



Venue: Room GA, 5 St Philips Place, Birmingham

Full Members Present	Representing
Norman Price ( <b>CHAIR</b> )	Birmingham Science City
Mark Reed	The Greater Birmingham and Solihull LEP
Paula Rogers	Marches LEP
Tony Dunn	Black Country LEP
Nigel Senior	Stoke and Staffordshire LEP
John Latham	Coventry and Warwickshire LEP
Pam Waddell	Birmingham Science City
Sharon Palmer	Voluntary Sector
Peter Shearer	Business Voice West Midlands
Isabel Anderson	Department for Business, Innovation and Skills (BIS)
Mark Schneider	West Midlands Employers
Joy Holland	West Midlands Employers
Anna Vinsen	Department for Communities and Local Government (DCLG)
Kathryn Dews	DCLG
David Rhead	Homes and Communities Agency
Hanne Hoeck	DCLG
Emma Smith	DCLG (minutes)

Apologies	Representing	Deputised by
Isabella Moore	Private Sector	
Sam Todd	Environment Agency	
Susan Crow	Worcestershire LEP	
Mark Foley	DCLG	
Rachel Eade	Business Clusters West Midlands	
Darryl Eyers	West Midlands Employers	Mark Schneider





Item 1: Minutes of previous meeting and actions arising (Norman Price)	Action
<ol style="list-style-type: none"> <li>1. Norman Price welcomed everyone to the meeting.</li> <li>2. The minutes of the previous meeting were agreed as a true and accurate record.</li> <li>3. The actions were discussed:               <ol style="list-style-type: none"> <li>1. <i>DCLG Contract managers to email projects when the 10% sample check has been released on MCIS</i> – this message has been communicated within the GDT. Members were asked to let Anna Vinsen know if this notification was not being received.</li> <li>2. <i>GDT to issue aide memoire to applicants to highlight common issues and assist the submission of evidence for 10% sample checks</i> – this has been issued and the speed and quality of evidence submission has significantly improved.</li> <li>3. <i>West Midlands Business Support Guide to be issued to members</i> – version 4 is due to be launched on 16<sup>th</sup> December; all LMSC members will receive a copy on this date.</li> <li>4. <i>LMC paper on investment grant schemes to be circulated to members</i> – this paper was circulated.</li> <li>5. <i>LMC to be asked to consider writing to Chief Executives of slippage organisations</i> – the LMC agreed with this recommendation and letters were issued to those organisations concerned. A good response was received following this and action plans have been created in several organisations to address slippage.</li> <li>6. <i>Analysis of slippage by applicant organisation to be produced following submission of Q3 claims</i> – this is to be covered under agenda item 3.</li> </ol> </li> </ol>	<p><b>1. If not included, add LEP secretariats to the ERDF database and mailing list.</b></p>
Item 2: Commitment Update (Anna Vinsen)	Action
<ol style="list-style-type: none"> <li>4. Anna Vinsen presented a paper summarising the ERDF Commitment position within the West Midlands. For detailed information on the update please refer to paper 2 and the associated annexes.</li> <li>5. Anna Vinsen noted that the data in the paper was correct up to the 18<sup>th</sup> October, and provided a verbal update on commitment progress since this point. Anna stated that the pipeline value</li> </ol>	





had decreased to £30m, as two projects had withdrawn, but the Programme would be £14m over-committed if all projects were contracted immediately. The National Programme Board has decided not to allow overcommitment, however Anna said that she anticipates the pipeline will reduce slightly as issues of eligibility are resolved. This combined with a robust approach to decommit slippage in the New Year, should mean that the full pipeline can be afforded within the programme value without having to artificially cap the grant level sought..

6. Peter Shearer asked whether the Programme would reach 100% commitment by 31<sup>st</sup> December 2013. Anna Vinsen said she expected the commitment level to be in the nineties but 100% of the Programme value to be approved– this was due to the complex nature of some of the capital projects which take longer in the contracting phase. Anna added that there are no regulatory deadlines regarding commitment and contracting, but that this needed to be concluded as soon as possible in order for the projects to complete their spend by the programme close in 2015.
7. Anna Vinsen noted that the commitment level would need to be managed closely as irregularities and decommitment of slippage will release funding back into the programme. Through this, it is anticipated that all pipeline projects can be afforded, and that in addition there may be further opportunities for existing projects to request additional funding to extend their scope later in 2014. .
8. Norman Price asked whether projects were aware of their status. Anna Vinsen stated that the message to live projects had been very clear that if they were performing well then there were likely to be future opportunities to apply for additional funding, but if slippage had been experienced then this was not possible. Anna reiterated that it was in the projects' own power to achieve spend to target and therefore be eligible to request additional funding for extended project scope.
9. Norman Price asked whether the LMSC would be involved in any of the decisions regarding slippage. Anna Vinsen stated that performance data would be presented to members in March and a series of recommendations would be sought which would be presented to the LMC for a final decision.





