



**Minutes of the Growth Programme Board meeting  
12:30 Wednesday 14 June 2017  
Conference Room 5, Marsham Street, London**

---

**Agenda**

- |   |   |
|---|---|
| 1. Welcome and introduction   | 5. Review of LEP Area ESI Funds Sub-                    |
| 2. Progress on Programmes*  | committee Membership*                                   |
| 3. Presentation from Smart<br>Specialisation National Sub-<br>committee | 6. Minutes of March meeting and<br>progress on Actions* |
| 4. Annual Implementation Reports *                                      | 7. Items for information*                               |

*Agenda items marked \* were accompanied  
by Board papers*

---

**Minutes**

**1. Welcome and introduction**

**1.1.** The **Chair** (Julia Sweeney) welcomed everybody. **Greg Wade** attended for the Higher Education & Universities sector; **Greg Warren** for Businesses and Private Sector (SMEs); **Lindsey Hall** for Cornwall and the Isles of Scilly; **Simon Nokes** for Local Enterprise Partnerships and **Andy Churchill** for Voluntary and Community Sector (Local). Members noted manifesto commitments and ministerial appointments confirmed since the General Election.

**2. Progress on Programmes**

**2.1. ERDF:** **David Malpass** presented the ERDF progress report. At 31 March, 421 projects had been contracted worth £1141m ERDF. Expected dates for achieving N+3 targets by category of region were presented and profiling meetings with projects will ensure that expenditure is maintained. External roll-out of the pilot E-CLAIMS system has been scheduled. The managing authority (MA) is collecting additional data on cross cutting themes which will be taken to the Equality & Diversity National Sub-committee. Equality guidance has been developed and issued to applicants. Diversity outputs from Wolverhampton University have been promoted. There has been close work with DWP and Defra to promote sustainability, waste reduction, resource efficiency and BREEAM. Work with

Keele University and geothermal stakeholders in the southwest support PA4 (low carbon). Delivery risks were acknowledged for PA2 (less developed region); PAs 4 and 6 (transition and more developed regions); and PAs 5 and 8 (all categories of regions). Sixty applications worth £86m ERDF were received in response to the March call. Future calls are planned for June, September and November 2017. Action plans have been developed to ensure Performance Framework targets will be met. Growth Delivery Teams (GDTs) will liaise with LEPs to help improve allocation levels.

**2.2. Andy Churchill** asked that Sustainable Urban Development (SUD) be considered at the September meeting. **Cllr Ian Stewart** welcomed enhanced flexibility for applicants, but noted that E-CLAIMS had been expected to be operational at this point. He noted a concern that local capacity issues at the Environment Agency may be having an impact on speedy resolutions. **Lindsey Hall** welcomed actions that reduced call window pressure on small local teams. She understood that PA3 business support project extensions were unavailable if projects had less than a year to run. **James Newman** noted positive overall progress, especially on PA4. He observed the reporting system counted funds paid into financial instruments rather than purchased outputs; advocated open calls rather than time-limited call windows suggesting they would improve opportunities to build credible applications; raised the possibility of virement of funds between LEP areas; and emphasised the need to send timely programme guidance to applicants. **Greg Warren** noted problems associated with payment delays. **Sir Albert Bore** considered the progress made on ERDF was positive. He suggested that extending successful projects merited consideration. **Alex Conway** noted that five of the eight core cities had been designated and SUD calls, which are not tied to national calls, may be the appropriate vehicle to enhance ERDF performance. **Richard Powell** recalled discussion of PAs 5 and 6 at the Sustainable Growth and Development sub-committee. It recommended case studies be shared with LEP areas to improve take-up and recognised the power of 'branding'. On PA4, the sub-committee had noted a lack of connectivity between LEPs in the south.

