



European Union

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

Growth Programme for England

SEMLEP ESI Funds Sub-committee

06 November 2019

10:00 – 14:00

Room 14, Cranfield innovation Centre, University Way, Cranfield, Bedford MK43 0BT

Agenda				
Item	Description	Purpose	Led by	Timing
1.	Welcome and introduction • Apologies		Chair	10.00 - 10.05
2.	Minutes of meeting 26 June 2019 and progress of actions • Agreement of minutes • Update on any actions, as necessary • Date of next meeting	Agreement	Chair	10.05 -10.10
3.	Terms of Reference 3.1 Revision to Terms of Reference [paper]	Information / Agreement	Glyn Darbyshire Evans	10.10 - 10.20
4.	Written procedures update (verbal)	Information	Glyn Darbyshire Evans Jay Kara	10.20 - 10.25
5.	Managing Authority Updates 5.1 ERDF [paper] 5.2 ESF [paper] 5.3 EAFRD [paper]	Information	MHCLG – Glyn Darbyshire Evans DWP – Jay Kara RPA / DEFRA – David Sillett	10.25 - 10.45
6.	Local Area Updates (verbal) • CVS and Rural • SEMLEP Board	Information	Ken Christy/Tony Knaggs	10.45 -10.55
7.	ESF Full Application / Calls 7.1 PA1, IP1.4 – Call Ref 1081 - Full Applications [paper] • All Change Building a Brighter Future • Breaking Down Barriers • Now IMPACT	Advice	Jay Kara	10.55 - 11.25
8.	ERDF - June 2019 Calls 8.1 ERDF June 2019 Calls Summary [paper]	Information	Glyn Darbyshire Evans	11.25 - 11.30
	8.2 MEIF - Absorption of unallocated ERDF funds [paper]	Advice	Glyn Darbyshire Evans	11.30 -11.40
	8.3 Outline Application Assessments	Advice	Glyn Darbyshire Evans	11.40 – 13.20

	PA1 <ul style="list-style-type: none"> • Colworth Park • Actis Phase 3 • Digital Innovation for Manufacturing PA2 <ul style="list-style-type: none"> • Digital Northampton • Productivity Escalator • SME Digital Transformation PA3 <ul style="list-style-type: none"> • Feast 3 • Midlands Internationalisation Fund • Manufacturing Growth Programme II • Internationalising SMEs Phase 3 • Better off in Business Phase 3 • CEEMS • SEMSUP PA4 <ul style="list-style-type: none"> • Renew3 • Green Check • Low Carbon Workspaces PA6 <ul style="list-style-type: none"> • Open Lea 			
9.	Any other business	Information	Chair	13.20 - 13.30
Close				
Date, time and venue of future meetings: <ul style="list-style-type: none"> • March 2020 (date TBC) – Cranfield Innovation Centre 				

Item 1. Welcome and Introduction

1.1 Apologies

1.1.1. The following apologies were noted:

Name	Organisation	Deputised by
Sue Quinn SQ	Social Business Alliance CIC	
Lesley Nicholls LN	Luton Borough Council	
David Sillett	RPA	

Item 2. Minutes of meeting 26 June 2019 and progress of actions

2.1 Agreement of minutes -
Agreed.

2.2. Update on any actions, as necessary-see table below.
No updates.

Item 2.1

Action Number	Action identified from 26 June 2019 meeting	Action update at 06 November 2019 meeting
1	Secretariat to email ERDF projects link to attendees.	Completed
2	Members to contact MC and JR with any ideas for encouraging further applications.	Closed
3	SH to send CLLD newsletter to JR. JR to publish on SEMLEP website.	Closed
4	MC to provide the link to the SEMLEP online brochure to the secretariat for circulation to members.	Closed
5	Secretariat to cancel the 25th September and 11th December meetings and send invite for Weds 6th November.	Completed

2.3 Date of next meeting

It was agreed that the previously discussed date of 5th February 2020 would be moved to March 2020 in order for an overview to be provided of the full applications received in respect of the June calls, the deadline for which is 6th March 2020.

Item 3. Terms of Reference

3.1 Revision to Terms of Reference (paper)

3.1.1 G D-E explained that the Growth Programme Board were looking to change the process through which applications are presented to ESIF Sub-Committees. This would mean that members would be required to indicate when presented with outline applications as to whether or not they would wish to consider again when the full application is received.

3.1.2 JK reminded members that a shortened process for the ESF MA is already in place as there are no outline applications.

