SOUTH EAST ENGLAND DEVELOPMENT AGENCY

Working for England's World Class Region

31 January 2011 **Our ref:** R258

RE: Freedom of Information request –European Regional Development Fund

Introduction

Thank you for your request dated 31 December 2011 made under the terms of the Freedom of Information Act 2000.

Your request is:

If all RDAs including SEEDA are to close by April 2012 are you able to advise exactly what will happen to monies available for business and environmental policy support such as provided by the European Regional Development Fund and how this would be administered in future?

Information requested

The government has not yet decided the future of all the functions currently carried out by RDAs to support businesses. However, I can advise you of some elements of certainty. In particular, the government has decided that the Business Link regional service currently funded by RDAs to support businesses will close at the end of November 2011, and that the RDA funded Manufacturing Advisory Service (which helps companies to become more productive including through environmental resource efficiency) will become a nationally managed service by April 2012.

Turning to the funding provided by the European Regional Development Fund (ERDF) which you mention specifically, you are right in your assumption that this is focussed on supporting business to tackle resource efficiency and take advantage of the opportunities from moving to a low carbon economy. The current ERDF programme, which runs until 2013, remains open with projects continuing to be appraised and approved.

As for the administration of the ERDF fund, Business and Enterprise Minister Mark Prisk, stated in response to a Parliamentary Question given in late December; that Regional Development Agencies will continue to manage the European Regional Development Funds (ERDF) until new arrangements are in place and that he expected that these would be announced in March 2011.

The Department for Communities and Local Government (DCLG), who are the national Managing Authority for the ERDF programme, are currently in consultation on proposals for the new arrangements which envisage the administration of the programme moving from RDAs to the Department.

In the meantime SEEDA will continue to work with CLG and partners to ensure that these European funds continue to be available and existing projects are taken forward, as part of a smooth transition of the programme that minimises any disruption to businesses and the economy.

I have included the following links which you might find helpful for information on government policy and proposals for business support.

http://www.bis.gov.uk/assets/biscore/enterprise/docs/b/11-515-bigger-better-business-helping-small-firms.pdf or http://www.bis.gov.uk/policies/enterprise-and-business-support