**2.3. David Malpass** offered bilateral meetings between the managing authority and any project affected by payment delays. He confirmed guidance for potential applicants would be issued as quickly as possible. The managing authority is aware that PA3 contracts are due to end in 2018, but will be mindful of individual circumstances within the need to secure value for money. Responding to **Simon Nokes'** request for performance data broken down by LEP area, he noted that reporting metrics are set out in the performance framework. The **Chair** acknowledged that work on E-CLAIMS is still ongoing and there would be a meeting with the Environment Agency to discuss the issues raised.

**ACTION 1706/01: Secretary to schedule Sustainable Urban Development for discussion at the next meeting.**

**2.4. ESF: Anne Donkin** presented the ESF progress report. Calls were launched on 21 April. Current ESF commitment is £1394m (48% of allocation) and generally on course. PA2 commitment needs to rise. Youth Employment Initiative (YEI) commitment will not meet the full budget allocation, but interest has increased and the managing authority is scoping whether there are opportunities to make further

commitments. There is scope for additional commitment under IP 1.1 (Access to Employment). Alongside other cross-cutting issues, this is reflected in calls currently under development. Spend outputs are on course, except in the less developed region; the managing authority has agreed to vire funds to the more developed category of region and calls are in development. Claims are building and the managing authority expects to receive substantial claims from co-financing organisations. In terms of 2018 targets, average unit costs appear to be around 40% higher than anticipated but are expected to reduce in response to change requests. Moving to a 'straight to full application' process has reduced inception time for YEI projects. The Education and Skills Funding Agency has notified the managing authority of the provider's intention to withdraw from the contract in Liverpool. The managing authority is conscious of co-financing organisations' role in the programme and the balance between CFOs and direct bids. It is exploring options that could secure future match-funding. Data analysis is underway for the ESF Operational Programme review. The Board will receive an update at the September meeting.

**2.5. Cllrs Phillip Atkins and Ian Stewart** noted the Local Government Association held data on the Youth Employment Initiative which it would share with DWP. Flexibility is encouraged so that operational activity translates into successful projects within the parameters of the programme. **Lindsey Hall** considered there might be opportunities for future interaction between ESF and opt-ins. **Simon Nokes** emphasised that the availability of match-funding is important and continuity is important to ensure providers don't lose staff; there may be value in promoting the visibility of CFOs within the programme. **Sir Albert Bore** noted local government's concern that ESFA commitment is only to 2018, but devolution to local authorities would enable movement beyond then. Sir Albert asked for clarification on whether the election had affected the devolution of the Adult Education Budget. **James Newman** again advocated open calls. **Andy Churchill** sought clarification on the evaluation position. **Anne Donkin** agreed to provide an update on evaluation and to seek advice on the devolution of AEB. ;.

**ACTION 1706/02: DWP to provide an update to GPB on CFO plans for further involvement in the programme ahead of the next meeting.**

**2.6. EAFRD: Tony Williamson** presented the EAFRD progress report. Total amount of funding committed now stands at £9.8m for 92 projects. Claims for £1.46m have been paid. More than 200 expressions of interest were received in response to the January calls valued at nearly £57m, which are being assessed by RPA. The workshops held with LEPs earlier in the year have helped deliver better quality applications. Approximately £40m of RDPE growth programme funding is still available and proposals will be put to Ministers how it might be rolled out to best advantage. **James Newman** sought confirmation that the spring calls included elements for tourism. It was confirmed that around £40m was to support tourism infrastructure.

**2.7. EMFF:** the Board received the written progress report.

### 3. Smart Specialisation National Sub-committee

**3.1. Paul Drabwell** and **Farhana Quasem** gave a presentation to the Board on the work of the Smart Specialisation National Sub-committee. The Industrial Strategy Green paper consultation, launched in January, has an increased focus on place and the sub-committee is strongly engaged with the work. The Smart Specialisation Hub was established in 2015 as a source of expertise and focuses on evidence based approach towards investment; its aim is to facilitate and encourage decision makers to collaborate together. The Hub has run workshops and helped profile LEP strengths. In the 2014-20 programme there are 112 research, development and innovation themed projects, worth £226m ERDF as at the end of April 2017. The Board were taken through an example of the Oxfordshire Local Enterprise Partnership. Science and innovation audits give evidence of the strengths in local areas. Further details on the Hub's observatory function are available at: <http://smartspecialisationhub.org/observatory>.

