



European Union

European Structural
and Investment Funds

**European Structural and Investment
Funds
2014 - 2020**

Growth Programme for England

**Minutes of the Growth Programme Board meeting
12:30 Tuesday 13 December 2016
Conference Room 5, Marsham Street, London**

Agenda

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| 1. Welcome and introduction | 7. Communications Activity |
| 2. Progress on Programmes* | 2016 – 2017* |
| 3. ESF Co-Financing Organisations
(CFOs): amendment to Selection
Criteria* | 8. National Sub-Committees' Report* |
| 4. Youth Employment Initiative
Programme Implementation:
Evaluation Findings* | 9. Minutes of last meeting* |
| 5. Review of Growth Programme Board
Membership and Terms of
Reference* | 10. Forward Look* |
| 6. Annual Review Meeting | 11. Items for information |
| | <ul style="list-style-type: none">• <i>ERDF Operational Programme Modification*</i>• <i>Financial Instruments ex-ante assessments*</i>• <i>Outcomes from Written Procedures</i> |
- Agenda items marked * were accompanied
by Board papers*
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Minutes

1. Welcome and introduction

- 1.1. The **Chair** (Julia Sweeney) welcomed members to the meeting. She introduced new Board members Dr **Jon Hunt** (West of England LEP) and Dr **Huw Edwards** (Thames Valley LEP). Since the last meeting, John Markham (LEP Network) and Tom Mellish (TUC) had stood down from the Board. **Laura-Jane Rawlings** (CEO Youth Employment Initiative) was welcomed, attending in an advisory capacity.

2. Progress on Programmes

- 2.1. **ERDF: David Malpass** presented a paper which noted progress to 31 October. His presentation brought the data up to date. By the end of November, 37% of the programme had been contracted. Performance was described measured against

Priority Axes and Categories of Region. Growth Delivery Teams had contracted 378 projects totalling £1034 million ERDF, including £337 million ERDF towards Financial Instruments. A further 212 funding applications for £585 million are in the pipeline. Action has been identified for Priority Axes 2, 3, 4, 5, 6 and 8 across Categories of Region.

- 2.2. Members noted the paper and presentation. There was a short discussion about applied exchange rates. Responding to **Phil Davies**, David Morrall confirmed that the first Intermediate Body designation outside of London is expected in January. **Carol Botten** noted that CLLD underspend was proposed for virement to other Priority Axes and asked whether LEP Area ESI Funds sub-committees had had an opportunity to discuss the proposal. **Andy Churchill** asked the Managing Authority to consider the take-up of funds by social enterprise. **Ian Stewart**, noting progress against PA2, commented there are still areas of weakness in rural broadband coverage. It is important to ensure continued delivery in 5 – 10 years' time. The **Chair** confirmed that BDUK is looking to the next phase of delivery; the rural connectivity point will be passed on and mobile connectivity will continue to be considered. Responding to queries raised by **Lindsey Hall**, David Malpass confirmed that new calls would apply across all Categories of Region. The **Chair** briefed members that ECLAIMS is now in its external use testing phase and a rollout in April 2017 is anticipated. **Deša Srsen** welcomed the reformatted ERDF progress report, noting that data accessibility was improved. She cautioned the Managing Authority to recognise and address Priority Axis underperformance.
- 2.3. **ESF: Catherine Blair** reported progress against the ESF programme. Total commitment stands at £1355m. Co-Financing Organisations hold Memoranda of Understanding valued at £1150m, while onward procurement for BLF, NOMS, DWP and SFA stands at £579.5m. LEP Area ESI Funds sub-committees will be asked to put emphasis on the Chancellor's domestic priority and value for money conditions. In the accompanying paper, the Managing Authority had set out the relationship between commitment (44%) and progress towards meeting participant targets (39%). Board members were asked to consider how the gap might be addressed.
- 2.4. **George Kieffer** noted his appreciation for BLF's engagement with the South East Area ESI Funds sub-committee, acknowledging that other areas and CFOs had faced challenges. **Carol Botten**, noting good engagement with SFA in the North East, commented on YEI underspend. **Ian Stewart** recalled the Chair's letter of 5 December, setting out how the Chancellor's domestic priorities and value for money conditions would be considered in future ERDF calls. Catherine committed to provide YEI data at the March meeting and will explain the approach ESF will take to the Chancellor's conditions in a letter that follows the Chair's model. **Nicolas Gibert-Morin** thanked Catherine for the ESF report and suggested that payments data would have strengthened the presentation. He noted the Performance Review is scheduled for 2019 and the level of commitment needs to be translated into spend. **Roger Phillips**, supported by **Ian Stewart**, considered there might be scope for applicants to benefit from Technical Assistance support from local teams.

