MillionPlus

The Association for Modern Universities

POLICY BRIEFING

SPF2020: How the Shared Prosperity Fund can protect the UK economy

Summary

Everything changes on 1 January 2021. The UK will have reached the end of the post-Brexit transition period, under which it continues currently to benefit from membership of the European Union and moves to new arrangements as a third country (in the EU parlance). The end of that transition period also marks the end of the country's participation in a series of programmes that collectively invested nearly €16.5bn into the UK since 2014.

These programmes – the European Regional Development Fund, the European Social Fund, the European Maritime and Fisheries Fund and the European Agricultural Fund for Rural Development – have been of huge value to the UK, in particular to the areas of the country outside the growth engines of London and the south east. Scotland, Wales, Northern Ireland and the English regions have benefited enormously from this investment, seeing major projects implemented.

A key component of the UK leaving the European Union is the notion that the UK government will be better equipped to target capacity building and infrastructure provision currently funded under the European Structural and Investment Funds.

The government has pledged to use the funds that were contributed to the European Union to spread wealth across the country and narrow regional inequalities. The Shared Prosperity Fund has been mentioned in speeches and comments by successive Prime Ministers, Chancellors and Business Secretaries since the vote to leave the European Union was announced. However, there is surprisingly little detail about how the fund will work, what will be eligible for investment and how much resource will be available.

Clarity is much needed and is sought by those communities that have benefited from previous investment, anxious to ensure that there is no limbo period between the end of European funded projects and the commencement of those under the Shared Prosperity Fund. As European projects will begin to shut in 2021, it should be a priority for the Shared Prosperity Fund to have commenced its investments no later than spring 2021.

Building on the successes of European Structural and Investment Funds, the Shared Prosperity Fund needs to adhere to three key principles:

1. **Devolve decisions as far away from the centre as possible** so that the UK's regions and nations can target development where it is most needed.
2. **Promote long-term, flexible, local approaches to investment** to avoid the pitfalls of electioneering on economic development and ensure there is no centralised one-size-fits-all approach.
3. **Reduce bureaucracy and burden** to enable swift action and innovation in regional economic development.

What are European Structural and Investment Funds and how much has been invested in the UK?

During the 2014-2020 round alone, the UK received €16.4bn through European Structural and Investment Funds. Since these funds work on a principle of co-financing, meaning that funding from the EU must be matched by public or private investment in the country in question, the overall total investment in UK-based projects from this framework during the last six years is €26.7bn.[1] European Structural and Investment Funds to the UK are comprised of four main parts:

TABLE 1: Key European Structural and Investment Funds in the UK

European Funds	Total investment in UK projects 2014-20	Percentage of ESI Funds	Focus and major themes of investment projects
European Regional Development Funds (ERDF)	€10.29bn	39.68%	ERDF is primarily concerned with targeting funds towards projects of regeneration and local development, to (re)energise regions and communities through research and innovation. Over a **third** is focused on the competitiveness of SMEs in the targeted region, **25%** can be designated for research and innovation initiatives, and **23%** directly support moves towards a low-carbon economy.
European Social Fund (ESF)	€8.69bn	33.53%	ESF broadly concerns issues of skills, employability and inclusion: • **40%** of programmes in this funding stream are either educational or vocational training programmes • **32%** focus on sustainable employment; and: • **24%** fall into the theme of social inclusion.
European Agricultural Fund for Rural Development	€6.64bn	25.59%	EAFRD funds seek to confront challenges faced by rural areas. Much of this fund is made up of agricultural subsidies.
European Maritime and Fisheries Fund	€0.31bn	1.20%	Projects funded through the EMFF support fisherman and coastal communities to adopt sustainable practices and diversify their local or regional economies.

