



**European Union**

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

**Growth Programme for England**

## **Humber ESI Funds Sub-Committee**

**Minutes of meeting held Wednesday 23 October 2019  
Brough Business Centre, Skillings Lane, Brough, HU15 1EN**

### **Agenda:**

- 1. Welcome and introduction**
- 2. Minutes of 18 September 2019 meeting and progress of actions**
- 3. MHCLG MA and ERDF Programme Update**
- 4. ERDF Outline Applications for Consideration:**
  - 4.1. Priority Axis 2
    - 4.1.1. Humber Business Growth Hub – ICT Voucher Scheme
  - 4.2. Priority Axis 3
    - 4.2.1. Melton West Business Park – High Specification Industrial Units
    - 4.2.2. Manufacturing Growth Programme II – Extension
    - 4.2.3. Humber Business Growth Hub – Investment Readiness Scheme
    - 4.2.4. Humber Business Growth Hub – Business Growth Scheme
  - 4.3. Priority Axis 4
    - 4.3.1. Humber & North Yorkshire Grants for Research & Development – Low Carbon
    - 4.3.2. AIC Low Carbon Business Support Extension Programme – ‘Aura Plus’
- 5. Items for information**
- 6. Date, time and venue of future meetings**

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

The **Chair** welcomed sub-committee members to the meeting and noted apologies (see Annex B).

### **2. Minutes of 18 September 2019 meeting and action update**

The minutes of the previous Humber ESI Funds sub-committee meeting had one amend:

Pages 4 & 5 of the minutes (pages 6 & 7 in the papers), item 5 ‘DWP MA and ESF Programme Update’ is to be corrected as suggested by **Maureen Stafford** from DWP (ESF managing authority) via email on 17 October 2019, the following text replaces item 5 in its entirety:

The sub-committee noted:

- £2.1billion (64.5%) has now been committed to ESF applications

- During January 2019 the commission interrupted payments to DWP, but this did not interrupt payments to Grant Recipients. DWP introduced online Calls in April 2019 as part of the recommendations by the Commission. The interruption has now been lifted.

**Maureen Stafford** from DWP provided a verbal update on the ESF programme.

The sub-committee noted:

- There are two applications currently in appraisal, and two more that will be ready for appraisal in a few weeks
- Regarding the reserve fund; a letter will shortly be circulated to the chairs of ESI Funds Sub-committees, which outlines how the ESF reserve fund will work. There is an opportunity to maximise the spend for ESF. LEP areas can apply for funding from the reserve fund and can apply for additional funding. Once the criteria has been defined, LEP areas will apply for funding to launch calls, which will be presented to Sub-committees
- LEP areas which are currently under-committed will be prioritised where limited funds are available.
- Budget commitment envelopes will be available on a fortnightly basis, proposals for funding which meet selection criteria but for which there is insufficient budget will roll over to the next funding envelope and be considered in competition. Proposals which address targets which are currently underperforming nationally will be given priority.
- If core proposal is accepted, business will continue to run as usual
- Calls are scheduled up until December 2019 under the existing arrangements. Calls agreed under the Reserve Fund will be launched from the New Year. DWP will be corresponding with the LEPs outside of the

The remaining sections of the previous Humber ESI Funds sub-committee meeting were agreed as a true and accurate record.

All other actions from the previous sub-committee meeting were agreed as now being closed.

**Action: Secretariat** to circulate revised minutes to sub-committee members for information.

### 3. MHCLG MA and ERDF Programme Update

**Kathryn Campbell-Savours** from MHCLG (ERDF managing authority) provided a verbal update on the European Regional Development Fund programme.

The sub-committee noted:

- The Growth Programme Board have made an alteration to the 'ESI Funds Local Sub Committee Terms of Reference' with a view to streamlining the process. During discussion of outline applications, sub-committees will decide whether they would like to review the project at full application stage, this would either be at a sub-committee meeting or via written procedure. Should changes occur between outline application and full application the managing authority will determine whether these should return to

sub-committee for review. Continuation/extension applications that progress via project change request will not return to the sub-committee.

The **Chair** proposed that applications would return to the sub-committee in the event that applications:

- a. Receive a substantial amount of comments/criticisms
- b. Change significantly during the appraisal process
- and / or
- c. The managing authority has advised appraisers to raise caution.

The sub-committee agreed to the above proposal.

