



Belfast City Council

Report to: Development Committee
Subject: Economic Development Update: ESF and COTI
Date: 14 May 2008
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Relevant Background Information

Co-financing for European Social Fund (ESF) applications

At the February 2008 meeting of the Development Committee, members were asked to approve three applications for co-financing of European Social Fund (ESF) projects. A number of further requests for co-financing of similar projects have since been received.

Cities of the Isles (COTI)

Members will be aware that the Cities of the Isles (COTI) network involves the cities of Belfast, Liverpool, Dublin and Glasgow. The cities engage in collaborative activity in the field of economic development and regeneration and an annual event on these key themes is organised for key elected members and officers. The next meeting is to take place in Liverpool in October 2008.

Key Issues

Co-financing for European Social Fund (ESF) applications

The European Social Fund (ESF) provides funding for training measures to help people get into employment and enhance their career prospects. In October 2007, a call for projects under Priority 1 of the Northern Ireland ESF Programme – Helping People into Employment – was launched. The call closed in November 2007. Successful projects were notified in December 2007. Belfast City Council was successful in attracting funding for a project to support access to employment in the independent retail and hospitality sectors.

Projects are funded up to a maximum level of 65% and are asked to identify co-funding. This has to be from a government department (not DEL) or a local authority. Projects did not have to provide proof of co-financing agreements or discussions when the projects were submitted to DEL in November.

It has since emerged that 8 projects had indicated that Belfast City Council would provide co-financing. At the time of the project submission, only two project promoters approached Council to propose including us as a potential co-funder. At the February meeting of Development Committee, members agreed to co-fund these projects (LEAP and Stepping Stones) as well as another project which had not previously contacted Council in advance of submitting the project (Women in Business). Funding for the Women in Business submission is subject to three other councils agreeing to provide co-financing (not yet confirmed).

Belfast City Council has now formally been asked to consider an additional three projects for co-financing. These are:

- Advancement of women initiative (submitted by Training for Women Network). Co-financing requested: £54,068
- Women working for themselves (submitted by East Belfast Enterprise): pre-enterprise support programme for women. Co-financing requested: £26,237
- Skills for Enterprise (submitted by East Belfast Enterprise): project aiming to promote enterprise among hard to reach groups, focusing on administration, hospitality and construction sectors. Co-financing requested: £30,948.

We are aware that at least another two projects have also named Belfast City Council as a potential match funder but we have not yet been formally approached to ask for the co-financing support.

Members should be aware that account had not been taken of these co-funding requests when the business plan for Economic Development was brought together and therefore no funding has been set aside to co-fund these projects within the departmental plan which is being submitted to this committee.

Members should also be aware that co-financing for these or any other ESF projects has to come from Belfast City Council rates monies only (as opposed to drawing down match funding from DETI through Structural Funds) as two European funding streams cannot be used together in a project. All projects have a three year life span but co-financing will be requested on a year-to-year basis. The above figures relate to requests for the financial year 2008-2009.

Cities of the Isles (COTI)

The 2008 summit event for the Cities of the Isles network will take place in Liverpool on 16-17 October 2008. The programme for the event is currently being finalised but it is likely to focus on showcasing activity being undertaken as part of the European Capital of Culture programme and will follow the structure below:

Thursday 16 October

- Afternoon – site visit to key development projects
- Evening - civic reception and dinner at the Town Hall.

Friday 17 October

- Morning: External speakers to focus on key development issues for cities (details tbc) as well as presentations by each participating city on their development challenges and successes
- Afternoon: COTI annual meeting – agreement on future action plan and joint activity.
- Evening: return to Belfast (option of further meetings if required).

Resource Implications

- ESF co-funding: combined total of £111,253 requested for financial year 2008-2009
- Cities of the Isles: maximum £2,000 required for travel and accommodation for up to six people.

Recommendations

It is recommended that members:

- Note the requests for £111,253 co-financing for the ESF projects and consider a response, taking into consideration that no provision has been made for this within the current budget
- Agree to participation by Chair and Deputy Chair of Committee (or nominees) as well as up to four officers at the COTI summit in Liverpool in October 2008.

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