

**European Union**European Structural
and Investment Funds**European Structural and Investment
Funds
2014 - 2020****Growth Programme for England****ESI Funds Growth Programme Board****Summary Report from the National Sub-Committees****Purpose:**

This paper summarises business at National Sub-Committee meetings held in the last quarter (April – June 2017). It lists their current membership and covers:

1. Communications Sub-Committee
2. Employment, Skills & Social Inclusion Sub-Committee
3. Equalities & Diversity Sub-Committee
4. Evaluation Sub-Committee
5. Performance & Dispute Resolution Sub-Committee
6. Smart Specialisation Sub-Committee
7. SME Competitiveness Sub-Committee
8. Sustainable Growth and Development Sub-Committee
9. Sustainable Urban Development Sub-Committee

Recommendations:

That the Growth Programme Board notes the report.

Abe Allen
GPB secretary
1 June 2017

Communications Sub-Committee

Membership

- **Rob Martell (Chair)**
DCLG
- **James Ritchie** (Deputy Chair) DWP
- **Thomas Corker**
BEIS
- **Aniekan Ekwere**
BEIS
- **John Hacking**
Third Sector National Learning Alliance
- **Margot Tomkinson-Smith**
Thames Valley Berkshire LEP
- **Alex Ledbrooke**
Cornwall Council
- **Jen Robson**
North East LEP
- **Laura Welham-Halstead**
Greater Cambridge & Greater Peterborough LEP
- **Matt Smart**
Oxford University
- **Liz Sheppard**
Defra
- **Laura Spencer**
Big Lottery
- **Laure Farret**
GLA

1. The most recent meeting of this sub-committee took place on 5 April 2017.
2. Feedback regarding the delivery of the 2016 Activity Plan, the initial delivery of the 2017 Communications Activity Plan and plans for the annual major information activity later in the year were the main focus of the meeting. Members agreed to consult their respective sectors regarding any communications activities planned in the short-term and to share this with the sub-committee.
3. A partner evaluation / survey regarding 2016 communications activities (conducted in January / February 2017) was presented and discussed. A separate paper for information has been circulated to GPB members containing survey results and actions completed / planned as a result of the survey.
4. The MAs reported on key communications activities to have taken place in 2017 – these included publicity around the launch of the Northern Powerhouse Investment Fund, ESI Fund Programme partner and ERDF practitioner network bulletins, re-organisation of some pages on the ESI Fund pages on GOV.UK, publishing and promotion of calls for projects, and increased joint working with partners (in particular LEPs).
5. It was re-emphasised that advising on and supporting the ongoing delivery of the 2017 Annual Activity Plan, particularly in supporting the engagement of local / national partners in communications activities, remained a key role for the sub-committee.
6. It was agreed that the need for continuing compliance with the 2014 to 2020 ESI Fund Branding and Publicity Requirements should be reinforced by MAs and delivery partners.
7. Since this meeting, periods of sensitivity (purdah) ahead of local elections and the General Election have limited opportunities for external publicity / communications activities.
8. The next meeting of this sub-committee will take place in October 2017. The focus will be the delivery of activities within the 2017 Communications Activity Plan completed to date and progress / final planning for activities still to be delivered (including the Major Annual Information Activity); and agreeing the 2018 Communications Activity Plan.

Employment, Skills and Social Inclusion Sub-Committee

Membership

- **Anne Donkin** (Chair)
DWP
- **Mark Bacon**
Keele University
- **Chris Ball**
The Age and Employment Network
- **Becky Brookes**
Employers' Network for Equality and Inclusion
- **Ellen Broome**
Family and Childcare Trust
- **Rita Chircop**
Greater London Authority
- **Eleanor Dearle**
Local Government Association
- **John Hacking**
Third Sector National Learning Alliance
- **Susan Johnson**
DWP
- **Jane Lavender**
Dept. for Education
- **Gabrielle Melvin**
Office of Civil Society
- **Hylida Mounsey**
Cornwall Council
- **Ian Oakes**
University of Wolverhampton
- **Sue Ormiston**
The Big Lottery Fund
- **Nicola Radford**
Coastal Communities Alliance
- **Laura-Jane Rawlings**
Youth Employment UK
- **Ted Ryan**
RnR Organisation
- **Nick Small**
LEP Network
- **Steve Spendlove**
DWP
- **Anna Taylor**
DWP
- **Sarah Tulk**
Education and Skills Funding Agency
- **Marc Vermyle**
European Commission