3.1.3 A query was raised as to on what basis the voting would be. It was discussed that the shortest number possible would help shorten the process. It was suggested that reasons for applications to be considered at the full application stage included those that had been subject to a lot of comments at outline stage, have multiple conditions, appear to be contentious, where there are multiple or significant changes since outline or where there is competition for money, in a particular PA, for example, or where there was similar activity proposed.

3.1.4 Members agreed that the approach would need to be consistent.

3.1.5 It was agreed that members would decide on which full applications they wish to consider.

Item 4. Written procedures update (verbal)

4.1 G D-E confirmed that three applications had been presented via written procedures. These were summarised as follows:

- Alphas - three comments received. Generally supported. Comments referring to graduate consultant recruitment, robust workshops, and a marketing plan being in place.
- Growth Curve - three comments received. Generally supported. Comments included that Growth Hub funding may end in March 2020. G D-E clarified that this would be considered as part of the agreement process.
- Midlands internationalisation Fund - two comments. Generally supported.

4.2 G D-E confirmed that the above projects are now at the grant funding agreement stage.

4.3 JK confirmed that there was one PCR for the National Lottery Community Fund to extend the BBO project covering the former Northamptonshire LEP area and SEMLEP. Two responses were received by the deadline both in favour to support the extensions.

Item 5. Managing Authority Updates

5.1 ERDF – Glyn Darbyshire Evans, MHCLG, ERDF Managing Authority

5.1.1 G D-E presented the paper distributed to members on 30th October 2019, as per agenda item 5.1.

5.1.2 G D-E explained that output information was not available as the MI system is currently being updated. Members confirmed they are happy to wait until the next meeting for this information.

5.1.3 It was confirmed that any unallocated funds resulting from this latest call would be absorbed into the national reserve fund in early 2020. No details are yet available of how this will operate.

5.2 ESF – Jay Kara, DWP, ESF Managing Authority

5.2.1 JK presented the paper distributed to members on 30th October 2019. Jay confirmed that nationally there are enough claims received by the MA to meet the N+3 target.

5.2.2 There were no live calls for SEMLEP-with the last PA1 call having closed in July 2019. The status for this had been outlined within the paper.

5.2.3 Two PA2 calls had closed in June 2019, with no applications having been received for the SEM Construction Skills Pathway call. Jay acknowledged that this was disappointing due to the efforts made by JR to build a pipeline.

5.2.4 The four applications received in respect of the Digital Skills Resilience, with a value of £2.13m exceeded the call value.

5.2.5 It is intended that due to no applications being received in respect of the first call, the shortfall would be offset against the over-subscription of the second one.

5.2.6 The RF letter at Annex C of the papers had been sent to LEP chairs. The Reserve was now in operation. It is anticipated that this will operate on priority axis and category of region level. The more developed PA1 allocation is expected to be £64m and PA2 £175m but this will fluctuate.

5.2.7 JK explained that the applications to draw down funding for calls would be considered by the RF committee at fortnightly assessments. If the number of applications exceeds the amount available, then a competitive process will be followed.

5.2.8 It was confirmed that this a rolling programme, with no set cut-off date. However, this will fluctuate, and changes won't necessarily be communicated as the value of the Reserve Fund would change on a weekly basis.

5.2.9 It was also confirmed that as per the current process, SEMLEP would identify the amount of money required and the priorities to be addressed then apply to the RF, with the sub-committee being required to ratify these requests.

5.2.10 JK explained she expects turnaround times from publishing a call to issuing a Funding Agreement to be around six months, but that clarity will be required around this. There is a recruitment drive being undertaken for the appraisal team and the Eclaims online process, through which applicants apply directly will help streamline the process. The appraisal timeline is expected to take around 16 weeks after applications have been allocated.

5.2.11 JK clarified that the call process will remain the same as it is currently, with the only difference being the requirement to 'draw down' the funds available via a template to be completed. The technical assistance function would inform what calls would be published, and members would be consulted via written procedures.

5.2.12 JK confirmed that any unspent allocations for this LEP Area are now part of the RF.

Action 1: JK and JR to discuss what information should be included within the written procedures. JR will then circulate a paper to members.

5.3 EAFRD update- David Sillett

5.3.1 KC advised that there is no paper due to representative illness, but a letter regarding the Rural Development programme for England (RDPE) would be shared. This is appended at Annex B.

5.3.2 There were 13 projects contracted at a value of £13.5m, which is positive.

5.3.3 KC explained that 90 applications had been withdrawn from round two due to planning and match funding issues. This is on a par the national average.