ACTION 1612/01: Catherine Blair to consider and report back to the Board on suggestions for Technical Assistance

2.5. **EAFRD: Tony Williamson** reported progress against calls issued. Bringing data up to date, he reported that sixty-six projects had been contracted totalling £7m. Plans were being finalised for possible calls in early 2017. A successful workshop had been held with LEPs to explore ways to improve processes. Introducing arrangements to enable local ESIF Sub-Committees to comment on value for money at the full application stage would impact on the processes that had been discussed, but may be feasible.

2.6. **Roger Phillips** acknowledged Defra's co-operation in promoting the programme. Responding to **Phil Davies'** query whether scoring frameworks could be released so that LEP Area ESI Funds sub-committee members might use them to address the Chancellor's domestic priorities condition, Tony committed to explore the issue with RPA if any member wanted to approach him with a specific example.

2.7. **EMFF: Paul Little** sent apologies for absence. His written report was accepted as a paper to note.

3. ESF Co-Financing Organisations (CFOs) – amendment to Selection Criteria

3.1. **Anne Donkin** introduced a paper proposing revised criteria for selecting organisations to deliver as CFOs. The revision means sub-regional London Borough partnerships would be eligible. The Minister for Employment had agreed the change.

3.2. **Sir Albert Bore** and **Ian Stewart** considered that opportunities beyond London could still be opened up, but accepted that incremental steps are being taken. A wider approach would find favour with local government. The Board approved the amended selection criteria.

4. Youth Employment Initiative Programme Implementation: Evaluation findings

4.1. **Anna Taylor** introduced Ian Atkinson and Anja Meierkord from Ecorys, commissioned to undertake the first evaluation of YEI in this operational programme. Research looked at strategic fit, design and implementation. Fieldwork was carried out from August to November. Findings from the report indicate a read across between the objectives of the YEI at the EU level and the translation of these at the national and local levels. There was a perception of an eligibility mismatch with geographic boundaries, however overall feelings towards YEI were positive and objectives were largely coherent at EU, national and local level. Value for money would be considered at the next evaluation.

4.2. The Evaluation sub-committee had considered the report and submitted comments to the ESF Evaluation Team in DWP to feedback to the contractor, Ecorys. Members welcomed the evaluation, but suggested considering whether there was any 'gold-plating', particularly on eligibility criteria which were being potentially interpreted in different ways. **Alex Conway** noted that London has the largest allocation, but the Initiative's characteristics led to inability to implement.

Nicolas Gibert-Morin noted that the Commission has proposed to extend YEI beyond 2017 (applies to new money only) using 2015 statistical data to determine regional eligibility. In England, Durham and Tees Valley would be the only eligible area. Members encouraged the Managing Authority to take action on the findings, notably on sharing good practice; speedier procurement processes and resolution of queries. **Catherine Blair** confirmed that the Managing Authority will analyse the results of the evaluation and committed to provide a response to the report.

ACTION 1612/02: Catherine Blair to provide a report to the Board, in June 2017, on actions arising from the Ecorys report.