1. The sub-committee met on the 26 April and discussed progress of the ESF 14-20 Programme. To date ESF has committed spend of £1.396bn (49% of total allocation), has Direct Bid Funding Agreements with a total value of £245.68m in place and Memoranda of Understanding for the four National Co-Financing Organisations valued at £1.15bn (with onward procurement of £890.4m). ESF full applications for Technical Assistance are currently valued at £13.04m. The progress on commitment for individual regions was as follows:

Less Developed £49m (35% allocation)
Transitional £364m (60% allocation)
More Developed £983m (51% allocation);

Outputs are currently at 42% of final target. On a national basis, weaker areas of performance are spread throughout the Ethnic Minorities, over 50's and Unemployed sub-groups. Results show that nationally the results are positive with all sub-groups achieving or overachieving Operational Programme targets.

2. Steve Spendlove from the Managing Authority and Adam Robinson from DWP Analysts gave an overview of the Managing Authority's approach to Value for Money.

3. Susan Johnson from the DWP Co-Financing Organisation (CFO) gave an outline of the CFO's current work and future plans.

4. The next sub-committee meeting will be on 27 July 2017.

Equality & Diversity Sub-Committee

Membership

- | | | |
|---|--|---|
| • Anne Donkin (Chair)
DWP | • Alice Hood
TUC | • Jonathan Slater
London Voluntary Service
Council |
| • Alan Beazley
Employers' Network for
Equality and Inclusion | • Sue Ormiston
Big Lottery Fund | • Steve Spendlove
DWP |
| • Duncan Carnie
DWP | • Sandra Popoola
DCLG | • Anna Taylor
DWP |
| • Rita Chircop
Greater London Authority | • Shafqat Rahim
Education and Skills
Funding Agency | • Mark Wright
EHRC |
| • Tamara Flanagan
New Europeans
Association | • Peter Riley
Manchester Metropolitan
University | • Marc Vermyle
European Commission |

1. The sub-committee met on 12 April and discussed progress of the ESF 14-20 programme. The current total ESF commitment is £1.396bn. Performance shows that the National Co-Financing Organisations have undertaken onward procurement value of £890.4m from Memoranda of Understanding totalling a value of £1.15bn. Current committed spend is 49% while the overall committed participant data suggests that 42% of the final target is going to be achieved with current live projects. Management information (MI) indicates a potential gap between target and commitment in some areas, notably against the ethnic minority output target.
2. Shafqat Rahim from the Education and Skills Funding Agency gave an update on the progress of the equality training that is being developed by DWP and DCLG jointly. He confirmed that a training needs analysis would be undertaken and that training would be tailored to suit differing requirements.
3. The subcommittee welcomed guest speaker Glenn Barrowman from the University of Wolverhampton's ERDF-funded *BECCI* project. Mr Barrowman explained how the project takes equality and diversity into account.
4. Sue Ormiston from the Big Lottery Fund explained the work of *Building Better Opportunities* and showed a video in which beneficiaries of the *Bridges Project* in the Black Country talked about how the project had helped them into work or was helping them develop the skills and confidence to find work.
5. The next sub-committee meeting will be on 13 July 2017.

