



European Union

European Structural
and Investment Funds

**European Structural and Investment
Funds**

2014 - 2020

Growth Programme for England

**Oxfordshire ESI Funds Sub Committee
Thursday 5 July 2018**

**Boardroom, OxLEP, First Floor, Jericho Building, Activate Learning –
City of Oxford College, Oxpens Road, Oxford, OX1 1SA**

Agenda:

1. Welcome and introduction
2. Minutes of 31 January 2018 and action update
3. Revised ESIF Strategy
4. European Agricultural Fund for Rural Development (EAFRD) Management Information Report
5. European Social Fund (ESF) National Programme Update
6. ESF Local Update
7. ESF Full Applications
8. European Regional Development Fund (ERDF) National Programme Update
9. ERDF General Update on ERDF Applications, Projects and Allocation
10. ERDF Call
11. AOB

1. Welcome and introductions

1.1 The Chair thanked the ESIF Sub Committee for their attendance and apologies were noted as detailed in Appendix B.

1.2 The Chair reminded the ESIF Sub Committee of their advisory role when considering applications for strategic fit and value for money.

2. Minutes of 31 January 2018 meeting and action update

2.1. The draft minutes of the 31 January 2018 meeting were approved as accurate.

2.2. Dawn Pettis gave an update on action 4 from the 31 January meeting. The Oxfordshire LEP did not apply for ESF Technical Assistance because of limited capacity and difficulty meeting timescales.

2.3. The ESIF Sub Committee's 'disappointment that Department of Work and Pensions were unable to attend' the January 2018 meeting was recorded as part of the previous minutes. The ESF Managing Authority (MA) acknowledged

the ESIF Sub Committee's concerns and apologised for the unavoidable absence due to priority audit work. Feedback on the applications discussed at the November ESIF were reported in a timely manner.

3. Revised ESIF Strategy

- 3.1. **Dawn Pettis** introduced the draft of the revised ESIF Strategy. It is a shorter version of the second strategy published in March 2017. It focusses on ERDF and ESF only as the EAFRD deadline passed on 31 May 2018. It mentions the Local Industrial Strategy. The ESIF Sub Committee made a number of suggestions and comments. It was noted that the information on ESF Priority Axis (PA)1 at the bottom of page 4 could be updated. The ESIF Sub Committee asked for the following: that the economic picture in the strategy reflects Brexit and Artificial Intelligence; that in the section on careers the strategy could reflect that there is now more access to schools for providers; that a paragraph on PA4 be added to pick up the forthcoming Energy Strategy.

Action 1

- **Dawn Pettis to make the suggested changes to the Strategy and arrange with Secretariat to circulate by written procedure**

4. EAFRD Management Information Report

- 4.1. The ESIF Sub Committee read the management information report that **Sarah McGinn** had provided in her absence. The ESIF Sub Committee requested clarification about aspects of the management information report.

Action 2

- **Dawn Pettis to contact Sarah McGinn to clarify which aspects of the EAFRD management information report applied to the national position and which to the local.**

5. ESF National Programme Update

- 5.1. **Jay Kara** gave an update on ESF commitment and calls. The MA is making progress towards meeting N+3 targets. Spending until the end of Q2 2018 will count towards N+3. **Jay Kara** updated on progress by Co-Financing Organisations (CFOs). The Department of Work and Pensions (DWP) has started talking to LEP areas about the second half of the programme and Education, Skills and Funding Agency (ESFA) Project Change Requests have now been approved to reflect an extension in time for some areas and an extension in time and money for others.

Action 3

- **Jay Kara to follow up with DWP to ensure they contact Oxfordshire LEP regarding the second half of the programme.**

6. ESF Local Update

6.1. **Jay Kara** talked through the local management information tables.

7. ESF Full Applications

7.1. **Jay Kara** introduced the full applications of two projects for discussion of local strategic fit and value for money.

Employment Support and Training

7.2. **Jay Kara** introduced the project which is seeking £584,876 ESF under Investment Priority 1.1 to provide active employability support throughout Oxfordshire. **Neil Edwards** declared an interest. **Jay Kara** noted that the project's unit cost had increased slightly since the outline stage and that the outputs had been increased in discussion with the appraiser in order to improve value for money. She invited comments from the ESIF Sub Committee.