Source: EU Commission[2]

[1] Brien P., Jozepa I. (2019) *The UK Shared Prosperity Fund*, House of Commons Library https://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-8527#fullreport

[2] Data from the EU Commission on European Structural Funds, "ESIF 2014-2020 PLANNED DETAILS", https://cohesiondata.ec.europa.eu/2014-2020/ESIF-2014-2020-FINANCES-PLANNED-DETAILS/e4v6-qrrq

ERDF and ESF make up a large majority of the total investment in the UK through these funds. **Table 1** shows that these two funding streams account for two thirds of allocations shown in the most recent funding cycle. ERDF in particular has been of significant benefit to communities served by modern universities and the companies who work with them. Modern universities have received £96.5m of ERDF investment since 2014[3], which has been used to invest in the nations and regions of the UK to level up wealth and prosperity. This figure refers to direct revenue to universities and will likely underestimate the overall level of investment in projects that modern universities are involved in through ERDF.

This is because of the co-financing principle, as well as the fact that projects often involve a myriad of different actors who receive part of the funding in connection with the university.

Analysis from the Conference of Peripheral Maritime Regions has calculated that the UK would have been entitled to €13bn in the next round of ERDF funding (2021-2027) had the UK remained in the EU.[4] There is concern both inside and outside Westminster that if funding is to be replicated, it will be on the basis of the 2014 allocations, effectively meaning a loss of income to some of the places most in need of investment.

Aside from the absolute level of financial investment in levelling up, there is a delicate balance to be struck by the government between the right level of reform versus continuity in any replacement funding system. Implementing an entirely new system of funding that has no consideration for the past will fail to build on the successes of the previous regime and will not capitalise on existing networks of businesses, universities and other local actors. However, replicating the old system would be a wasted opportunity and pass up the chance to create a more dynamic and efficient funding stream.

'Heineken' Funds: How the ESIF has supported parts of the country other investment hasn't reached

European funds were used to support targeted regions of the UK as far back as the early 1990s, many of which were experiencing significant economic decline as a result of deindustrialisation and external economic factors. This coincided with the birth of modern universities, the ending of the binary divide in UK higher education and the subsequent expansion of the university sector. The net effect of this economic and social shift is a context in which universities are the main employer in many towns or cities in the UK, where once it was the heavy industries.

Moreover, the economic backdrop to the growth of modern universities meant that these institutions grew with an express goal of contributing towards the revitalisation of their local areas as a core part of their institutional mission. For decades, ERDF have been a key source drawn on to great effect by modern universities to support regeneration, not only as innovators themselves, but also as facilitators of collaboration between local partners. The Shared Prosperity Fund gives us the chance to surpass the achievements of ERDF with a more flexible and synergised approach with other 'place-based' research and innovation funds.

Within ERDF, there is an explicit aim to reduce regional inequality through the principle of convergence. It will be interesting to see whether its successor will be defined quite so clearly by a similar guiding principle. The 2019 Conservative Party manifesto offers us a glimpse of the possible shape and feel of a UK Shared Prosperity Fund

[3] HE-BCI data, Income from regeneration & development programmes by provider, Academic Years 2014-15 to 2017-18 www.hesa.ac.uk/data-and-analysis/business-community/regeneration
[4] Conference for Peripheral Maritime Regions, Analysis (2019) https://cpmr.org/cohesion/cpmr-analysis-uk-to-lose-e13bn-regional-funding-post-brexit/20525/

stating that it will be "... specifically designed to reduce inequalities between communities" and "... help deliver sustainable, inclusive growth".[5]

Considering the result of the 2019 general election, there has also been much speculation about the future direction of the government surrounding the idea of rebalancing the economy. Regional inequality has become a key concern for UK government.[6] It remains to be seen whether the government will embed such aims into the framework of the UKSPF. But many of the recipients and beneficiaries of ERDF funding would argue that an analysis of regional disparities being built into the funding system was fundamental to facilitate targeting those areas most in need of investment. To put it bluntly, less affluent regions do better out of European Structural and Investment Funds.

To illustrate this point, the North East received more per capita funding than any other region in England through ERDF and ESF combined in both the 2014-20 and the preceding 2007-13 funding rounds.[7] This has enabled a multitude of projects supporting the objectives outlined in Table 1. To give one example, in the most recent funding cycle, the University of Sunderland led the Internships and Enterprise Project. This placed graduates at local SMEs who receive subsidies for participation, as well as offering support to graduate entrepreneurs who are setting up their own businesses.