Evaluation Sub-Committee

Membership

- **David Morrall (Chair)**
DCLG
- **Derek Egan**
DCLG
- **Anna Taylor**
DWP
- **Justin Martin**
Defra
- **Aloke Siddique**
BEIS
- **John Hacking**
VCO
- **Simon Jones**
DCLG
- **Anisha Patel**
DCLG
- **Jo Banks**
Cornwall & Isles of Scilly
- **Heather Heward**
LEP Network (transition)
- **Francis Lee**
LEP Network (more developed)
- **Phil Smith**
Private sector and small businesses
- **Fay Treloar**
York St John University
- **Christian Aagaard**
EC: DG Emploi
- **Max Nathan**
What Works Centre
- **Anna Taylor**
DWP
- **Nicolette Lares**
DWP

1. The Evaluation Sub-Committee met on 19th April and 25th May 2017.
2. The sub-committee was sitting as the ERDF 2014-2020 Programme Evaluation Steering Group and the sole focus of the discussion was the draft framework and guidance for project-level evaluations, i.e. the project Summative Assessment (SA).
3. The contractors for the evaluation scoping exercise, Regeneris et al., talked through a slide presentation setting out the background to the scoping exercise and the broader detail of the SA framework and guidance.
4. In the discussion the following points were made:
 - Selling the idea of the SAs to beneficiaries would be a key aspect of its success. Several suggestions were put forward how this could be done in addition to those benefits already set out in the guidance.
 - Regular dissemination of completed SAs to local partners and beneficiaries would help promote best practice.
 - Local ESIF sub-committees could have a role in promoting the effective implementation of SAs as well as using the material to build a narrative around the impact of the funds in their areas.
 - Local technical assistance leads could have a role in promoting and supporting the implementation of SAs in their local areas. It was noted that this would require them to receive specific training which had yet to be planned for.
 - It was proposed that all projects should consider whether counterfactual impact evaluation was an appropriate methodology for them to use. It was accepted that it would not be appropriate in all instances but where this is the case the SA template could include a field where a short explanation why could be set out.
 - It was recognised that the guidance as it stood although comprehensive could be made more accessible to project managers.

Performance & Dispute Resolution Sub-Committee

Membership

- | | | |
|--|--|--|
| • Nick Dexter (Chair)
DCLG | • Anne Donkin
DWP | • Heather Waddington
Leeds City Region LEP |
| • David Malpass
DCLG | • Andy Cole
College North West London | • Christian Aagaard
EC: DG Emploi |
| • Simon Jones
DCLG | • Keith Harrison
Action for Communities in
Rural Kent | • Russell Reefer
Local Government
Association |
| • Mary-Louise Harrison
LEP Network (more
developed) | • Clare Osborne
Defra | • Aniekan Ekwere
BEIS |
| • David Pratt
Higher Education | • Emily Kent
Cornwall & Isles of Scilly | • James Newman
LEP Network (transition) |
| • Richard Powell
Local Nature Partnerships | | |

1. The sub-committee met on the 2nd May 2017.
2. The ESF managing authority responded to a number of queries from the last meeting. The MA provided a draft of the proposed reporting document for ESIF sub-committees, with reporting planned to be in place from July 2017. A number of Project Change Requests (PCRs) were being actioned, expected to be complete by the end of May/early June before a unit cost analysis can be completed. The MA is seeking resolution on CFOs' future involvement in the programme as a priority. The MA updated members on YEI calls, applications and potential increases to existing contracts.
3. The ESF MA reported that N+3 and performance framework were broadly on target. The MA was addressing issues that had held up claims, varying commitment across LEP areas and relatively low take-up of technical assistance.
4. Members expressed concern that when applying the value for money test, as required by the HMT guarantee, unit costs were being applied too dogmatically. The ESF MA agreed that any decision on VfM in relation to ESF should give proper consideration of the outcomes achieved and not just focus on unit costs.
5. The ERDF MA reported the programme is on track to reach N+3 targets. However, progress against claims was not as hoped due to delay in E-CLAIMS delivery. An interim manual solution had experienced issues but these had been addressed and improved progress against claims was expected.
6. The ERDF MA reported on Priority Axis specific progress, with PA4 highlighted as a particular delivery risk. The MA described a number of actions underway or under consideration, including: 1-1 support for applicants; fast-track applications at appraisal; expanded retrofit activity; working with BEIS to investigate matching national products with ERDF.
7. The next meeting is due to be held on 17th August 2017.

