

**European Union**European Structural
and Investment Funds**European Structural and Investment
Funds
2014 - 2020****Growth Programme for England****ESI Funds Growth Programme Board****Summary Report from the National Sub-Committees****Purpose:**

This paper summarises business at National Sub-Committee meetings held in the last quarter (September - December 2016). It lists their current membership and covers:

1. Communications Sub-Committee
2. Employment, Skills & Social Inclusion Sub-Committee
3. Equalities & Diversity Sub-Committee
4. Evaluation Sub-Committee
5. Performance & Dispute Resolution Sub-Committee
6. Smart Specialisation Sub-Committee
7. SME Competitiveness Sub-Committee
8. Sustainable Growth and Development Sub-Committee
9. Sustainable Urban Development Sub-Committee

Recommendations:

That the Growth Programme Board notes the report.

Richard Inman
GPB secretary
30 November 2016

Communications Sub-Committee

Membership

- | | | |
|---|---|--|
| • Rob Martell (Chair)
DCLG | • Margot Tomkinson-Smith
Thames Valley Berkshire LEP | • Matt Smart
Oxford University |
| • James Ritchie (Deputy
Chair) DWP | • Louise Danks
Cornwall Council | • Liz Sheppard
Defra |
| • Aniekan Ekwere
BEIS | • Jen Robson
North East LEP | • Laura Spencer
Big Lottery |
| • John Hacking
Third Sector National
Learning Alliance | • Laura Welham-Halstead
Greater Cambridge & Greater
Peterborough LEP | • Chris McIntyre
British Chambers of
Commerce
<i>(left post – replacement tbc)</i> |
| • Laure Farret
GLA | | |

1. The second meeting of this sub-committee took place on 11 October 2016. The revised 2016 Annual Communications Activity Plan was discussed, with a particular focus on activities completed and those which were still to be delivered. Members agreed to consult their respective sectors regarding any communications activities planned in the short-term and to share this with the sub-committee.
2. The draft 2017 Annual Communications Activity Plan was discussed. It was agreed that members would fully review the document and provide feedback ahead of a further version being worked up for approval by correspondence. This revised document was subsequently approved by the Communication Sub-Committee in mid-November.
3. Following the recent addition of two LEP based communications specialists (both of whom attended the October meeting) there have been two further membership changes in recent weeks. Liz Sheppard (Defra) replaced Bruce Douglas (Rural Payments Agency) as the rural sector member and Aniekan Ekwere has replaced Debra Huntington as the BEIS representative. Chris McIntyre has left his post at British Chambers of Commerce. A replacement on this sub-committee is currently being sought.

Future work

4. Supporting the delivery of final elements of the 2016 Annual Activity Plan and assist in the initial delivery of the 2017 Annual Activity Plan.
5. The next meeting of this sub-committee will take place on 5 April 2017. The focus will be reviewing the communications activities of 2016, the results of the annual communications survey and the ongoing delivery of the 2017 Communication Activity Plan.

Employment, Skills and Social Inclusion Sub-Committee

Membership

- | | | |
|--|--|---|
| • Anne Donkin (Chair)
DWP | • Tim Courtney
BEIS | • Adrian Richards
DWP |
| • Christian Aagaard
European Commission | • Eleanor Dearle
Local Government
Association | • Nicola Radford
Coastal Communities
Alliance |
| • Alison Adams
Cabinet Office | • Mark Self
DWP | • Laura-Jane Rawlings
Youth Employment UK |
| • Mark Bacon
Keele University | • Jane Lavender
Dept. for Education | • Ted Ryan
RnR Organisation |
| • Chris Ball
The Age and
Employment Network | • Becky Brookes
Employers' Network for
Equality and Inclusion | • John Hacking
Third Sector National
Learning Alliance |
| • Tom Mellish
TUC | • Hylida Mounsey
Cornwall Council | • Nick Small
LEP Network |
| • Ellen Broome
Family and Childcare
Trust | • Ian Oakes
University of
Wolverhampton | • Judith Wright/Sue
Johnson
DWP |
| • Rita Chircop
GLA | • Sue Ormiston
The Big Lottery Fund | • Sarah Tulk
Skills Funding Agency |