The North West has also benefited greatly from European funds, receiving over €1bn in ERDF and ESF combined in 2007-13 and 2014-20 respectively. One project that exemplifies how such money is used to support local economic development is The Innovation Clinic at the University of Central Lancashire (UCLan), which supports SMEs to grow and diversify to raise competitiveness and drive growth. The project brings together extensive industry and academic expertise and the use of UCLan's state-of-the-art facilities and technology to provide tailored support at any stage of the product development process, from initial concept and market research through to launch. The Innovation Clinic has assisted hundreds of local SMEs to date, linking multiple businesses to research institutions and contributed to the introduction of new products at 36 different SMEs.

This project shows how regional SME supply chains can be connected to wider funding streams. By establishing and solidifying networks of local organisations, this initiative has helped to leverage £35m to fund the creation of a state-of-the-art Engineering Innovation Centre (EIC), enhancing Lancashire's position as one of the most renowned engineering and manufacturing regions in the UK. Working with SMEs through projects such as these helps to forge links between universities, SMEs, supply chains and industry, creating fertile ground for translational research and commercialisation. Such approaches chime with models of good practice outlined in the government's Industrial Strategy paper[8] as well as by other experts[9].

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[5] The Conservative & Unionist Party manifesto 2019, https://assets-global.website-files.com/5da42e2cae7ebd3f8bde353c/5dda924905da587992a064ba_Conservative%202019%20Manifesto.pdf

[6] Jones R., (2019) "A resurgence of the regions: rebuilding innovation capacity across the whole of the UK" www.softmachines.org/wordpress/wp-content/uploads/2019/05/ResurgenceRegionsRALJv22_5_19.pdf

[7] Sheffield Political Economy Research Institute (2016) "UK regions and European structural and investment funds" SPERI British Political Economy Brief No. 24, Annex I http://speri.dept.shef.ac.uk/wp-content/uploads/2018/11/Brief24-UK-regions-and-European-structural-and-investment-funds.pdf https://www.ippr.org/files/2019-02/1551278444_regional-policy-post-brexitfeb19.pdf

[8] HM Government (2017) "Industrial Strategy: Building a Britain fit for the future" https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/664563/industrial-strategy-white-paper-web-ready-version.pdf

[9] Jones R., (2019) "A resurgence of the regions: rebuilding innovation capacity across the whole of the UK" www.softmachines.org/wordpress/wp-content/uploads/2019/05/ResurgenceRegionsRALJv22_5_19.pdf

CASE STUDY – UNIVERSITY OF SUNDERLAND

Internships and Enterprise Projects

An ERDF-funded project that places graduates into SMEs and supports student/graduate entrepreneurs to develop their business ideas.

The project has two core elements. The first relates to the placement of internships and corresponding subsidies offered to SMEs to employ graduate interns. This places graduates into graduate-level jobs for a 12-month period, initially to work on a development project. By mitigating financial and other associated risks, the project allows first-time graduate recruiters to test the benefit of employing highly skilled staff prior to making a significant commitment. Of those placed, **89%** go on to be employed by their host company after the placement. Companies report significant knowledge exchange benefits to the programme.

The second element focuses on new enterprise; supporting student or graduate entrepreneurs from any discipline to set up their own businesses by providing a safe environment to research and test their ideas. By providing advice, space and funding for students (and subsequently graduates) wishing to pursue self-employment, it has led to an increase in the number of start-up businesses in the City and region. The resulting businesses turned over **£2.6m in 2018/19**, with several going on to recruit their own graduate interns. The project has also helped attract seed funding for student businesses from private and 3rd sector organisations.

