



European Union

European Structural
and Investment Funds

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

Growth Programme for England

Minutes of the Growth Programme Board meeting

11:00 Thursday 14 December 2017

Conference Room 5, Marsham Street, London

Agenda

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| 1. Welcome and introduction | 4. Minutes of September meeting and progress on actions* |
| 2. Progress on Programmes* | |
| 3. Communications Activities 2017 and Activity Plan for 2018* | 5. Items for information* |
- Agenda items marked * were accompanied by Board papers*

Minutes

1. Welcome and introduction

- 1.1. The **Chair** (Julia Sweeney) opened the meeting and welcomed **Dr Clive Winters, Stuart Scott, Russell Reefer, Greg Warren, Lorraine George and Mary-Louise Harrison**, acting for regular Board members. The European Commission was represented by **Guus Muijzers** (DG Regio) who was joined by **Marc Vermyle** (DG Emploi). Members noted that Russell will soon leave the LGA and thanked him for his support of the Board and the Growth Programme.

2. Progress on Programmes

- 2.1. **ERDF: David Malpass** presented the progress report. At 30 September, 456 projects had been contracted, worth £1,220m (around 44% of the Programme). The European Commission has amended the methodology for targets, which will now be taken at overall Programme level. If not met, decommitment will occur in the Categories of Region where a shortfall is experienced. The Programme N+3 target for 2018 is €573m (approximately £515m) comprising: €72m less developed; €169m transition; and €332m more developed. The autumn 2018 N+3 target is forecast to be met, but the managing authority is alert to potential for future slippage. Current Categories of Region positions are about 31% less developed; 50% transition and 43% more developed. There are 22 Performance Framework targets across the priority axes and Categories of Region, based on total expenditure (i.e. ERDF + match funding). The managing authority's expected outturn is positive for priority axes 1 to 3 and part of PA4, but more challenging for

5, 6 and 8. An excellent 2016 audited score on 'error rate' (0.213%) was well within the Commission's "less than 2%" target.

2.2. **Cllr Ian Stewart, Simon Nokes and Mary-Louise Hamilton** led questions on progress towards the 22 targets; the point at which disappointing performance would require the managing authority to engage with the Commission; and the challenge of meeting targets when the applied programme exchange rate did not keep pace with foreign exchange markets. The Board noted an information paper on exchange rates had been tabled under Item 5. Members recognised that conversations with stakeholders and partners could be developed by the managing authority at both national and local level, to encourage development of potentially good projects. It was suggested that sharing local intelligence and developing a dialogue between GDTs with the national policy and communication teams would support partners who are trying to bring commitments forward. **Huw Edwards** had expected the number of projects applying under PA5 (flood protection) to be greater. **Dr Clive Winters** understood that a LEP Area ESI Fund sub-committee meeting had been rescheduled and queried GDT capacity in the Midlands. **Guus Muijzers** acknowledged the performance data presented for programme monitoring purposes and emphasised that a comprehensive adjustment to the performance framework had been agreed; any request for further adjustment would require sound justification. **David Malpass** committed to discuss local data sharing possibilities with Mary-Louise after the meeting. He acknowledged the pipeline of PA5 projects was not as strong as originally hoped for, but the managing authority is trying to open up the fund to new projects. The Midlands GDT did not, to his knowledge, have capacity problems but he would check the situation with the relevant Head of Team; it was possible that a meeting had been rescheduled for other reasons, especially as the Midlands LEP areas overlap with a number of local authorities.

ACTION 1712/01: David Malpass to discuss local intelligence and data sharing possibilities with Mary-Louise Harrison.

2.3. **ESF: Emma Kirkpatrick** presented the progress report, setting out N+3 performance data by Category of Region for 2018, 2019 and 2020. The programme is well positioned for 2018 N+3; forward projects will contribute to the later targets. More than 66,500 people have been assisted to date, with more outputs to come as time progresses. Participants are counted upon leaving provision. Commitment in two LEP areas (Marches and Worcestershire) remains below 40%; these will be prioritised alongside high-value calls and those that support basic skills and participants over 50. For decommitment purposes, the Commission has clarified that if the Programme global N+3 target is met, no decommitment will be applied by Categories of Region or fund (i.e. ESF or YEI). This enables YEI funding to be utilised by 2023 as long as the Programme's N+3 targets are met. **Catherine Blair** committed to write to stakeholders explaining how decommitment will be applied. It has been confirmed that Apprenticeship Levy can be used as match funding although principles of additionality will need to be respected. Equality workshops for managing authority staff have taken place. Sustainable development training will be rolled out in 2018. Catherine provided feedback from the Written Procedure dealing with modification of the Operational Programme; following discussion with the Commission a two stage approach will

be taken. A letter to Board members, tabled under Item 5, explained the position. The revised approach to decommitment will need to be reflected, but as the principles of modification have not changed, the managing authority will not take the Board through a further consultation. The **Chair** confirmed that modifications are not made on the basis of programme targets or performance against them.

ACTION 1712/02: Catherine Blair to write to stakeholders explaining how decommitment will be applied.

