



## **Liverpool City Region ESI Funds Sub-Committee**

### **Minutes of Meeting held 17 July 2018**

#### **Agenda:**

1. Welcome and introduction
2. Minutes of 17 April meeting
3. ERDF TA Update
4. ESF
5. ERDF
6. EAFRD
7. AOB

#### **1. Welcome and introduction**

- 1.1. The **chair** welcomed members to the sub-committee and apologies were noted. The declaration of interest pro-forma was circulated for members to complete.

#### **2. Minutes of 17 April**

- 2.1. The minutes of the last meeting were approved as an accurate record.
- 2.2. Matters arising: Members requested a presentation on NPIF at a future meeting as there are concerns over the concentration of intervention within the city as opposed to the wider city region and a lack of intervention in P1 and P4. **PD** wrote to the minister regarding the short timescales for YEI and the minister responded committing DWP to act within 4 weeks. The amended exchange rate is expected to be confirmed by the end of July and it is expected that there will be an uplift, increasing the value of the ESIF programme. So far 2 events have happened in the midlands regarding the UKSPF with an event scheduled on 11 September in Preston. **MO** suggested that if members are unable to attend then the LCRCA could respond on behalf of members. It is likely that there will be a consultation phase following events.

#### **3. ERDF TA Update**

- 3.1 **AH** provided an update paper on ERDF TA, the main points to note are that TA now falls under LCR Combined Authority not the LEP although currently the TA website is still operating through the LEP. There are 2 TA applications being considered by MHCLG, one is a continuation of ERDF TA with the second serving the Local Energy Hub for the NW.

#### **4. ESF Update**

- 4.1 **MS** provided an update on the ESF programme in the city region confirming that YEI can continue beyond 2018 and future calls planning is going on at the moment with an option for calls to be higher value and applications to go straight to full application stage to result in a quicker process. Nationally there is a risk of underperformance as the claims payment process has been slow to date. Locally there are a number of YEI PCRs going through the process that are a priority, a number have been circulated to members via written procedures with the remaining at appraisal stage. This is a timely issue as the

current contracts finish at the end of July so it is likely that they will be circulated via written procedures with a turnaround time of 5 working days.

- 4.2 **RT** updated members on the local ESF situation as outlined in paper 4.iii. The ESFA has invited further opt in proposals as described in section 3 of the paper. The approach provides match however leaves little opportunity for local input. Whilst local input in scoring is not a possibility, feeding in to the detailed scoring guidance is available locally.
- 4.3 There is still a sizable amount of funding available in 2.1 – Skills for Growth and to ensure a cohesive approach LCR CA is exploring an option of becoming a co-financing organisation.
- 4.4 Members were also asked to approve a call for apprenticeship promotion and engagement which will support employers and potential apprentices to take up existing opportunities. A paper summarising P2 will be provided at the next ESIF sub-committee meeting and members supported the recommendations at 4.1 of paper 4.iii.

## 5. **ERDF Update**

- 5.1 **MH** provided members with an update on the ERDF programme as detailed in Paper 5. Following the P3 call launched in March MHCLG received 8 outline applications, 1 of which failed to pass gateway assessment and the remaining 7 will be discussed at this meeting in terms of their strategic fit along with the Pan LEP Specialist Manufacturing Service which was submitted in response to a NW wide manufacturing call. Members were asked to note the MI provided with the caveat that the NPIF MI is up to end of March 2018 due to availability of the Q2 data and timings of the meeting. Latest NPIF MI will be circulated when it becomes available.
- 5.2 The Pan LEP Specialist Manufacturing Service (**Paper 5a**) which is a continuation was introduced by **PK**. The application does not appear to address the local need from the call, nor the local needs of other LEP areas. The project some time to gain momentum due to staffing issues but is now delivering. **AT** requested that the applicant articulate how the offer compliments existing provision in addition to the growth hub and this should be mapped out for clarity.
- 5.3 **Papers 5b-5h** are assessments for the 7 projects that responded to the P3 call developed following the Regeneris Report. **PK** confirmed that the call had a value of £13million and was for both extensions to existing projects as well as new applications, the 7 projects have a value of approx. £20million. The new IB process was outlined to members cumulating in both MA and IB comments being included in the final assessment. Common issues amongst a number of the applications were raised including a low conversion of C1 to C8 outputs and from an IB perspective parity between C1 and C8 was expected. Some applications appeared to show stronger alignment with PA1 and PA4 which would need addressing as the high value support translates to poor value for money.
- 5.4 Papers 5b-d cover the core business support offer and the IB would like to see further development of a good working relationship between the 3 projects and simplicity of the offer to SMEs. The projects should ensure an integrated customer journey and application of the developing 'one front door' approach. Enterprise Hub and New Markets 2 have low levels of intervention in Halton which should be addressed. **DS** highlighted that hard to reach areas should be considered and **DR** confirmed that in addition to this cross cutting themes are still a part of the assessment and appraisal process.