Smart Specialisation Sub-Committee

Membership

- | | | |
|--|--|--|
| • Paul Drabwell (Chair)
BEIS | • Prof Stephen Roper
Warwick Business School | • Prof Joe Sweeney
Huddersfield University |
| • Tricia Allen
DCLG | • Prof Roy Sandbach
Newcastle University | • Jane Elliott
ESRC |
| • Tim Courtney
BEIS | • Gillian Docherty
The Data Lab | • Prof John Goddard
Newcastle University |
| • Jen Rae
NESTA | • Andrew Carter
Centre for Cities | |

1. The sub-committee held its third meeting on 1st March. The impact of the EU referendum outcome on Smart Specialisation, and what this might mean for future local growth and innovation support was considered. The discussion of issues remained broad ranging.
2. An update was provided on the work of Government officials who are continuing to consider models of domestic/local growth funds in place of ESIF funding. Future funding models will be informed by a robust evidence base, and therefore input from the advisory group in developing this was welcomed. The Smart Specialisation approach is part of the cohort of information being collated to explore the objectives of a future local growth and innovation funding model.
3. A committee member presented a paper exploring how innovation systems could be better supported across all regions. The case was made for Government to facilitate strong anchor institutions in all regions that provide the capacity to connect a range of local innovation players. It was also argued that civil society should be a key additional innovation partner. It was recognised that building innovation capabilities requires long term (mortgage term) investment decisions by Government.
4. The challenge for the group is the prioritisation of key issues raised in the discussions exploring place-based policy development in the context of the Industrial Strategy. Members of the group have input to the Industrial Strategy consultation. One submitted his own personal response, and members were also put forward to attend the Industrial Strategy Roundtables. The Industrial Strategy team continues to analyse the responses to the Green Paper consultation to inform future policy development.
5. The Smart Specialisation Hub is continuing to draw on data across LEPs to provide greater understanding of the unique strengths of regional research and innovation infrastructure. An analytical framework has been developed using a series of indicators to measure innovation performance in each LEP area. The data generated by this exercise is housed in the Hub's Observatory – a public platform. Coverage of the LEP area's continue to progress.

SME Competitiveness Sub-Committee

Membership

- **Jacqui Ward (Chair)**
Cities & Local Growth
- **Tim Courtney**
BEIS
- **David Morrall**
DCLG
- **John Bennett**
DCLG
- **John Horseman**
DCLG
- **Joe Manning**
Cities & Local Growth
- **Karen Leigh**
Cities & Local Growth
- **Sean McKee**
London Chamber of Commerce
- **Glenn Collins**
Inst. Chartered Accountants
- **Allie Rennison**
Industry of Directors
- **Dominic Williams**
Fed'n of Small Businesses
- **Thomas Parry**
Forum of Private Business
- **Lee Hopley**
Engineering Employers' Fed
- **Richard Kendall**
Humber LEP
- **John Goodman**
Co-operatives UK
- **Clive Lewis**
Inst. Chartered Accountants in England & Wales
- **Becky Hood**
Cornwall Council
- **Dawn Whiteley**
National Enterprise Network
- **Ruth Lowbridge**
Sector Skills for Enterprise
- **Louise Bennett**
Chambers of Commerce
- **Mike Spicer**
Chambers of Commerce

1. The sub-committee held its fourth meeting on 16th March 2017. The discussion covered:
Core Business: An update on PA3 developments and the upcoming National ERDF Evaluation – a chance to gather subcommittee feedback on implementation.
Forward look: in the context of Industrial Strategy and future funding – a chance to hear from sub-committee on how the Industrial Strategy Green Paper has landed/views on future funding.
2. PA3 Developments: Performance is generally good with the committee's attention drawn to a few key points e.g. close monitoring required to ensure forecast materialises into actual spend; match funding remains challenging with more project relying on SMEs to match; implementation seeing some slippage at project level (6months) due to referendum and delays with contracts.
3. National ERDF evaluation: In the context of What Works Centre conclusions on local growth evaluation, a scoping study for a national evaluation is underway offering a closer look at getting the most consistent and reliable data, while meeting the EU requirements.
4. Industrial Strategy: Since the publication of the Green Paper there has been a lot of work to get things going in this space in BEIS with some key feedback so far on challenges for SMEs looking to scale including: access to finance (although not as problematic as it has been previously); access to talent; access to markets; access to data and finally evaluation
5. Future funding: The question of what comes next in the context of a constantly shifting landscape is firmly a cross-government piece of work. Starting from the premise that the future funding landscape provides the opportunity to simplify and streamline, while thinking about the balance between the national and the local.

