

STRATEGY SUPPORTING THE ESIF RURAL GROWTH INVESTMENTS

The Liverpool City Region European Structural and Investment Strategy (ESIF) was developed with partners during 2013 and 2014 ([here](#)). The strategy has 3 top priorities:

- Increased GVA (and turnover)
- More (and larger) businesses and
- More jobs

At the time, little was known about how the RDPE dimension would be delivered within the ESIF framework. That said, the focus for ESIF RDPE investments was clearly seen by partners as an integral part of the support that EU ESIF funds would provide to local businesses. It was also clear that there was an expectation that this would work in tandem with the Mersey Leader Programme, ensuring that there was no duplication.

The ESIF Strategy states that

“The delivery of EAFRD ... will be part of the Business Economy Portfolio, thus providing clear linkages for businesses located in the city region’s rural areas and for mainstream business support projects to deliver products to businesses located across the city region, including in rural areas”

Liverpool City Region Rural Economy

The rural areas of LCR are home to a number of businesses (land based and other sectors), which support local employment and underpin the rural economy of the City Region. In 2015, there were some 5,400 businesses located in the defined rural areas or over 11% of the business stock in Liverpool City Region. Of these, only 0.4% are land based. Rural-based businesses are as diverse as the rest of the city region business base and cover the entire industrial classification from land-based to manufacturing and service sector companies.

The Liverpool city region rural geography benefits from being close to a major urban geography with its range of higher level assets in HEIs, research, financial services, etc. and a larger population base to support expansion in rurally based business. The Local Growth Hub is located across the city region, allowing all businesses to access and benefit from mainstream business and enterprise support.

The ESIF Strategy identified a small number of growth sectors for Liverpool City Region, based on the Innovation Strategy. These include: Advanced Manufacturing; Life and Health sciences; Digital and Creative; Low Carbon and Energy; and Logistics, Marine and Maritime. Since its launch, the ESIF Partnership has invested in a number of large scale ERDF projects to support these growth sectors, including in ancillary professional, technical and scientific activities which support the above growth sectors.

ESIF Committee: Agreed Approach to ESIF RDPE

In April 2016, the ESIF Committee considered a report on the investment strategy for the ESIF RDPE Growth allocation. The Committee decision was to develop a call for business development (under theme 6.4) as this aligned with the wider ESIF Strategy and the city region’s Single Growth Strategy ambitions. This call would be focused on recognised LCR growth sectors and non-farm businesses

only. Minimum investment would be £40k with a view to seeking larger projects within the de minimis rules set by the RPDE Programme. In other words, the ESIF Committee is looking to fund between 3-8 projects against an allocation of £340,000.

The ESIF Committee also signed off the local strategic fit criteria which should be applied by the Rural Payments Agency in relation to the assessment procedure. These are:

- demonstrate demand and growth potential;
- demonstrate economic benefits, i.e. jobs, turnover growth;
- deliver skilled and additional permanent employment;
- set out how the project will deliver benefits for the wider rural area;
- set out how the project will enable businesses to deliver new products, services and processes to the business and/or the market;
- demonstrate fit with the LCR ESIF Strategy.

Demarcation with the Mersey Leader Programme

The ESIF Committee was also clear that this approach would allow a differentiation with the Mersey Leader Programme, which provides small scale grants (up to £40,000) in both farm and non-farm business across the following six priorities:

- Support to increase farm productivity
- Support for micro and small businesses (non-agricultural) and farm diversification
- Support for rural tourism
- Provision of rural services
- Support for cultural and heritage activity
- Support for forestry productivity

As the Mersey Leader Programme specifically include investments in rural tourism businesses, it is not intended that the ESIF RDPE allocation will support tourism/visitor economy businesses.

The ESIF Rural Growth Programme will work with the Leader Programme to promote the opportunity provided by ESIF rural funding to rural businesses.

Liverpool City Region Local Growth Hub

All businesses across the Liverpool City Region can also access the **Local Growth Hub** Offer to support their business expansion and growth ([here](#)). There are a number of ways to access this, either via locally based brokers across the six local authority areas, the LEP and the Women's Organisation or through a self-guided advice finder.

December 2016