1. The sub-committee met on 10 November and discussed progress of the ESF 14-20 programme. The Managing Authority has committed 55% of programme budget through Funding Agreements and Memoranda of Understanding. Total ESF commitment is £1.34bn. Of this 85.5% (£1.15bn) has been committed through CFO MoUs. CFOs have currently procured onwads of £342.5m. Total direct bid commitments are £194.5m, which represents 14.5% of total ESF commitment. Eight calls were live, as of 31 October 2016.
2. Sarah Hawkins from Royal British Legion Industries (RBLI) gave a presentation on the ESF/Big Lottery Fund funded work of that organisation. RBLI supports the Armed Forces Community and those affected by disability, health conditions or other social welfare needs. Its 'Building Better Opportunities' project targets the most disadvantaged, e.g. those unemployed for six months or more, refugees and asylum seekers and those aged over fifty. Ms Hawkins described the aims, methodology and ethos of the project.
3. The Skills Funding Agency provided an update on devolution of the Adult Education Budget. It was reported that £1.5bn has been made available to support adult further education outside the costs of apprenticeship training. The new AEB is a single funding line that replaces three separate funding lines of funding for further education outside of apprenticeships (previously the Adult Skills Budget), Community Learning and Discretionary Learning Support. The AEB will be devolved to those areas that have a published devolution agreement - East Anglia, Greater Lincolnshire, Greater Manchester, Liverpool City Region, North East, Sheffield City Region, Tees Valley, West Midlands and West of England.
4. There was a presentation on social inclusion, linked to the funding aims of ESF and the Big Lottery Fund. The next sub-committee meeting will be on 7 February 2017.

Equalities & Diversity Sub-Committee

Membership

- | | | |
|---|---|---|
| • Anne Donkin (Chair)
DWP | • Tamara Flanagan
New Europeans Association | • Steve Spendlove
DWP |
| • Christian Aagaard
European Commission | • Alice Hood
TUC | • Anna Taylor
DWP |
| • Alan Beazley
Employers' Network for
Equality and Inclusion | • Jonathan Slater
London Voluntary Service
Council | • George Selvanara
Business Disability
Forum |
| • Rita Chircop
Greater London Authority | • Shafqat Rahim
Skills Funding Agency | • Mark Wright
EHRC |
| • Duncan Carnie
DWP | • Peter Riley
Manchester Metropolitan
University | • Richard Corfield
DCLG |

1. The sub-committee met on 1 November and discussed progress of the ESF 14-20 programme. The Managing Authority has committed 55% of programme budget through Funding Agreements and Memoranda of Understanding. Total financial commitment is £1.34 billion; of this 85.5% is via MOUs (£1.15 billion) and 14.5% via direct bids (£194.5 million). There are now eight calls live, amounting to £9.15m under Priority Axis 1 and £10.76m for Priority Axis 2. Closing dates fall through December 2016 and January 2017.
2. Richie Hamden from Prevista Ltd gave a presentation on the ESF funded project to improve employment prospects of BME women in South London, outlining its aims, ethos and methodology. The project focuses on women in particularly hard to reach communities – including recent immigrants and those with ESOL needs, those locked from the labour market by cultural issues, lone parents with childcare barriers, victims of domestic violence, those isolated with limited access to support, ex-offenders or those at risk of offending and those without work history or recognised work qualifications.
3. Megan Ronayne from Aston Business School gave a presentation on the ERDF funded project on 'servitization' for SMEs in the Greater Birmingham and Solihull LEP area, where manufacturers adapt business models to offer customer services on top of physical products. Dr Ronayne described how questions of equality and diversity; the promotion of equality between men and women; steps to prevent discrimination based on racial or ethnic origin; religion or belief; disabilities; age or sexual orientation and the need to take into account accessibility issues for disabled people, were woven into the project. She described challenges for women employed and getting employment in a male-dominated sector and outlined work to help SMEs capture diversity.
4. The updated Equality Mainstreaming Plan was agreed. The ESF Equality Leader Award and Parliament's Women and Equalities Committee report "*Employment opportunities for Muslims in the UK*" (August 2016) were discussed. The next sub-committee meeting will be on 31 January 2017.