Sustainable Growth and Development Sub-Committee

Membership

- | | | |
|---|--|--|
| • Patrick Alcorn - Chair
BEIS | • David Read
DCLG | • John Osborne
DCLG |
| • Mark Joslyn
DCLG | • Ben Plummer
DCLG | • Meg Patel
Defra |
| • Duncan Carnie
DWP | • Graeme Kerr
Natural England | • Bill Edrich
Bristol City Council |
| • Paul Nolan
Mersey Forest | • Alice Larkin
Tyndall Centre | • Aled Jones
Anglia Ruskin University |
| • Glenn Caplin
Cornwall Council | • Chris Saville
Environment Agency | • Phil Larkin
National Trust |
| • Mark Atherton
New Economy,
Manchester | • Roger Mortlock
Gloucestershire Wildlife
Trust | • Paul Bourgeois
Greater Cambridgeshire &
Greater Peterborough
LEP |
| • Richard Powell OBE
Chair- Wild Anglia CIC | • Iva Figueredo
Greater London Authority | |

1. The sub-committee met on 25th April 2017.
2. Priority 4 - Low Carbon - The Committee was informed that for transitional and more developed regions Priority 4 faced a challenge to meet the 2018 Performance Framework. A number of actions are being put in place to support more project applications. A review is being undertaken in relation to the scope of eligible activity as part of the Programme Modification.
3. Priority 5 - Flooding - As part of the programme modification a review by the Environment Agency of the evidence base for the priorities outputs has been undertaken which has resulted in a reduction from 21,984 down to 8,263 of business protected from flooding. There have been a limited number of projects coming forward as part of the calls and work is underway with the Environment Agency who are a key delivery partner to understand what projects will be submitted in the next call windows.
4. Priority 6 - Protecting the Environment - the committee was informed that the initial issues around demarcation with PA6 and Countryside Stewardship are still causing some problems for LEPs. There have however been a greater number of eligible projects coming forward following work by the PA6 leads in the growth teams supporting applicants and LEPs.
5. Priority 7 Transport - PA7 only applies to Cornwall and Isles of Scilly. To date three projects have been contracted to improve trans-European network: Assess duelling of the A30; Improve train signalling; and a Main Mobile Hub to bring transport together
6. Cross Cutting Themes (CCT) – Sustainability – Activity in Priority 3 is where the greatest sustainability impacts can be supported. A review of Priority 3 projects will be undertaken to understand what work has been undertaken and examples of good practice.

Sustainable Urban Development and Urban Agenda Sub-Committee

Membership

- **David Morrall (Chair)**
DCLG
- **Iain Derrick**
DCLG
- **Alex Conway**
Greater London Assembly
- **Heather Waddington**
Leeds City Region
- **Jem Woolley**
Nottingham City Council
- **Paul Evans**
Manchester City Council
- **Debbie Brown**
DCLG
- **Ben Morley**
Sheffield City Region
- **Sharon Millar**
Scottish Government
- **Lloyd Broad**
Greater Birmingham and Solihull
- **Lisa Smith**
Liverpool City Region
- **Rodin McDowell**
Bristol City Council
- **Annie Ekwere**
BEIS
- **David Anderson**
Scottish Government
- **Lee Cranston**
North East Combined Authority

1. The sub-committee will schedule a meeting in early summer following IBs and calls. A report will be provided to GPB.