welcome opportunities from which London's voluntary sector could benefit.
20. This pilot presents an opportunity to increase our understanding of the specific capacity building needs of the voluntary sector in relation to accessing European funding.
21. Whilst not every participant in the programme will necessarily secure EU funding, following the competitive bidding process, the capacity building support they receive will help them with other future funding rounds where the process can be very demanding, such a competitive tendering procedures.

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