Evaluation Sub-Committee

Membership

- **David Morrall (Chair)**
DCLG
- **Baljit Gill**
DCLG
- **Anna Taylor**
DWP
- **Hetal Hirani**
Defra
- **James Phipps**
BIS
- **Paul Bailey**
DECC
- **Simon Jones**
DCLG
- **John Ball**
TUC
- **Jo Banks**
Cornwall & Isles of Scilly
- **Heather Heward**
LEP Network (transition)
- **Francis Lee**
LEP Network (more developed)
- **Phil Smith**
Private sector and small businesses
- **Fay Treloar**
York St John University
- **Peter Johnston**
DCMS
- **Max Nathan**
What Works Centre
- **Aloke Siddique**
BIS
- **John Hacking**
VCO

1. The sub-committee meeting scheduled for 20 October was postponed. It will be re-scheduled and a report provided.

Performance & Dispute Resolution Sub-Committee

Membership

- | | | |
|--|--|--|
| • Nick Dexter (Chair)
DCLG | • Anne Donkin
DWP | • Heather Waddington
Leeds City Region LEP |
| • David Malpass
DCLG | • Andy Cole
College North West London | • Noel Farrell
DG Regio (Observer) |
| • Simon Jones
DCLG | • Keith Harrison
Action for Communities in
Rural Kent | • Russell Reefer
Local Government
Association |
| • Mary-Louise Harrison
LEP Network (more
developed) | • Sandra Rothwell
Cornwall & Isles of Scilly
LEP | • Christian Aagaard
DG Emploi (Observer) |
| • David Pratt
Higher Education | • Debra Huntington
BEIS | • Tom Mellish
TUC |
| • James Newman
LEP Network (transition) | • Clare Osborne
Defra | • Anita Prosser
Third sector |
| • Richard Powell
Local Nature Partnerships | • Alex Conway
GLA | |

1. The sub-committee met on the 28th November and reviewed progress against the ERDF and ESF performance targets. At the meeting the Managing Authorities (MA) explained that they are still reviewing the full impact of the hiatus in contracting and launching of new calls. The impact of this hiatus will be reviewed in detail in December to inform decisions about new calls required in 2017 to ensure 2018 Performance Framework targets are met.
2. The ERDF MA is looking to address known issues with the Performance Framework through an imminent Operational Programme modification.
3. Data available in the New Year will enable more detailed analysis of performance beyond progress against the Performance Framework targets. However, currently the MAs have no concerns over meeting the 2018 N+3 target.

Smart Specialisation Sub-Committee

Membership

- | | | |
|--|--|--|
| • Charlotte Heyes (Chair)
BEIS | • Prof Stephen Roper
Warwick Business School | • Prof Joe Sweeney
Huddersfield University |
| • Julia Sweeney
DCLG | • Prof Roy Sandbach
Newcastle University | • Jane Elliott
ESRC |
| • Tim Courtney
BEIS | • Gillian Docherty
The Data Lab | • Prof John Goddard
Newcastle University |
| • Stian Westlake
NESTA | • Alexandra Jones
Centre for Cities | |