**3.2. Cllr Ian Stewart** noted the geographic distribution of the sub-committee membership. Members considered obstacles in terms of evidence and data being available to help localities identify where investment should be prioritised. **Dr Jon Hunt** recalled Bath University's involvement in the last science and innovation audit. He noted that funders face a challenge to build pipelines of projects that have the scale and ambition being looked for, exacerbated by an environment of funding uncertainty. **Cllr Philip Atkins** suggested that complementary funding structures could be more effective than competitive bidding processes.

### 4. Annual Implementation Reports

**4.1. David Morrall** and **Anne Donkin** presented ERDF and ESF Annual Implementation Reports (AIRs) for the period to 31 December 2016. The Board, as Programme Monitoring Committee, examined each. The Board approved both the ERDF and ESF Annual Implementation Reports.

### 5. Review of LEP Area ESI Funds Sub-committee Membership

**5.1. Ben Meadows** recalled the commitment to review membership of LEP Area ESI Funds sub-committees, following the review of terms of reference earlier in the year. The Board secretary commissioned sub-committee secretariats to complete a desk-based review of the membership. Responses covered all sub-committees. The review concluded that sub-committee membership composition and relevance for investments still likely to come forward is still appropriate and proportionate. Gaps occur across the Trade Union/Employer and Equality & Diversity sectors: however, sub-committee secretariats and LEPs are taking active measures to address them. The Board noted the findings of the review.

### 6. Minutes of March Meeting and Progress on Actions

**6.1. The Secretary** (Richard Inman) noted that draft minutes for the March meeting had been circulated to members. The record of the Atlantic Strategy items had

been refined and Actions 1703/01 and 1703/02 discharged. The Board agreed the minutes.

6.2. The **Chair** (on behalf of Anne Donkin who had to leave the meeting) noted that DWP would circulate a note to discharge Action 1612/02.

## **7. Items for Information**

7.1. The Board received the National Sub-Committee Report.

7.2. The **Secretary** noted the successful conclusion in April of Written Procedure 14: amendments to the ESF Scoring Framework.

7.3. The Board received the results summary from the Partner Survey and Evaluation of ERDF and ESF Communications Activities.

7.4. The **Secretary** alerted the Board that work would progress over the summer to prepare a plan for reviewing National Sub-committees. It would be presented at the September meeting when the Board will be invited to initiate the work.

7.5. The **Secretary** alerted the Board that amendments to the ERDF Operational Programme would issue for approval by Written Procedure, within a week.

**Meeting closed: 14:45**

## **Date, time and venue of future meetings**

- Thursday 14 September, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B
- Thursday 14 December, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B
- Wednesday 21 March 2018, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B
- Tuesday 19 June 2018, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B

## **Annex A**

### **List of agreed actions from June 2017 Growth Programme Board meeting**

<b>No.</b>	<b>Action</b>	<b>Assigned to:</b>
<b>ACTION 1706/01</b>	<b>Secretary to schedule Sustainable Urban Development for discussion at the next meeting</b>	<b>Secretary</b>
<b>ACTION 1706/02</b>	<b>DWP to provide an update to GPB on CFO plans for further involvement in the programme ahead of the next meeting</b>	<b>Anne Donkin</b>

