

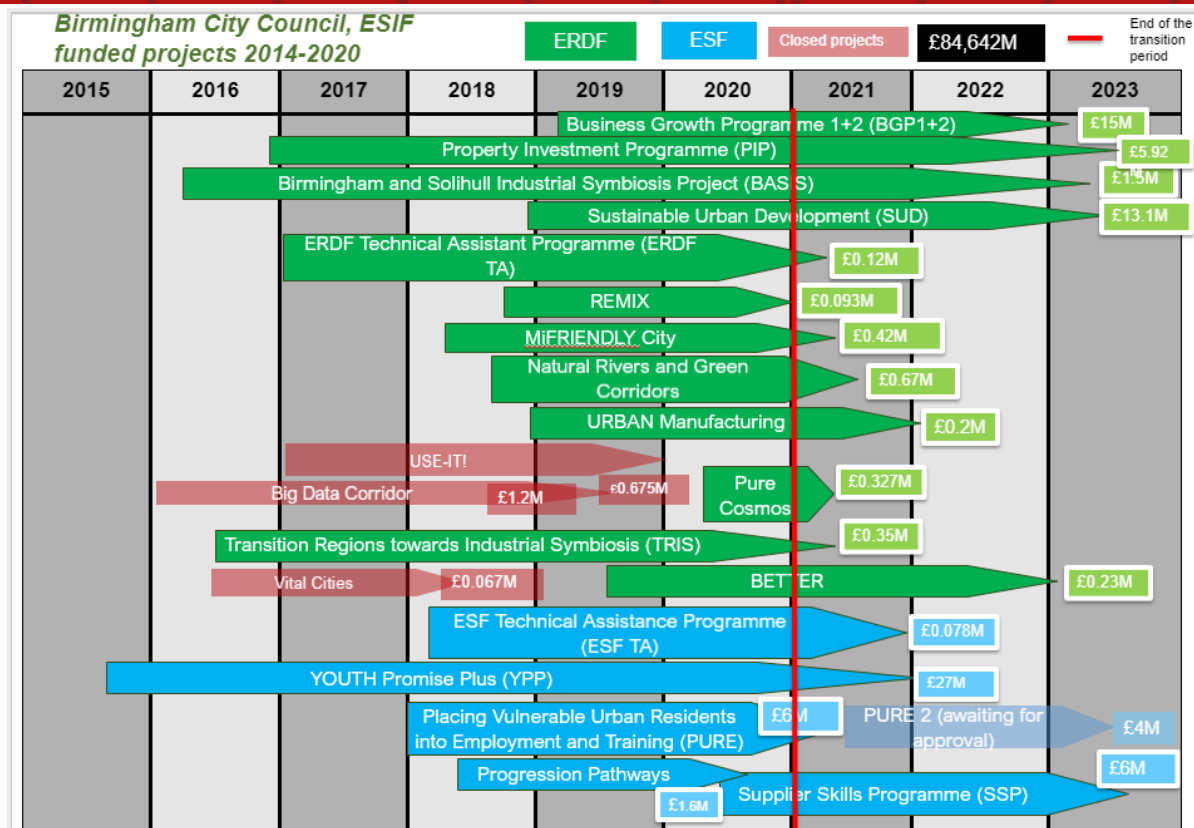
EU Funding Impact Assessment for Birmingham City Council

BREXIT & LOSS OF EU STRUCTURAL & INVESTMENT FUNDS (ESIF)
JULY 2020

EU FUNDED KEY BCC SERVICES

The amount of European Structural & Investment Fund that BCC received between 2014 and 2020 is £85 mio. The EU funded services provided by BCC are also key areas for post-Covid-19 economic resilience. These are:

- SME support
- Employment and skills
- Youth and career services
- Capacity building
- Innovation
- Urban planning and regeneration
- Transport
- Environment - Zero carbon
- Sustainable urban mobility
- E-government
- Big/open data



Most organisations agree that Replacement Fund should remain at around the same level and be planned over long periods, in consultation with local authorities.

THE REPLACEMENT FUND

- The Fund's budget should be no less in real terms than the funding streams that it replaces;
- It should be administered in multi-year financial allocations "of the longest practicable duration";
- The shares of funding received by the four nations of the UK should be maintained and funding allocations within those nations should be a devolved matter;
- Funding within England should be almost entirely allocated based on a needs-based formula that uses up-to-date statistics;
- Narrowing the differences in prosperity across the UK should be the Fund's main objective;
- The Fund should engage closely with local authorities and local partners.

STAFF IMPACT & REDUNDANCY COST FOR BCC AND BIRMINGHAM

78

Estimated number of full time equivalent BCC staff funded by ESIF

£ 1,5M

Estimated redundancy cost for BCC for the full time equivalent staff funded by ESIF if no replacement fund is available

24

Estimated number of the ongoing fixed term BCC contracts

177

Estimated number of external jobs created for ESIF projects within 2015-2023 (delivery partners, suppliers, service providers, consultants, experts, etc.)

IMPACT OF THE LOSS OF EU FUNDING

- Increase of precarity, especially with the COVID crisis for the most vulnerable people
- Skills training gap
- No job creation
- 40% of SMEs in Birmingham will stay innovation inactive.
- Impact on supply chain
- Loss of expertise coming from collaboration with european partners
- Impact on Birmingham's network
- Some services not provided anymore as they were fully funded by EU funds following austerity and budget cuts
- High risk of not meeting the low carbon objectives



ACHIEVEMENTS OF BCC'S EU PROJECTS

£85M

European Structural & Investment Fund received by BCC in 2014-2020*

3,282

Number of SMEs in GBSLEP supported for competitiveness, waste management & skills development in 2015-2023.**

27,957

Number of young people supported for employment, training or education in 2015-2023**

2,352

Number of jobs created by Business Growth and Property Investment Programmes in 2015-2023**

*Numbers from July 2020 - BCC is eligible to apply for further EU funding until the end of the financial period December 2020. BCC also manages projects funded by the European transnational Research & Innovation Fund Horizon 2020, for which it received £10M for the last EU budget period of 2014-2020.

** EU budget period analysed in this report is 2014-2020, however the project implementation period is 2015-2023.