CASE STUDY – UNIVERSITY OF WOLVERHAMPTON

The **Brownfield Research and Innovation Centre (BRIC)** project will establish a centre of excellence in brownfield research and innovation supporting the regeneration of the Black Country. The specific activities include the reclamation and refurbishment of building space on the Springfield site, bringing approximately 290m2 of redundant space (3.6% of total) back into use as the Brownfield Research and Innovation Centre. The project also entails the creation of a specialist laboratory, testing and archive space that can be accessed and shared with local business, as well as investment in the latest industry standard equipment in analysis, scanning, and land and ground surveying.

BRIC will give rise to a data centre: a centralised database of geotechnical, geochemical, geophysical, economic and ecological data associated with site development, to allow more robust phase 1 and phase 2 site investigations, reducing developer uncertainty and providing more accurate remediation costings.

In addition to mapping and plotting the many brownfield sites across the Black Country, the centre will develop a knowledge bank on remediation best practice and share gathered intelligence and expertise with stakeholders in both the public and private sectors.

The BRIC team will engage with the private sector informing on how land and buildings could be restored, remediated and bought back into use, with a focus on bioremediation and environmental sensitivities, and developing environmentally sound solutions for complex remediation issues.

What works for communities and universities in place-based funds?

ENABLING LONG-TERM, STRATEGIC PLANNING

A key strength of European funding streams, repeatedly highlighted by modern universities, is the long funding cycles (seven years in the case of ERDF), which enables organisations to employ a strategic approach. This has been keenly felt in the Highlands and Islands in Scotland, some of the most sparsely populated and peripheral areas of the UK. The idea of a "Highland problem" was presented within Scottish and UK public policy for many years. Since the 1980s European funds have sparked a transformation, to the extent that the region is now hailed as "*an example of what a successful peripheral region looks like*".[10] Part of the problem was a narrative of hopelessness that framed the region itself as the problem. European funds were a fundamental part of a change in outlook which instead saw opportunity through investment.

European structural and Investment Funds played an instrumental role in the foundation of the University of the Highlands and Islands (UHI), a unique institution in the UK. In the early 1990s, the idea of a university spanning such a rural and complex geography would to many have seemed farfetched. Now though the university stands as a pillar of the regional economy and part of the social fabric from Inverness to Orkney. The university is a rare dual-sector institution, spanning the complementary missions of higher and further education. The range of courses UHI provides, some of which relate directly to the culture and heritage of the region, create a unique local offer that reflects the needs and ambitions of residents. In the last Research Excellence Framework, 69% of research at the institution was deemed world-leading or internationally excellent.

Those involved in the process cite the importance of European funds in enabling long-term vision and the ability to build on different projects and initiatives to create overall output greater than the sum of its parts. As Linda Stewart, Director of European and International Development at UHI, wrote in a blog on the MillionPlus website in 2017:

"The ability to plan strategically through this synergistic approach, instead of a scatter-gun series of more opportunistic projects, is crucial. This has allowed our university to maximise the benefit from EU investment in the longer-term, through economies of scale and sequence planning. Simply replacing individual allocations of funding on a piecemeal basis will not achieve the same result. Such strategic planning has facilitated collaboration on EU initiatives across different regional partners (local government, regional economic development agency, voluntary sector) as well as with our counterparts in other member states - and lead to greater benefits for us all."[11]

ENABLING EFFECTIVE PARTNERSHIPS

Many other commentators or organisations with a connection to ERDF funding have echoed this point and emphasised the stability afforded to local organisations through longer-term frameworks and the potential for more far-reaching and impactful projects.12 This is an advantage that the Shared Prosperity Fund could seek to replicate and surpass. Another excellent example of this is the Midlands Centre for Cyber

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[10] McCulough, K. (2018) "Resolving the 'Highland Problem': The Highlands and Islands of Scotland and the European Union" Local Economy 2018, Vol. 33(4) page 433

[11] Stewart L. (2017) "Universities, Brexit and European Structural Funds – what next?" MillionPlus http://www.millionplus.ac.uk/news/blog/guest-blog-universities-brexit-and-european-structural-funds-what-next

[12] See Locality (2018), "Future Places: how replacing EU funds can unlock the power of community" https://locality.org.uk/wp-content/uploads/2018/05/Locality_EU-Replacement-Fund_Future-Places_FINAL.pdf,