1. The sub-committee held its second meeting on 13 October. The impact of the EU referendum outcome on Smart Specialisation and on wider place-based innovation policies was discussed. Key points follow:
2. **Innovation spend by LEP areas.** Project data from across key funding streams were brought together to show public spend in support of innovation at Local Enterprise Partnership level. This data was brought together for the first time to help build a wider view of the total public investment into innovation at a LEP by LEP level and to understand this as a national picture and seek views on how it can help inform place-based policies. The committee advised on developing a high level set of policy questions to inform an approach for using this data in a more meaningful and impactful way, supporting delivery of the smart specialisation strategy.
3. **Post ESIF models of local growth funding.** Government officials are developing greater understanding of the complementarities between EU funds and domestic growth programmes. This will help inform the development of potential future models for domestic growth funds and possible transition arrangements when the UK exits the EU. There are a number of variables making this exercise a complex process, and the committee advised that building greater understanding of the LEPs' priorities is also required.
4. **Skills investment and retention.** The committee advised that there is a need to align approaches between skills programmes and growth investments. The development of national innovation policies, including the Smart Specialisation approach, should reflect regional skills requirements.
5. **Other developments.** The Smart Specialisation Hub is preparing for publication of its first Annual Report. It has launched the pilot phase of LEP data on its website to get feedback from the community and help refine the presentation of the offer.

SME Competitiveness Sub-Committee

Membership

- **Jacqui Ward (Chair)**
Cities & Local Growth
- **Tim Courtney**
BEIS
- **David Morral**
DCLG
- **Thomas Parry**
Forum of Private Business
- **Dawn Whiteley**
National Enterprise Network
- **Allie Rennison**
Institute of Directors
- **Joe Manning**
Cities & Local Growth
- **John Horseman**
DCLG
- **Paul Hadley**
BEIS
- **Becky Hood**
Cornwall Council
- **Corin Crane**
LEP Network
- **Richard Kendall**
LEP Network
- **Glen Collins**
Assn. of Chartered Certified Accountants
- **Lee Hopley**
Engineering Employers' Federation
- **Ruth Lowbridge**
SFEDI
- **Dominic Williams**
Fed'n of Small Businesses
- **Jo Symons**
BEIS
- **Jo Cagney (Secretariat)**
Cities & Local Growth
- **Phil Extance**
Aston University
- **Louise Bennett**
Chambers of Commerce
- **John Goodman**
Co-operatives UK
- **Sean McKee**
London Chamber of Commerce
- **Mike Spicer**
British Chambers of Commerce
- **Clive Lewis**
Inst. Chartered Accountants in England & Wales
- **Chris Henning**
Core Cities
- **Karen Leigh**
Cities & Local Growth

1. The sub-committee held its third meeting on 27th October 2016. The discussion covered (i) DCLG progress on contracting for existing projects and progress on MI data; (ii) Industrial Strategy and (iii) priorities for post ESIF/ERDF funds. The next meeting will take place after the Spring Budget in 2017.
2. More than 300 ERDF applications are currently being worked through including large financial instruments (Northern Powerhouse and Midlands Engine). There was no update on the data but revised MI will be available following the December meeting of the GPB. Some of the data previously asked for on progress with ERDF PA3 SME Competitiveness will need to be commissioned on a bespoke basis.
3. The committee heard that Industrial Strategy will consider the importance of understanding uneven economic growth across the country through a place-based lens. An initial publication is due around Autumn Statement with a formal period of consultation to follow.
4. The sub-committee took part in a discussion which considered immediate priorities, long-term thinking about how projects will be funded in future, and the transition from Structural Funds to a long-term solution. The aim was to gather sub-committee views, to reflect and consider the challenges and risks, but also opportunities and how these will play out at the local level. The committee indicated that a broad evaluation approach is required which should be looking to build on strengths and funding programmes that are working.

Sustainable Growth and Development Sub-Committee

Membership

- | | | |
|---|--|--|
| • Patrick Alcorn - Chair
BEIS | • David Read
DCLG | • John Osborne
DCLG |
| • Mark Joslyn
DCLG | • Ben Plummer
DCLG | • Meg Patel
Defra |
| • Duncan Carnie
DWP | • Graeme Kerr
Natural England | • Bill Edrich
Bristol City Council |
| • Paul Nolan
Mersey Forest | • Alice Larkin
Tyndall Centre | • Aled Jones
Anglia Ruskin University |
| • Glenn Caplin
Cornwall Council | • Chris Saville
Environment Agency | • Phil Larkin
National Trust |
| • Mark Atherton
New Economy,
Manchester | • Roger Mortlock
Gloucestershire Wildlife
Trust | • Paul Bourgeois
Greater Cambridgeshire &
Greater Peterborough
LEP |
| • Richard Powell OBE
Chair- Wild Anglia CIC | • Iva Figueredo
Greater London Authority | |