#### Performance overview

- The N+3 target has been achieved and exceeded significantly both nationally and locally. Good progress is being made towards the 2020 target which is expected to be achieved ahead of the target date.

**Kathryn Campbell-Savours** from MHCLG provided a verbal update on the ERDF programme in the Humber.

The sub-committee noted:

- £54.552million (97.5%) of the allocation is either in pipeline or contracted.
- Full applications previously reviewed by the sub-committee are expected to be contracted imminently.

The **Chair** queried what will happen to the remainder of the funds which was allocated to priority axis 8. **Kathryn Campbell-Savours** will look into this query and provide feedback.

**Action: Kathryn** to investigate what will happen to remaining funds allocated to priority axis 8 and provide feedback to the sub-committee.

The **Chair** suggested that a Technical Assistance Showcase should be arranged to demonstrate the Humber's achievements.

## **4. ERDF Outline Applications for Consideration**

### **4.1. Priority Axis 2**

**Kathryn Campbell-Savours** (MHCLG) provided a summary of the outline application received in respect of the Humber investment priority axis 2 call; Enhancing Access To, and Use and Quality of, Information and Communications Technology.

#### **4.1.1. Humber Business Growth Hub – ICT Voucher Scheme**

Declarations of interest were received from **Sue Lang** (East Riding of Yorkshire Council), **Claire Watts** (East Riding of Yorkshire Council), **Deborah Gray** (Kingston upon Hull City Council), **Sheryle Price-Jones** (North Lincolnshire Council), **Laura Barley** (Humber LEP) and **Richard Kendall** (Humber LEP) who remained in the room whilst the following application was discussed.

The sub-committee was supportive of the application; it has demonstrated a continued fit with the Humber ESIF strategy and the local development need, growth conditions and opportunities identified in the call.

The sub-committee has confirmed that it does not need to review a subsequent full application unless there are significant changes to the scope, funding request or value for money.

## 4.2. Priority Axis 3

**Kathryn Campbell-Savours** (MHCLG) provided a summary of the outline applications received in respect of the joint Humber and York, North Yorkshire and East Riding investment priority axis 3 call; Enhancing the Competitiveness of Small and Medium Sized Enterprises.

Declarations of interest in all applications within this priority axis were received from **Sue Lang** (East Riding of Yorkshire Council), **Claire Watts** (East Riding of Yorkshire Council), **Deborah Gray** (Kingston upon Hull City Council), **Sheryle Price-Jones** (North Lincolnshire Council), **Laura Barley** (Humber LEP) and **Richard Kendall** (Humber LEP) who left the room whilst the following applications were discussed.

### 4.2.1. Melton West Business Park – High Specification Industrial Units

The sub-committee recognised that the project has demonstrated a fit with the Humber ESIF strategy, however, it does not have a strong fit with the local development need, growth conditions and opportunities identified in the call.

Furthermore, the sub-committee noted:

- concern regarding deliverability within timescale,
- the project had paid insufficient attention to demonstrating a strong commitment to environmental sustainability and place-making.

The sub-committee has confirmed that it does not need to review a subsequent full application unless there are significant changes to the scope, funding request or value for money.

### 4.2.2. Manufacturing Growth Programme II – Extension

The sub-committee was supportive of the application; it has demonstrated a continued fit with the Humber ESIF strategy and a strong fit with the local development need, growth conditions and opportunities identified in the call.

The sub-committee encourages the MA to seek to optimise the use of funds for the optimal benefit of the area, the project is requesting a small sum of funding; the sub-committee struggle to envision that this project will deliver much impact within the Humber and query whether the funding requested is for the whole of the Humber area.

The sub-committee has confirmed that it does not need to review a subsequent full application unless there are significant changes to the scope, funding request or value for money.

#### **4.2.3. Humber Business Growth Hub – Investment Readiness Scheme**

The sub-committee was supportive of the application; it has demonstrated a continued fit with the Humber ESIF strategy and a strong fit with the local development need, growth conditions and opportunities identified in the call.

The sub-committee has confirmed that it does not need to review a subsequent full application unless there are significant changes to the scope, funding request or value for money.

#### **4.2.4. Humber Business Growth Hub – Business Growth Scheme**

The sub-committee was supportive of the application; it has demonstrated a continued fit with the Humber ESIF strategy and a strong fit with the local development need, growth conditions and opportunities identified in the call.

The sub-committee has confirmed that it does not need to review a subsequent full application unless there are significant changes to the scope, funding request or value for money.