5.3.4 Round three of the growth programme had been announced on 4th November. This round would be in respect of business development, food processing, and tourism. The call value would be £35m (with the potential for £50m) and the minimum grant to be offered within each strand would be £20,000.

5.3.5 The programme will comprise a two-stage process which will be an expression of interest then an appraisal/authority to proceed. Ministerial approval is awaited. The timescale is short, with expressions of interest to be received by 16th Feb 2020.

5.3.6 KC confirmed that approval had just been given for work to be carried out with SEMLEP, in order to promote the calls via their website. Rural sub-committee workshops would also be held with RPA. (14 members from the rural sub-group and 2 members from the MFU).

5.3.7 Briefings with the 14 members of the rural sub-group were being set up. These had already been carried out in Hertfordshire and Bedfordshire.

5.3.8 It has been confirmed that RPA will assist with the process, but that specific details were not yet available.

5.3.9 The impact on the community grants programme was discussed, and how this can be linked up as the same people may apply for both. An offer to host a workshop had been made.

Action 2: KC and JR to discuss how the fund can be promoted appropriately.

Item 6. Local Area Updates (verbal)

Item 6.1 CVS and Rural

6.1.1 TK confirmed that he had spoken to Sue Quinn and that he didn't think the grants cut would affect Northampton.

6.1.2 It was discussed that there is a desire to be involved in bids but there is a shortage of knowledge. There is concern across the CVS sector.

6.1.3 Due to the nature of the projects, often grant recipients are reliant on the grants.

6.1.5 TK suggested that some organisations looking for community grants of £20,000 find the application process difficult. It was discussed as to how smaller organisations can be involved in contributing to bids made by larger organisations as delivery partners.

6.1.6 It was discussed how this situation can be resolved, with a suggestion as to how the reserve fund could be a 'broader brush' and involve SEMLEP priority groups.

6.1.7 There is a need for awareness of the lack of knowledge and match funding available throughout smaller organisations applying for community grants. There is a danger of excluding organisations at which the fund is aimed.

6.1.8 It was discussed that the LEP and its TA could build a pipeline, ensuring organisations are aware of the fund, and to request that organisations submitting large bids involved smaller organisations as delivery partners and consortiums.

6.1.9 The CVS forum could be a route to channel through the strategy to members and business support organisations across SEMLEP. A few comments had been received.

Action 3: DW to feedback on CVS forum comments.

Item 6.2 SEMLEP Board

There were no updates to be discussed.

Item 7: ESF Full Application / Calls

7.1 PA1, IP1.4 – Call Ref 1081 -Full Applications (paper)

7.1.2 JK gave an overview. The call value was £3m and nine outline applications received, with eight presented to members and invited to the next stage. Three full applications had been received.

7.1.3 Declarations of interest were HR in respect of Now IMPACT and LC for All Change Building a Brighter Future.

All Change Building a Brighter Future

Summary - This would offer personalised targeted support and personal wraparound services to those most difficult to help. There has been £500,000 of ESIF requested to help 500 participants in the Milton Keynes area. The cost per unit would be £2,000, which is considered high. There is concern that no results will be provided with regards to education and training so the value for money would not currently be acceptable, however the appraiser has asked the applicant to review this. If this is not addressed, it is likely the application will not proceed. Overall the strategic fit is good, which was agreed by members.

It was pointed out that the granular budget and financial annex are not aligned and that help should be given to the applicant regarding local strategic fit.

It was also suggested that the applicant could broaden the areas in which the project would operate in order to maximise value for money.

Decision: SUPPORTED as this represents a good local strategic fit, however there are concerns about the value for money and that this won't pass the DWP at this time. This should also incorporate a wider geographical area.

Action 4: DW and TK to discuss with JR how to help develop the support to be offered to the applicant.

Breaking Down Barriers

This has been withdrawn from discussion as it is to be discussed with the appraiser.

Action 5: JK to circulate this via written procedures once all queries have been resolved.

Now IMPACT

Summary - The project proposes to help 64 participants, helping isolated Asian women develop their confidence and skills. The unit cost has been identified as a concern as £3,360 per unit is considered on the lower side as the participants being helped would require more support. Discrepancies in the funding requested amounts have also been identified. The concerns raised within the appraisal focus on value for money and the issue of local duplication.

Decision: SUPPORTED. It was discussed that the strategic fit is strong so this is supported, however it was discussed that the applicant will need to demonstrate additionality in view of other similar projects targeting the same groups.