<p>10. Pam Waddell asked whether projects which were performing well could apply for additional funding to include additional delivery partners . Anna Vinsen stated that if more outputs or match was brought in through additional partners, then this could be considered.</p> <p>11. Mark Reed asked whether the decision not to overcommit the programme would lead to delays in project approvals . Anna Vinsen stated that appraisals and meetings of the Investment Decision Group were ongoing so there were no delays to the decision making process, but noted once full commitment level has been met, then approvals will contain the caveat that the project is approved 'subject to affordability', and the contract may be delayed until the funding has been released.</p> <p>12. Norman Price asked for an update regarding achievement of outputs. Anna Vinsen stated that the SMEs assisted figure was still a concern, but noted that this may be an issue with reporting as the number of businesses assisted is good and these figures should reflect each other more closely. Anna noted that leverage was still behind the target but that the number of jobs safeguarded was positive, particularly considering the wider economic climate.</p>	
<p><b>Item 3: Spend Report (Kathryn Dews)</b></p>	<p><b>Action</b></p>
<p>13. Kathryn Dews presented a paper outlining the current situation regarding spend within the Programme. For detailed information on the update please refer to paper 3.</p> <p>14. An additional paper was tabled at the meeting detailing the latest spend position as of 6<sup>th</sup> November, showing that a further £8m was required to achieve N+2; failure to meet the N+2 target results in de-commitment of the deficit from the Programme.</p> <p>15. Kathryn Dews stated that specific projects with a high forecasted spend for October and November would be requested to submit monthly rather than quarterly claims during this period; this is necessary for N+2 to be achieved. The projects concerned would be notified during week commencing 11<sup>th</sup> November.</p> <p>16. Peter Shearer stated that some applicants would find it difficult</p>	





<p>to submit claims during December because of annual leave and organisation closure. Kathryn Dews noted that December claims would not be included in the 2013 N+2 calculation because of the necessary requirements to submit the declaration to the Commission before this point; this has been accounted for in the figures presented. Kathryn requested that December claims were still submitted in a timely fashion as this would contribute to the 2014 N+2 target, and help to shape the slippage analysis scheduled for the New Year.</p> <p>17. Kathryn Dews asked members to reiterate to their organisations and their partners the need for prompt responses when submitting desk top check evidence and in relation to any queries that might be raised from the GDT on claims, so that the remaining claims can be processed as soon as possible in order for the N+2 target to be achieved.</p>	
<p><b>Item 4: Audit Update (Hanne Hoeck)</b></p>	<p><b>Action</b></p>
<p>18. Hanne Hoeck provided a verbal update on audit and monitoring activities within the West Midlands.</p> <p>19. Hanne Hoeck provided an update on the national interruption, stating that work was ongoing to resolve the items of concern but at present the interruption was still in place. A meeting is to be held with the Commission on 28<sup>th</sup> November to present the progress made and determine any outcomes.</p> <p>20. Hanne Hoeck stated that processes will be employed within the 2014-2020 Programme to avoid this issue from reoccurring.</p>	
<p><b>Item 5: 14-20 Structural and Investment Funds Update (Anna Vinsen)</b></p>	<p><b>Action</b></p>
<p>21. Anna Vinsen provided a verbal update to members regarding the latest developments, milestones and timescale for the 14-20 Structural and Investment Funds.</p> <p>22. Anna Vinsen stated that nationally all European Structural and Investment Funds (ESIF) strategies had been received and were currently being assessed across Government. Meetings have been arranged with LEPs to provide initial feedback. .</p> <p>23. Anna Vinsen stated that nationally work was ongoing concerning the IT systems, Operational Programme,</p>	<p><b>2. LEP members to contact their BIS Local Lead if unaware of their feedback meeting date.</b></p>





<p>processes, and partnership agreements.</p> <p>24. Mark Schneider stated that two meetings were scheduled during November. The first of these was a quad-LEP meeting for opt-in organisations on the 13<sup>th</sup>, and the second was a working group meeting to be held on 25<sup>th</sup> November to identify potential cross-LEP projects.</p> <p>25. Norman Price circulated a presentation by Blue Sky Finance regarding proposed West Midlands' collaboration on FEIs under the new Programme. He said the full report was anticipated in mid November, and it was agreed that it would be circulated to members of the LMSC.</p> <p>26. Norman Price encouraged members to raise any comments or concerns on the FEI study to Paul Heaven at Blue Sky Finance (contact details are available in the presentation) so that they could be reflected in the work going forward.</p>	<p><b>3. Full FEI report to be circulated to LMSC members when available.</b></p>
<p><b>Date of next meeting, AOB and close (Norman Price)</b></p>	<p><b>Action</b></p>
<p>27. Anna Vinsen stated that the next LMSC meeting was scheduled for Thursday 6<sup>th</sup> March 2014, 9.30am to 11.30am, at 5 St Philips Place in Birmingham.</p> <p>28. There being no other matters of business, Norman Price thanked the LMSC members for their attendance and contributions and closed the meeting.</p>	

Minuted by Emma Smith.