Tinker R. (2018) "Designing the Shared Prosperity Fund" Joseph Rowntree Foundation https://www.jrf.org.uk/report/designing-shared-prosperity-fund; and,

Sheffield Political Economy Research Institute (2016) "UK regions and European structural and investment funds" SPERI British Political Economy Brief No. 24 http://speri.dept.shef.ac.uk/wp-content/uploads/2018/11/Brief24-UK-regions-and-European-structural-and-investment-funds.pdf https://www.ippr.org/files/2019-02/1551278444_regional-policy-post-brexitfeb19.pdf

Security, in which the University of Wolverhampton has played a key role both as investor and a project partner. The Centre will create a national point of excellence in Hereford, which is already a focus for cyber and security-related business expertise, with over 470 defence and security-related companies.

The project will allow the University of Wolverhampton to build upon the academic and research expertise it brings in IT innovation and cyber-related fields to become a leader in cyber security and its related areas, through advanced research and engagement with businesses operating in the field of cyber innovation. The benefits for the university are twofold: providing research staff with the opportunity to create new relationships with local business and increased opportunities for student and graduate placements within high tech and cutting-edge businesses where they are able to hone their skills. Additional benefits to the local community are clear: increased economic activity in the region, generating spill-over effects and the creation of spin-out companies.

ENABLING LOCAL NETWORKS

Once again, those involved with projects praise ERDF for its ability to build on and enhance networks of local actors, based on relationships that have been built up over years. In short, the regional dimension of these funds allows for development of a local angle and is not constrained by a Westminster-centric, one-size-fits-all model of value for money. This Centre for Cyber Security demonstrates how funds can be used in an area with an industrial heritage to reinvent and refocus the region in order to invest strategically, be forward-looking and anticipate the industries of tomorrow.

WHAT DO WE KNOW ABOUT THE SHARED PROSPERITY FUND?

The term 'United Kingdom Shared Prosperity Fund' was originally coined in the 2017 Conservative Party manifesto, which outlined the intention to create a domestic replacement to European Structural and Investment Funds. This idea was reaffirmed in the party's 2019 manifesto, and consequently, the programme has remained high on the government's agenda. However, there has been a marked lack of clarity, which means little more is known than back in 2017 about what the fund will look like, and how it will function.

The impacts of European Structural and Investment Funds have featured little in mainstream discussions around Brexit and are likely to take their place in the queue behind some of the more big ticket items in the complex web of Britain-EU relations such as immigration status, trade agreements and participation in new Erasmus and Horizon programmes.

However, any replacement funding stream not planned, constructed and implemented with sufficient thought and insight could have grave consequences for UK communities and regions. Universities, and modern universities in particular, have benefited their communities significantly using European Structural and Investment Funds. It is these communities, some in the most deprived and marginalised parts of the country, that have reaped the rewards of this investment, whether through programmes that have increased employment and skills, or through initiatives to drive forward research, innovation and enterprise.

CASE STUDY – UNIVERSITY OF CUMBRIA IN PARTNERSHIP WITH UNIVERSITY OF CENTRAL LANCASHIRE AND UNIVERSITY OF LANCASTER

Eco-innovation Cumbria is a four-year project to help Cumbrian SMEs to improve efficiency, grow capacity and develop new solutions for industry. The project brings together expertise from the University of Cumbria, University of Central Lancashire and Lancaster University.

Eco-innovation Cumbria will help SMEs to: develop a multi-sector network across Cumbria; increase innovation in low carbon technologies; access academic expertise and specialist resource; and develop products or processes which reduce greenhouse gases. The project facilitates academic and student engagement with local businesses working on industry-relevant research projects.

How can the shared prosperity fund succeed?

DEVOLVING DECISIONS AS FAR FROM THE CENTRE AS POSSIBLE

The investment and the projects supported by the ERDF are designed to focus on place. Given the focus in the current UK policy climate on developing new place-based initiatives, loss of this distinctive feature of ERDF in any replacement would be a serious oversight. The social and political history of the UK is one of a heavily centralised system where decisions are made and capital invested from the core, with a primacy afforded to the interests of its affluent centre.