1. The committee met for the first time on 8 November and were given an overview of the delivery of Priority Axes 4 – 7 and the cross-cutting themes in relation to ERDF and ESF.
2. The main part of the meeting centred on the delivery of Priority 4, with match funding being one of the key areas preventing projects coming forward. Other concerns were the low level of allocations in the South East LEPs for priority 4 and the possible opportunity to look at cross LEP projects.
3. The update for Priority 5 detailed that the delay in projects coming forward was primarily due to the Environment Agency revisiting their plans following the December 2015 floods as areas prone to flooding didn't flood, while other areas not seen as high risk did. The exception to this has been the Humber and Cornwall and Isles of Scilly (CloS) where significant investments have come forward, as The Humber has known flood risks and CloS didn't suffer the same level of flooding as northern areas. It is expected when the new Calls open the work undertaken by the Environment Agency will provide the opportunity for a number of LEPs to bring Priority 5 projects forward.
4. Priority 6 update centred on the demarcation issue with Countryside Stewardship, as it has been agreed that ERDF cannot be used if Countryside Stewardship could fund activity on the land whether or not it actually would. Delivering this has resulted in a reduced number of applications coming forward due to the confusion of where Countryside Stewardship can support projects. The sub-committee asked if the policy could be reviewed to enable activity to be delivered on land eligible for Stewardship when it is not actually in receipt of stewardship. This has been taken forward to the policy team and the view is that the demarcation policy will not be changed.

Sustainable Urban Development and Urban Agenda Sub-Committee

Membership

- | | | |
|--|---|--|
| • David Morrall (Chair)
DCLG | • Paul Evans
Manchester City Council | • Lisa Smith
Liverpool City Region |
| • Iain Derrick
DCLG | • Debbie Brown
DCLG | • Rodin McDowell
Bristol City Council |
| • Alex Conway
Greater London Assembly | • Ben Morley
Sheffield City Region | • Annie Ekwere
BEIS |
| • Heather Waddington
Leeds City Region | • Sharon Millar
Scottish Government | • David Anderson
Scottish Government |
| • Jem Woolley
Nottingham City Council | • Lloyd Broad
Greater Birmingham and Solihull | • Lee Cranston
North East Combined Authority |

1. The sub-committee met for the first time on 13th September to consider developments linked to implementation of Sustainable Urban Development under the England ERDF Operational Programme.
2. DCLG advised members that it continued to work with London and the eight core City regions with a population of more than 600,000 to agree SUD strategies and establish relevant urban authorities as Intermediate Bodies in line with EU regulatory requirements by end of 2016.
3. In a round table discussion on SUD the sub-committee noted the ongoing work within Government to provide assurance on the future of European Funding. DCLG as the Managing Authority emphasised the need to ensure compliance with EU regulations up to the point where the UK leaves the European Union. The sub-committee noted that if all current SUD area plans progress then the UK as a whole would be on course to meet its 5% commitment in line with regulatory commitments.
4. In discussing the sub-committee Terms of Reference the Group noted that its remit would also include the development of a UK wide perspective and agreed input into the Urban Agenda for the EU, building on previous input into the Pact of Amsterdam. It was agreed that DCLG would seek to ensure representation of City and Government representatives from Devolved Administrations to support this going forward.
5. In a round table on the Urban Agenda of the EU and the Pact of Amsterdam, the sub-committee received updates from London (Air Quality), Birmingham (urban poverty) and the Scottish Alliance (Housing) regarding their participation in the Pact of Amsterdam's pilot partnerships. The group considered further opportunities to participate in a further round of thematic pilot partnerships under the Slovakian Presidency.