The sub-committee noted that the call was overbid, the sub-committee encourages the Managing Authority to prioritise projects in relation to fit with the call and ensuring that business support be focused on SMEs across the Humber area. The sub-committee would rank the projects in the following order:

1. Humber Business Growth Hub – Business Growth Scheme
2. Humber Business Growth Hub – Investment Readiness Scheme
3. Manufacturing Growth Programme II
4. Melton West Business Park

The sub-committee was reminded that the project Enterprising the Humber remains on the reserve list, the project responded to the open call which closed in November 2018, it was not progressed due to a lack of funds. The sub-committee advised the managing authority that the project was not prioritised above the revenue projects which responded to the call which closed in September 2019.

### 4.3. Priority Axis 4

**Kathryn Campbell-Savours** (MHCLG) provided a summary of the outline applications received in respect of the Humber investment priority axis 4 call; Supporting the Shift Towards a Low Carbon Economy in All Sectors.

A declaration of interest was received from **Gill King** (the University of Hull) who left the room whilst the following applications were discussed.

#### 4.3.1. Humber & North Yorkshire Grants for Research & Development – Low Carbon

The sub-committee was supportive of the application; it has demonstrated a continued fit with the Humber ESIF strategy and the local development need, growth conditions and opportunities identified in the call.

The sub-committee particularly noted:

- support for an extension in time for the project;
- the need for evidence of demand for additional grants to SMEs;
- there is concern regarding the applicant's ability to spend the full amount of funding requested;
- the need for the University to engage across departments and across ERDF funded projects.

The sub-committee has confirmed that it does not need to review a subsequent full application unless there are significant changes to the scope, funding request or value for money.

#### 4.3.2. AIC Low Carbon Business Support Extension Programme – 'Aura Plus'

The sub-committee was supportive of the application; it has demonstrated a continued fit with the Humber ESIF strategy and the local development need, growth conditions and opportunities identified in the call.

The sub-committee acknowledged the current project has yet to demonstrate the deliverability of its objectives so far, as the capital build is nearing completion, but business support activities are at an early stage and on this basis the project has limited track record.

The sub-committee recommended that the project could be strengthened by:

- providing evidence of demand;
- demonstrating how the additional funding request contributes to the sustainability of the centre, understanding how funding will interact with income generation;
- further cross-university working, within the Aura project and vis-à-vis ERDF projects.

The sub-committee has confirmed that it does not need to review a subsequent full application unless there are significant changes to the scope, funding request or value for money.

The sub-committee noted that the PA4 call was overbid and encouraged the managing authority to consider the progression of projects scaling where applicable.

**Action:** The University of Hull to be asked to deliver an Aura project presentation at next sub-committee meeting, and if they have the availability, the January 2020 Humber ESI Funds sub-committee meeting will be held on-site.

## 5. Items for information

**Laura Barley** (Humber LEP) informed the sub-committee:

- The Northern Powerhouse Investment Fund (NPIF) has invested £7million in supporting 28 small to medium enterprises and 39 business investments within the Humber, including investment in C4DI based technology companies. ERDF funding has been matched with the European Investment Bank. The sub-committee commented that while recognising the Humber did not have additional resources to invest in NPIF, it would not be unhappy if NPIF were to grow within the Humber and suggested that the Northern LEPs write to the government to encourage continuation of similar activity in the future. The sub-committee commented that this may be an opportunity for the future of social enterprise funding.

**Action: Laura** to gain more granular information on sector and geography of NPIF activity and report to the LEP.

**Laura Barley** (Humber LEP) provided an update on behalf of the Rural Payments Agency (EAFRD managing authority).

The sub-committee noted:

- The national call has been delayed due to Brexit, which is hoped to go live during the second week of November 2019, after the ministerial conference has taken place
- 04 December 2019 has been proposed as a date for an EAFRD promotional event to be held in Pocklington, East Riding of Yorkshire. Sub-committee members are encouraged to promote the event amongst their constituents.