Item 8: ERDF - June 2019 Calls

8.1 ERDF June 2019 Calls Summary (paper)

8.1.1 It was agreed that a declaration of interest should be made as each project is to be discussed.

8.1.2 G D-E confirmed that 18 outline applications to the value of £19m had been received in respect of SEMLEP, as per the paper. One application had been assessed as having failed the gateway selection criteria as there was not enough information within the application. This would not be considered at this meeting and the applicant would be informed.

8.1.3 It was confirmed that three applications to the value of £6.8m had been received in respect of PA1, leaving £1.2m unallocated.

8.1.4 The applications received in respect of PA2 and PA4 exceed the allocation for the relevant PAs, so the options are to give the money to the smaller projects and scale back the larger ones or accept the smaller and reject the larger.

8.1.5 G D-E confirmed that the applicant would need to re-apply if there was not enough money available within this call, as there is no reserve fund.

8.1.6 G D-E also confirmed that money can't be transferred between PAs.

8.1.7 It was agreed that any applications affected by PA over-subscription would be addressed at the end of each PA discussion.

8.2 MEIF - Absorption of unallocated ERDF funds (paper)

8.2.1 G D-E suggested that the Midlands Engine Investment Fund (MEIF) could be used to absorb unallocated funds in respect of PAs 1 and 3. This would potentially be £8m (£3m in PA1 and £5m in PA3). The proposal in respect of this went to SEMLEP Board on 25th Sept and was agreed. It was agreed that this provision is reassuring, and that this proposal would be acceptable. MEIF would be invited to submit project change requests in respect of the increased allocations in SEMLEP.

8.2.2 G D-E clarified that money allocated to the MEIF wouldn't be ring-fenced for SEMLEP and that it may be used for other Midlands LEPs, as per the agreement already in place with the European Investment Bank and demonstration of need.

8.2.3 The MEIF proposal was agreed by members.

8.3 Outline Application Assessments (please see annex A for details of discussion)

PA1

- Colworth Park
- Actis Phase 3
- Digital Innovation for Manufacturing

PA2

- Digital Northampton
- Productivity Escalator
- SME Digital Transformation

PA3

- Feast 3
- Midlands Internationalisation Fund
- Manufacturing Growth Programme II
- Internationalising SMEs Phase 3
- Better off in Business Phase 3
- CEEMS
- SEMSUP

PA4

- Renew3
- Green Check
- Low Carbon Workspaces

PA6

- Open Lea

Item 9. Any other business

ERDF full application deadline will be **5th March 2020**. It was agreed that a meeting will take place following this, so the scheduled 5th February date will be cancelled, and a new invite issued.

The meeting closed at 2pm.

Appendix A - Actions of the Meeting

Agenda Item	Action	Action assigned to
5.2	1. JK and JR to discuss what information should be included within the written procedures. JR will then circulate a paper to members.	JK and JR
5.3	2. KC and JR to discuss how the fund can be promoted appropriately.	KC and JR
6.1	3. DW to feedback on CVS forum comments.	DW
7.1 (All Change Building a Brighter Future)	4. DW and TK to discuss with JR how to help develop the support to be offered to the applicant.	DW and TK
7.1 (Breaking down Barriers)	5. JK to circulate Breaking down Barriers application via written procedures once all queries have been resolved.	JK

Appendix B Attendee List**Chair**

Name, title and organisation	Sector/Organisation Representing
Mary Clarke MC	SEMLEP

Sub-committee Members attending:

Name, title and organisation	Sector/Organisation Representing
Jay Kara JK	ESF MA
Ken Christy KC	SEMLEP Rural Group
Steve Adkins SA	Local Authority/AVDC
Sandra Hayes SH	CLLD/Luton Borough Council
Gina Reilly GR	Milton Keynes College
Simon Bovey SB	Daventry District Council
Tony Knaggs TK	Learning and Skills Academy
Haydn Rees HR	Bedford Borough Council
Ursell Mumford UM (non-voting member)	Environment Agency
David Ward DW	Voluntary Impact
Julia Raven JR	South Northamptonshire Council
Lewis Campbell LC	Milton Keynes Council

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

Name, title and organisation	Sector/Organisation Representing
Glyn Darbyshire Evans GDE	MHCLG
George Pickering GP	MHCLG
Nicola Twigger NT	MHCLG
Sarah Edwards SE	MHCLG
Heide Price HP	SEMLEP
Jane Roemer (by phone)	SEMLEP