## ESI Funds Growth Programme Board meeting 14 June 2017 - Attendees List

### Chair:

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

### Board Members (full and advisory):

	<i>Sector/Organisation Representing</i>
<b>Greg Warren</b> Federation of Small Businesses	Business / Private Sector (SME)
<b>Alex Conway</b> Greater London Authority	Greater London Authority
<b>Lindsey Hall</b> Chief Executive, Real Ideas Organisation	Cornwall & the Isles of Scilly
<b>Simon Nokes</b> Chief Executive, New Economy	LEPs
<b>Dr Jon Hunt</b> Director of Research & Innovation Services, University of Bath	LEPs
<b>James Newman</b> Sheffield City Region LEP	LEPs
<b>Cllr Ian Stewart</b> Cumbria County Council & South Lakeland District Council	Local Authorities
<b>Cllr Philip Atkins</b> Leader, Staffordshire County Council	Local Authorities
<b>Sir Albert Bore</b> Birmingham City Council	LGA / Local Authorities
<b>Andy Churchill</b> Network for Europe	Voluntary & Community Sector (Local)
<b>Tim Parry</b> CEO, Community Council for Berkshire	Voluntary & Community Sector (National)
<b>Greg Wade</b> Programme Manager, Universities UK	Higher Education (Universities)
<b>Richard Powell</b> Chair, Wild Anglia Local Nature Partnership	Local Nature Partnerships
<b>Keith Cowell</b> Principal, City of Westminster College	Further Education
<b>Anne Donkin</b> European Social Fund	DWP
<b>Tony Williamson</b> Head of RDPE Strategy Team, Rural Policy	Defra
<b>Tom Corker</b> Europe Directorate	BEIS
<b>Nick Dexter</b> Deputy Director, Policy & Partnership	DCLG
<b>David Malpass</b> Deputy Director, Growth Delivery Network	DCLG
<b>David Morrall</b> Head of 2014-20 Policy Team	DCLG
<b>Noel Farrell</b> UK Unit	European Commission, DG REGIO

<b>Marc Vermyle</b> Programme Manager	European Commission DG EMPL
--	--------------------------------

### Additional Attendees / Observers:

Name	Sector/Organisation
<b>Farhana Quasem</b> BEIS	BEIS
<b>Paul Drabwell</b> BEIS	BEIS
<b>John Horseman</b> DCLG	DCLG
<b>Simon Jones</b> DCLG	DCLG
<b>Nicola Lavin</b> DCLG	DCLG
<b>Jennifer Gunn</b> LEP Network	LEPs
<b>James Ransom</b> Universities UK	Higher Education (Universities)
<b>Lloyd Broad</b> Birmingham City Council	LEPs
<b>Richard Inman</b> Growth Programme Board Secretariat	DCLG
<b>Ben Meadows</b> Growth Programme Board Secretariat	DCLG
<b>Abe Allen</b> Growth Programme Board Secretariat	DCLG

### Apologies:

	Sector/Organisation
<b>Professor John Latham</b> Vice-Chancellor, Coventry University	Higher Education (Universities)
<b>Dominic Williams</b> Federation of Small Businesses	Business / Private Sector (SMEs)
<b>Carol Botten</b> Deputy Chief Executive, VONNE	Voluntary & Community Sector
<b>Sir Richard Leese</b> Leader, Manchester City Council	LEPs
<b>Sandra Rothwell</b> Cornwall & the Isles of Scilly LEP	Cornwall & the Isles of Scilly
<b>Louise Bennett</b> Chief Executive, Chamber of Commerce	Business / Private Sector
<b>Shelly Dowrich</b> Government Equalities Office	Equalities
<b>Keith Harrison</b> Chief Exec, Action with Communities in Rural Kent	LEADER
<b>Mayor Joe Anderson</b> Liverpool City Council	SUD / Core Cities
<b>Mark Tinsley</b> Lincolnshire Forum for Agriculture and Horticulture	Rural & Farming Network

<b>Kevin Rowan</b> Trades Union Congress	Trade Unions
<b>Robert Matthews</b> Head of Unit, EU Fisheries Funding	Defra (EMFF)
<b>Catherine Blair</b> Head of ESF Division	DWP