Falling back on the same national structures and decision-making processes could result in funds trickling down through the same hierarchies, leaving scraps for geographically peripheral areas. Some argue that for the full potential of the UKSPF to be realised, the Treasury should not have complete control over the allocation process.[13] The metrics chosen to measure and define regional disparities will be critical to the UKSPF, if such a procedure is adopted. The use of gross value added (GVA) as a determinant of regional levels of funding in ERDF has been criticised by some, who argue that it fails to account for deprivation within more affluent regions such as London and the South East.

European Structural and Investment Funds from 2014-2020 were distributed from central government to local enterprise partnerships (LEPs) in England. The government's recent review of LEPs underlined their instrumental role in distributing ERDF to date and their projected involvement in the development of the Industrial Strategy.[14]

If the UKSPF can enhance the power of LEPs, which sometimes face criticism for lacking potency or control of resources, it could increase their impact on local economic development.

In the devolved nations of the UK, ERDF funding has been administered by the respective governments and there remains some contention over whether such a settlement will be continued in what is badged, in its most basic iteration, as a UK-wide arrangement. It is vital that the UKSPF can harmonise with current arrangements for the devolved administrations as well as future developments across the UK. More broadly, any replacement to ERDF must be resilient in the face of local economic policy churn so that it does not become irrelevant and can survive beyond the lifespan of a single government.

PROMOTING LONG-TERM, FLEXIBLE, LOCAL APPROACHES TO INVESTMENT

The UK has seen a plethora of different organisational structures and regional bodies come and go in recent decades. It has been argued that the flux of local economic policy, initiatives and legislation has itself acted as a barrier to sustained and meaningful reform in this area.[15] The UKSPF must be prepared for this churn, were it to continue in the 2020s. The form of the UKSPF should follow its function, rather than be made to conform to the local organisational arrangements that may appear and disappear. Returning to the point about the length of funding cycles, others have remarked on how the longer duration of these funding rounds has allowed projects to circumvent other domestic timeframes to the benefit of those involved:

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[13] Coyle D. & Sensier M. (2018) "The Imperial Treasury: appraisal methodology and regional economic performance in the UK" Bennett Institute for Public Policy, University of Cambridge
Locality (2018), "Future Places: how replacing EU funds can unlock the power of community" https://locality.org.uk/wp-content/uploads/2018/05/Locality_EU-Replacement-Fund_Future-Places_FINAL.pdf

[14] HM Government Ministry of Housing Communities and Local Government (2018) "Strengthened Local Enterprise Partnerships" https://www.gov.uk/government/publications/strengthened-local-enterprise-partnerships

[15] Jones, M. 2019 "The march of governance and the actualities of failure: the case for economic development twenty years on", International Social Science Journal https://onlinelibrary.wiley.com/doi/full/10.1111/issj.12169

"The seven-year structural funding rounds allow local authorities to plan for the medium-term beyond the annual local government funding settlement, four-year comprehensive spending reviews and five-year general election cycles. This allows local and regional policymakers to work with the private and third sectors to plan economic projects with a greater degree of certainty about funding compared to projects that are more reliant on domestic sources of public investment"[16]

There is a danger, even in a more devolved setting, that any structures that are regionally defined become somewhat blind to inequality within regions. Those implementing the UKSPF will have to be wise to this, and steps should be taken to ensure that funds, and the benefits of investment do not concentrate unevenly within regions. However, looking at the history of ERDF funds, it is clear there was a flexibility in the funding streams that allowed for investment in different constituent parts of each.

In short, the UKSPF should support both towns and cities, as did its predecessor. Such funds can be a vital way of supporting growing hubs of innovation and industrial agglomerations in the cities that act as the centres of their regions. But there should also be the capacity to allow funds to be drawn down to re-energise more geographically peripheral towns, which have become symbolic of sustained post-industrial decline and ever-growing polarisation of opportunity and prosperity in the UK.