- 5.5 **MH** confirmed that the points raised by members will be incorporated. A debriefing day for applicants is to be arranged and will comprise of a morning session covering IB and MA processes and individual afternoon sessions with projects on a one to one basis. There is potential for 1 or 2 of the projects to be rejected and subsequent PA1 and PA4 calls to be released depending on the effect of the exchange rate.
- 5.6 Dependent on the content of the applications some will be invited to submit a PCR, others that have new activity / that are new applications will submit a full application.
- 5.7 **Papers 5i-5j** is RetroFIT for the Future, a full application which has previously been to ESIF sub-committee but due to post-Grenfell requirements on RSLs has been scaled down and some elements have changed. As this is a historic application pre-dating the incorporation of the Combined Authority there is no IB element. It had been hoped that some existing schemes could have remained but that hasn't been the case.

**The ESIF sub-committee confirmed local strategic fit.**

**6. EAFRD**

- 6.1. **CB** provided an update on EAFRD. The Expression of Interest closed at the end of May, 660 were received on the final day bringing the total to 1800 applications with an allocation of £340,000.
- 6.2. The two successful Eols for that have been circulated to members included JMB Farming which has a current value of £160,000 but this may increase depending on justification and a business manufacturing Greek Yoghurt with a value of £86,000. The latter wasn't very strong and could be considered risky as the business is very new.

**7. AOB**

- 7.1. **PK** informed members that the city region would be hosting the next National Atlantic Strategy Conference which will be held in October with some ESIF projects being highlighted.
- 7.2. Members enquired about the potential to feed in to the UKSPF and requested it to be discussed at the next meeting.
- 7.3. ESF OP changes will be confirmed in the near future, members enquired about how this will affect projects in LCR.

**Date, time and venue of future meetings: TBC**

## Annex A Attendee List

### Liverpool City Region ESI Funds Sub-Committee 17 July 2018 meeting

#### Chair & Deputy Chair:

Name, title and organisation	Sector/Organisation Representing
Cllr Phil Davies	Co Chair

#### Sub-Committee Members:

Name, title and organisation	Sector/Organisation Representing
Andy Churchill	Voluntary
Mike Henesey	MHCLG
David Read	MHCLG
David Shaw	Rural
Rachel Shwe	MHCLG
Maureen Stafford	DWP
Cllr Dave Cargill	LCR CA
Pernille Kousgaard	LCR CA
Cllr Eddie Jones	LCR CA
Gideon Ben-Tovim	Environment
Tony Wade	LCR LEP
Maggie O'Carroll	Voluntary
Rob Tabb	Skills
Alison Thornber	HEI
Maureen Stafford	DWP

#### Others in attendance (non-members - including secretariat):

Name, title and organisation	Sector/Organisation Representing
Angela Hanaghan	ERDF Support Officer
Craig Bradley	EAFRD
Brittany Mason	Secretariat

#### Apologies:

Name, title and organisation	Sector/Organisation Representing
Mike Palin	Local Authority
Cllr Liam Robinson	CA
Kath Boullen	Private Sector