5. Review of Growth Programme Board membership and terms of reference

5.1. The **Secretary** (Richard Inman) noted that the proposed review had been discussed at the September meeting. A paper had been circulated setting out a project plan. A Steering Group had been recruited. It was anticipated the review would report back at the March meeting. **Ian Stewart**, recalling a point made at the last meeting, considered that National Sub-Committees' membership and composition should be looked at. The **Chair** noted the point and committed they would be subject of a future review. The Board agreed to initiate the review.

6. Annual Review Meeting

6.1. **Nick Dexter** provided an oral briefing of the meeting held between Commission representatives and the Managing Authorities. The Performance Framework and UK Partnership Agreement had been discussed. The additional €58m arising from mid-term adjustment of national allocations will require Operational Programme modification. **Deša Srsen** noted the meeting had been positive. Next year's Annual Review will be a regulatory requirement.

7. Communications Activity 2016 – 2017

7.1. **Rob Martell** presented a report summarising Growth Programme communications and media activity in 2016 and a Communications Activity Plan for 2017. **Noel Farrell** expressed thanks for the retrospective ERDF Communications Booklet. A similar publication is being developed for ESF. The Board welcomed the report and endorsed the forward Communications Plan. In view of the excellent communications work being carried out, **Ian Stewart** proposed the Board's gratitude should be recorded in the minutes.

8. National Sub-Committee's Report

8.1. The **Secretary** presented a compiled report describing previous quarter and forthcoming meetings for the National Sub-Committees. Since the Board meeting in September, both the Sustainable Urban Development and Urban Agenda and the Sustainable Growth & Development sub-committees had formed. **David Morrall** proposed that the relationship between the Board and its National Sub-Committees could be strengthened if they were invited to provide in-depth feedback on their work, on a rotational basis.

ACTION 1612/03: Secretariat to prepare a schedule for National Sub-Committees to attend and present to the Board on a rotational basis.

9. Minutes of last meeting and progress on actions

9.1. The **Secretary** noted that draft minutes of the September meeting had been circulated on 3 October. **Christian Aagaard** had suggested an additional action be recorded, which had been agreed by DWP. Progress had been made on all recorded actions. Action 1609/02 constitutes a commitment to provide information on delivery, claims and payments at local level and will be fulfilled in due course. All actions were closed. The minutes were agreed.

10. Forward Look

10.1. The **Secretary** noted that recommendations from the review of GPB membership and terms of reference; and an update on how Partnership Working Review actions had been implemented, were expected in March 2017.

11. Items for Information

11.1. **Simon Jones** briefed members on proposed modifications to the ERDF Operational Programme, as set out in the explanatory paper. The Board's agreement on the modification will be sought by Written Procedure in the New Year, following the conclusion of a consultation with local partners and further informal discussion with Commission colleagues.

11.2. The **Secretary** explained the requirement to submit Financial Instrument ex-ante assessments to the Programme Monitoring Committee, for information, under Article 37 (3) of the Common Provisions Regulation 1303/2013. Ex-ante assessments for the Northern Powerhouse Investment Fund; North East Fund; Midlands Engine Investment Fund; and the Greater Manchester Urban Development Fund had been circulated to members.

11.3. The **Secretary** noted the successful outcomes of two Written Procedures in the last quarter: 'Technical updates to the ERDF Operational Programme' and 'Modification of the 2016 Communications Plan'.

Meeting closed: 15:00

Date, time and venue of future meetings

- Tuesday 28 March, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B
- Wednesday 14 June, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B
- Thursday 14 September, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B
- Thursday 14 December, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B

Annex A

List of agreed actions from December 2016 Growth Programme Board meeting

No.	Action	Assigned to:
Action 1612/01	Catherine Blair to consider and report back to the Board on suggestions for Technical Assistance	Catherine Blair
Action 1612/02	Catherine Blair to provide a report to the Board, in June 2017, on actions arising from the Ecorys report.	Catherine Blair
Action 1612/03	Secretariat to prepare a schedule for National Sub-Committees to attend and present to the Board on a rotational basis.	Richard Inman

Annex B Attendee List

Growth Programme Board meeting 15 September 2016

Chair:

	<i>Sector/Organisation Representing</i>
Julia Sweeney Director, Europe Programmes and Local Growth Delivery	DCLG

Board Members (full and advisory):

	<i>Sector/Organisation Representing</i>
Dominic Williams Chair, Local Gov. Policy Unit, Federation of Small Businesses	Business / Private Sector (SME)
Alex Conway Greater London Authority	Greater London Authority
Cllr Phil Davies Leader, Wirral Borough Council	Sustainable Urban Development
Lindsey Hall Chief Executive, Real Ideas Organisation	Cornwall & the Isles of Scilly
Simon Nokes Chief Executive, New Economy	LEPs
George Kieffer Vice Chair, South East LEP	LEPs
Dr Huw Edwards ESIF Chair, Thames Valley Berkshire LEP	LEPs
Warren Ralls Director, LEP Network	LEPs
Cllr Ian Stewart Cumbria County Council & South Lakeland District Council	Local Authorities
Cllr Roger Phillips Herefordshire Council	Local Authorities
Sir Albert Bore Birmingham City Council	LGA / Local Authorities
Carol Botten Deputy Chief Executive, VONNE	Voluntary & Community Sector (Local)
Andy Churchill Network for Europe	Voluntary & Community Sector (National)
Professor John Latham Vice-Chancellor, Coventry University	Higher Education (Universities)
Keith Cowell Principal, City of Westminster College	Further Education
Shelly Dowrich EU & International Policy, Government Equalities Office	Equalities
Mark Tinsley Chair, Lincolnshire Forum for Agriculture and Horticulture	Rural & Farming Network
Keith Harrison Chief Executive, Action with Communities in Rural Kent	LEADER
Tony Williamson Head of RDPE Strategy Team, Rural Policy	Defra
Catherine Blair	DWP

Head of ESF Division	
Anne Donkin Head of ESF Policy and Programme	DWP
Tim Courtney Deputy Director, Europe Directorate	BEIS
Tim Goodship Europe Directorate	BEIS
Nick Dexter Deputy Director, Policy & Partnership	DCLG
David Malpass Deputy Director, Growth Delivery Network	DCLG
David Morrall Head of 2014-20 Policy Team	DCLG
Deša Srsen Head of Unit	European Commission, DG REGIO
Michel Wolf Deputy Head of Unit	European Commission, DG REGIO
Noel Farrell Desk Officer, UK Unit	European Commission, DG REGIO

Additional Attendees / Observers:

Name	Sector/Organisation
Laura-Jane Rawlings Chief Executive Officer, Youth Employment UK	Youth Employment
Ian Atkinson Ecorys UK	Ecorys UK
Anja Meierkord Ecorys UK	Ecorys UK
Anna Taylor DWP	DWP
Rob Martell Comms, DCLG	DCLG
Nicolette Lares DWP	DWP
Simon Jones European Programmes Team	DCLG
James Ransom Policy Researcher	Universities UK
Russell Reefer Policy Advisor, LGA	Local Government
Annie Ekwere European Directorate	BEIS
Abe Allen DCLG Apprentice	DCLG
Richard Inman Growth Programme Board Secretariat	DCLG
Ben Meadows Growth Programme Board Secretariat	DCLG

Apologies:

	Sector/Organisation
Sandra Rothwell Chief Executive, Cornwall & the Isles of Scilly LEP	Cornwall & the Isles of Scilly
Sir Richard Leese Leader, Manchester City Council	LEPs
James Newman Chair, Sheffield City Region LEP	LEPs
Mayor Joe Anderson Liverpool City Council	SUD / Core Cities
Tim Parry Community Council for Berkshire	Voluntary & Community Sector (National)
Louise Bennett Chief Executive, Chamber of Commerce	Business / Private Sector
Richard Powell Chair, Wild Anglia Local Nature Partnership	Local Nature Partnerships
Kevin Rowan Trades Union Congress	Trade Unions
Shirley Trundle Director, Countryside and Nature	Defra
Robert Matthews Defra	Defra