REDUCING BUREAUCRACY AND BURDEN

One of the challenges that has been raised by modern universities is the level of bureaucracy involved in engaging with European funding streams. The rhetoric of government has hinted that it intends the UKSPF to reduce burden for those drawing down funds. Moving from a system that is monitored across 28 member states to a domestic structure clearly presents an opportunity to do this.

However, it would be wholly naïve to assume that the repatriation of the funds will itself be a panacea that unleashes funding from all oversight and burden. It is important to recognise that many of the key decisions on the distribution of European funds have always been made at a domestic level. Evidence given in a UK parliamentary sub-committee on the subject of ERDF maintains that:

"… a proportion of this bureaucracy originates from Whitehall sources, through the process of "gold-plating" that over-complicates many EU programmes and directives."[17]

In other words, not all the bureaucratic pressures related to European funding emanate from Brussels, and if the government is to achieve its aim of creating a more streamlined UKSPF, it may also be forced to look for change within.

[16] Sheffield Political Economy Research Institute (2016) "UK regions and European structural and investment funds" SPERI British Political Economy Brief No. 24, page 8 http://speri.dept.shef.ac.uk/wp-content/uploads/2018/11/Brief24-UK-regions-and-European-structural-and-investment-funds.pdf

[17] Written Evidence from Select Committee on European Union, Memorandum by Cumbria County Council https://publications.parliament.uk/pa/ld200405/ldselect/ldeucom/62/62we16.htm

Conclusion

The Shared Prosperity Fund has long been talked about by the UK government as an example of the opportunities presented by the UK's departure from the European Union. It aligns with one of the key aims – for the UK to have more control over its money. However, the success of the ESIF in supporting the economic development of the UK's nations and regions and providing much-needed infrastructure means the SPF has some key momentum on which to build.

Using the experiences gained from years of participation and success in ESIF, the government should be able to design an effective and impactful SPF that spreads wealth and economic development throughout the UK.

To do so, it needs to ensure that the fund is in place and operational by the beginning of 2021 at the latest, and that it adheres to some of the elements of ESIF that made it successful.

It needs to be devolved, it needs to be flexible, and it needs to be long-term. Above all, it needs to be well-funded.

CASE STUDY – UNIVERSITY OF EAST LONDON (UEL)

The **Eastern New Energy project** will address market failures enabling regional SMEs to grow and become more competitive; make buildings and infrastructure become more energy efficient, increase locally generated, stored and consumed energy, enable local energy trading and ensure low carbon sector business activity and profits are retained in the East of England region.

The breadth of the partnership is a major benefit, with private and public sector organisations working together strategically to deliver regional impact.

This ambitious project hopes to set up a new ecosystem for the eastern region that will provide long-term infrastructure to not only reduce carbon emissions but also give the region a competitive economic advantage by supporting over 400 SMEs.

For UEL, being the lead in this project increases the university's regional leverage in east of England as a key knowledge provider delivering applied research to industry across three local authorities' areas.

CASE STUDY – LONDON METROPOLITAN UNIVERSITY

Since its inception in 2003, the **Accelerator** has helped thousands of tech startups and London Metropolitan University students and graduates. Startups are offered flexible and scalable office space, hot-desking, a startup community, a network of mentors, investors and experts in IT, patent law and PR.

Programmes include the annual *Big Idea Challenge* - a £30k enterprise competition for London Met students, graduates and staff, a London-wide competition for 20 colleges, and an international competition with the British Council across six different countries, *Launchpad* (12-week incubation programme), *Quickstart* (four start-up workshops), *Startup Sprint* (a 48hr weekend workshop), *Hack for Good* (starting a social enterprise), *Fashion Founder* (starting a fashion business), *Foodie Founder* (starting a food/drinks business), *Christmas Market* (pop-up public retail) and *Learn to Code* (learn website HTML and CSS), *Creative Freelance Bootcamp* (find customers and sell skills), and *London Venture Crawl* (explore entrepreneurship and visit London's innovation hubs).