## 6. Date, time and venue of future meetings

Wednesday 29 January 2020, 14:00 – 16:00, Venue TBC

Wednesday 22 April 2020, 4:00 – 16:00, Humber Bridge Board, Conference Room, HU13 0HX

Wednesday 15 July 2020, 4:00 – 16:00, Venue TBC

Wednesday 07 October 2020, 4:00 – 16:00, Venue TBC

## Annex A

### List of Agreed Actions from Wednesday 23 October 2019 Humber Sub-Committee Meeting

Agenda Item	Action	Action Assigned to	Status
2.	<b>Secretariat</b> to circulate revised minutes to sub-committee members for information.	MHCLG Secretariat	To be completed ASAP
3.	<b>Kathryn</b> to investigate what will happen to remaining funds allocated to priority axis 8 and provide feedback to the sub-committee.	Kathryn Campbell-Savours, MHCLG	To be completed
4.3.2.	The University of Hull to be asked to deliver an Aura project presentation at next sub-committee meeting, and if they have the availability hold the January 2020 Humber ESI Funds sub-committee meeting on-site.	Kathryn Campbell-Savours, MHCLG	To be completed
5.	<b>Laura</b> to gain more granular information on sector and geography of NPIF activity and report to the LEP.	Laura Barley, Humber LEP	To be completed

### List of Agreed Actions carried forward from previous meetings

Date	Action	Action Assigned to	Status
18/09/2019	Sub-committee members were reminded that outstanding Declaration of Interest forms for 2019 are to be submitted as soon as possible to the ERDF Secretariat.	ALL	One DoI outstanding – see action
18/09/2019	Sub-committee members to record the dates of the Humber ESI Funds Sub-committee for 2020 in their calendars.	ALL	Closed
23/05/2018	<b>Sally Harrison, RPA DEFRA</b> to keep abreast of developments in other LEPs e.g. YNYER and Greater Lincolnshire.	RPA/DEFRA	Action ongoing
14/09/2016	<b>Claire Watts, TA Partnership</b> to consider further activity with training providers to ensure knowledge and skills are available to respond to ESF direct bidding opportunities.	LEP	Action ongoing – to review at appropriate time



03/02/2016	<b>ERDF managing authority</b> to monitor ESI Funds sub-committee attendance over the coming months to ensure no adverse impact is made on attendance as a result of the new schedule	MHCLG	Action ongoing
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## Annex B Attendee List

### Humber ESI Funds Sub-Committee Wednesday 23 October 2019 meeting

#### Chair & Deputy Chair:

Name, title and organisation	Sector/Organisation Representing
<b>Isobel Mills</b> , Humber LEP Board Member, Humber Local Enterprise Partnership	Chair
<b>Kathryn Campbell-Savours</b> , Humber LEP Board Member, MHCLG	ERDF Managing Authority

#### Sub-Committee Members:

Name, title and organisation	Sector/Organisation Representing
<b>Martin Hewitson</b> , Partnership Manager, DWP	Government
<b>Richard Kendall</b> , Executive Director, Humber LEP	Humber LEP
<b>Peter Campey</b> , Assistant Director, BEIS Local, Yorkshire, Humber & North East	BEIS
<b>Lucy Marshall</b> , Planning Specialist, Environment Agency	Environment
<b>Gill King</b> , reserve for <b>Bill Walker</b> , the University of Hull	Higher Education
<b>Sue Lang</b> , Regeneration & Funding Group Manager, East Riding of Yorkshire Council	Local Authority
<b>Claire Watts</b> , External Funding & Policy Manager, East Riding of Yorkshire Council	Technical Assistant (advisory), Equality & Diversity
<b>Darren Clarke</b> , Manager, Humber Nature Partnership	Environment
<b>Deborah Gray</b> , Strategic Delivery Manager, City Regeneration, Kingston upon Hull City Council	Local Authority
<b>Sheryle Price-Jones</b> , North Lincolnshire Council	Local Authority
<b>Laura Barley</b> , Business Programme Manager, Humber LEP	Humber LEP

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

Name, title and organisation	Sector/Organisation Representing
<b>Mel Perkes</b> , ERDF Secretariat, MHCLG	ERDF Managing Authority

#### Apologies:

Name, title and organisation	Sector/Organisation Representing
<b>Bill Walker</b> , University of Hull	Higher Education
<b>Maureen Stafford</b> , DWP (ESF Managing Authority)	ESF Managing Authority
<b>Janet Godfrey</b>	Rural Interests
<b>Sally Harrison</b> , Area Manager, Operational Delivery, RPA/DEFRA	EAFRD Managing Authority
<b>Sian Broughton</b> , ERVAS	Voluntary Sector

<b>Chris Duffill</b> , Inward Investment Manager (External Funding), North East Lincolnshire Council	Local Authority
<b>Andrew Osivwemu</b> , ERDF Programme Manager, MHCLG	ERDF Managing Authority