7.3. The ESIF Sub Committee raised concerns about whether the project may duplicate other provision operating with a similar cohort. The ESIF Sub Committee discussed various approaches to this issue. Broadly, it was agreed that it was desirable that the applicant engage with other providers and that good data was important to enable challenge around outcomes. It was noted that the addition of two partners increased the project's geographic and sectorial reach. **Jay Kara** said that it would be possible to make it a requirement that the successful applicant works in a forum with other providers in the area. It was agreed that Oxfordshire LEP would investigate how to take a provider forum forward. The ESIF Sub Committee agreed that the project had local strategic fit but recommended further clarification and conditions to take account of the points raised above.

Boosting Skills for Business

7.4. **Jay Kara** introduced the project which is seeking £384,474 ESF under Investment Priority 2.1 to provide vocationally relevant Functional Skills training and careers guidance to employees of SMEs. She invited comments from the ESIF Sub Committee.

7.5. The ESIF Sub Committee felt that it was a positive point that a range of skills and learners was included in the proposal, though it was important to establish how the project fits with existing provision in the area. There was a question about whether the reference to the Federation of Small Businesses in the application was accurate. The ESIF Sub Committee agreed that the project had local strategic fit but recommended further clarification to take account of the points raised above.

Action 4

- **Oxfordshire LEP will investigate how to set up an ESF Provider Forum.**

8. ERDF National Programme Update

8.1. **Chris Armstrong** presented the ERDF National Programme update highlighting key points from the circulated paper. It was confirmed that in total

527 ERDF projects had been contracted and 47% of the allocation for more developed regions had been contracted. Quarter 2 claims were of particular importance in relation to national N+3 targets. The Growth Programme Board had discussed changing the foreign exchange rate used to convert allocations from euros to pounds and options to extend LEP allocations and create a reserve fund. The **Chair** noted that it might be difficult for LEPs to spend small allocation increases in a relatively short period and **Chris Armstrong** confirmed he had raised this issue with the Head of the local Growth Delivery Team.

8.2. **Chris Armstrong** explained that a series of regional engagement discussions on UK Shared Prosperity Fund (UKSPF) are being run ahead of the formal, public consultation later this year. These would be informal events with breakout sessions to gather evidence and input from stakeholders to guide further policy development. The **Chair** said that the aim was to gather opinions from LEPs operating in similar economic geographies.

8.3. The ESIF Sub Committee discussed the specific challenges faced in Oxfordshire and the common assumption these places were well catered for. The **Chair** explained that wider plans for an Oxford/Cambridge Corridor were being considered in relation to the proposed UKSPF. The **Chair** expected the consultation would offer the opportunity for representatives to pitch for an area either focused around the Thames Valley or the Oxford/Cambridge Corridor.

9. ERDF General Update on Applications and Calls

9.1. **Chris Armstrong** presented a new Management Information report and explained that the figures have been rounded and were subject to change depending on various factors including programme adjustments, exchange rates and project performance.

9.2. Table 4 showed the total values of ERDF legally committed for Oxfordshire was £5.67million which was 73% of the allocation. Including potential committed projects this total rose to £7 million ERDF which was 90% of the allocation. Table 1 showed output targets and the outputs claimed to date. **Barbara Hammond** questioned the RAG ratings and the outputs data based on latest claims submitted. The ESIF Sub Committee discussed a potential call in March 2019. It was noted that for calls later in the programme there was a risk that projects may have a shorter duration as the end of the programme approaches.

Action 5

- **Chris Armstrong to clarify data shown in Table 1 of the ERDF MI Report.**

Action 6

- **Chris Armstrong to check cut-off date for expenditure under the 2014-20 ERDF Programme.**

10. ERDF Call

10.1. **Chris Armstrong** introduced the draft PA1 call for discussion. The call was tailored to investment priority 1a enhancing research and innovation infrastructure and capacities to develop research and innovation excellence, and

promoting centres of competence, in particular those of European interest and investment priority 1b: promoting business investment in research and innovation. Indicatively a value of £500,000 was proposed but this could change depending on national N+3 performance and how a proposed change to the foreign exchange rate is used to calculate allocations.

10.2. **David Hartley** asked about the duration of the call. **Chris Armstrong** explained that the call was expected to be published on 5 October 2018 and it would be expected to close before Christmas 2018. [post meeting update: the call is currently expected to close on 23 November 2018]. **Samuel Kabiswa** asked if the call could cover the activity across the Oxford/Cambridge corridor. The **Chair** explained that the draft call was for Oxfordshire, wider plans for the Oxford/Cambridge corridor were being developed and were being considered in relation to the proposed UK Shared Prosperity Fund. **Gill Wells** noted that it would be a great challenge to deliver all of the activities highlighted in yellow with £500,000 ERDF. The **Chair** explained that projects would not be required to deliver all of the indicative activities.

10.3. **Chris Armstrong** also noted the remaining PA4 allocation of £244,000. Even if the changes to the exchange rate increased the allocation, it may not increase to £500,000 (which is the standard minimum value for a call). Potential options for a PA4 call in October 2018 were discussed including a smaller call for less than £500,000 or a possible joint call with other LEPs for example Buckinghamshire Thames Valley or Thames Valley Berkshire. It was suggested that both PA1 and PA4 calls might be launched at same time as this might encourage collaborative bids. **Dawn Pettis** was due to attend the GSE local energy hub board meeting and agreed to discuss options with her contacts there.

Action 7

- **Chris Armstrong and Dawn Pettis to explore options for a PA4 call in October 2018**

11. Any Other Business

11.1. **Dawn Pettis** said that there was potential for a joint call on unemployed people with mental health problems and that this would probably be taken forward under the ESFA opt-in. Update post ESIF Sub Committee: **Dawn Pettis** noted that this call will not go ahead and an Oxfordshire-wide only call under the ESFA opt-in would be taken forward.

11.2. **Jay Kara** also informed the ESIF Sub Committee that in future the ESF MA would be represented by **Joanna Wright**.

11.3. The **Chair** thanked the ESIF Sub Committee for their time and closed the meeting.

11.4. **Date, time and venue of future meetings:**

- Date: 28 November 2018, Activate Learning – City of Oxford College, Oxpens Road, Oxford, OX1 1SA

Annex A

List of Agreed Actions for the Oxfordshire ESI Funds Sub Committee 5 July 2018 Meeting.

Agenda Item	Action	Action Assigned to
3	Action 1 – Dawn Pettis to make the suggested changes to the Strategy and arrange with Secretariat to circulate by written procedure	Dawn Pettis
4	Action 2 – Dawn Pettis to contact Sarah McGinn to clarify which aspects of the EAFRD management information report applied to the national position and which to the local.	Dawn Pettis
5	Action 3 – Jay Kara to follow up with DWP to ensure they contact Oxfordshire LEP regarding the second half of the programme.	Jay Kara
7	Action 4 Oxfordshire LEP will investigate how to set up an ESF Provider Forum.	Dawn Pettis
9	Action 4 – Chris Armstrong to clarify data shown in Table 1 of the ERDF MI Report.	Chris Armstrong
9	Action 5 – Chris Armstrong to check cut-off date for expenditure under the 2014-20 ERDF Programme.	Chris Armstrong
10	Action 6 – Chris Armstrong and Dawn Pettis to explore options for a PA4 call in October 2018	Chris Armstrong and Dawn Pettis

Annex B Attendee List

Oxfordshire ESI Funds Sub Committee 5 July 2018 Meeting

Chair & Deputy Chair:

Name, title and organisation	Sector/Organisation Representing
Nigel Tipple, Oxfordshire LEP CEO	Chair
Chris Armstrong, MHCLG	Deputy Chair

Sub Committee Members:

Name, title and organisation	Sector/Organisation Representing
Gill Wells, University of Oxford	Higher Education
Dawn Pettis, Oxfordshire LEP	Oxfordshire LEP
David Hartley, Oxford Brookes University	Higher Education
Neil Edwards, Activate Learning	Further Education
Barbara Hammond MBE, CEO Low Carbon Hub	Business Partners (Social Enterprise)
Dene Robson, West Oxfordshire and Cotswold District Councils	Local Authority
Melanie Smans, , South Oxfordshire and Vale of White Horse DC Councils	Local Authority
Jay Kara, DWP	ESF Managing Authority (DWP)

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

Name, title and organisation	Sector/Organisation Representing
Samuel Kabiswa, Oxford City Council	Local Authority
Tim Whelehan, MHCLG	ERDF Managing Authority (secretariat)

Apologies:

Name, title and organisation	Sector/Organisation Representing
Matthew Peachey, Oxford City Council	Local Authority
Giles Hughes, West Oxfordshire and Cotswold District Councils	Local Council
Sophie Milton, South Oxfordshire and Vale of White Horse District Councils	LEADER
Lilian Nsemwa, Big Lottery Fund	ESF Opt-ins
Graham Watt, MHCLG	Deputy Chair
Sarah McGinn, Defra/RPA	EAFRD Managing Authority (DEFRA)
Jayne Manley, Earth Trust	Environment and Sustainability