2.4. **Malcolm Nicholls** gave a presentation on ESF Evaluation, discharging Action 1709/02 from the September meeting. Ecorys have been engaged to design and scope the evaluation project. The impact evaluation considers what the Programme delivers. Fieldwork on the ESF Leavers Survey will continue through 2018 and results will begin to emerge over the course of next year. The managing authority is considering how the evidence base could be developed and is keen to make better use of administrative data already held by government.

2.5. **Cllr Ian Stewart** queried whether the managing authority had sufficient capacity. **Andy Churchill** and **Carol Botten** suggested consideration of alternative opportunities to commit the fund and that call windows may not be long enough to allow development of full bids, especially if led by consortia, as the competitive element meant that some organisations were reluctant to engage with each other. **Simon Nokes** welcomed positive performance data and confirmation that Apprenticeship Levy can be used as match. He noted that devolution of the Adult Education Budget (AEB) in Manchester would be a potential source, but it was unlikely to become available before 2019. **Stuart Scott** noted that AEB had been devolved in London and it was being considered as match funding. **Keith Cowell** advised the managing authority to consider impact on the education sector and providers. **Mary-Louise Harrison** recalled that Leicester & Leicestershire LEP had submitted four call specifications to the managing authority in October but they appeared to take a lower priority because of the LEP's high performance; she suggested it would be useful to have a timeline that shows when calls can be released. **Emma Kirkpatrick** committed to discuss this local issue with Mary-Louise after the meeting. **Catherine Blair** confirmed that recruitment is underway.

2.6. **EAFRD: Tony Williamson** presented the progress report. All £207m RDPE Growth Programme monies have been made available. The closing date for all applications is 31 May 2018. By 1 December, expressions of interest received were valued at £130m; 151 projects had submitted full applications and 39 contracts had been approved. The £30m broadband infrastructure offer opened on 3 October; two applications have been received so far, totalling £21m. Officials are discussing options with the Minister should applications exceed the funding available. **Cllr Ian Stewart** commented on the quantum of contracted funds so far compared to expressions of interest invited to submit full applications, especially with respect to tourism infrastructure. Tony acknowledged there is an ongoing challenge of converting expressions of interest into full applications.

2.7. **EMFF:** The progress report was received and noted.

3. Communications Activities 2017 and Activity Plan for 2018

3.1. **Rob Martell** presented a report to the Board and reviewed communications activity through 2017. Case study booklets have been produced, which have featured in social media campaigns. These generated 1800 unique site visits and 1200 downloads. Images from projects have been uploaded to the ESIF Twitter account, which now has more than 1000 followers. Monthly programme bulletins were distributed to about 2000 recipients. Former Minister Andrew Percy launched the Northern Powerhouse Investment Fund. Prince Harry visited the ESF 'My Place' project. ESIF pages on GOV.UK received close to 500,000 visits in 2017 and have accumulated more than 1.5m views since the pages were launched in 2015. Departments are improving their film and image banks to supplement case studies. The Communications sub-committee met twice during the year.

3.2. The 2018 Communications Plan was presented to the Board. **David Malpass** noted the wealth of information and data generated now would be available for future use. **Carol Botten** and **Huw Edwards** recommended that communications material be presented in a format that made it easier for onward dissemination; and there should be a further drive to publicise how to sign up to the ESIF and ESF Project Bulletins. **Catherine Blair** thanked partners for supporting visits to projects by department staff. The **Chair** concluded that the communications portfolio had matured and now included a comprehensive bank of national, regional and local opportunities. She encouraged all Board members to make use of communications material and discuss new opportunities with Rob.

4. Minutes of the September meeting and progress on actions

4.1. The **Secretary** (Richard Inman) presented minutes of the September meeting. All actions had been discharged. The minutes were agreed.

5. Items for information

5.1. **National Sub-Committees' report:** the Board received and noted the report.

5.2. **Review of National Sub-Committee Terms of Reference and membership:** **Ben Meadows** discharged action 1709/03 from the September meeting by provided a short report, which the Board received and noted.

5.3. **Written Procedure 16 ESF OP modification:** **Catherine Blair** tabled a letter to Board members describing the outcome of the Written Procedure.

5.4. **Foreign exchange rates and programme implementation across LEP areas:** **David Morrall** submitted a paper describing how exchange rates are handled across the programmes. The paper discharged action 1709/01 from the September meeting. A discussion paper will be brought to the Board in March 2018.

Meeting closed: 13:15

Date, time and venue of future meetings

- Wednesday 21 March 2018, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B

- Tuesday 19 June 2018, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B
- Thursday 20 September 2018, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B
- Tuesday 18 December 2018, 11:00 – 15:00, DCLG Conference Rooms 5A & 5B

Annex A

List of agreed actions from December 2017 Growth Programme Board meeting

No.	Action	Assigned to:
ACTION 1712/01	David Malpass to discuss local intelligence and data sharing possibilities with Mary-Louise Harrison.	David Malpass
ACTION 1712/02	Catherine Blair to write to stakeholders explaining how decommitment will be applied.	Catherine Blair

ESI Funds Growth Programme Board meeting 14 December 2017 - Attendees List

Chair:

	<i>Sector/Organisation Representing</i>
Julia Sweeney Director, European Programmes and Local Growth Delivery	DCLG

Board Members (full and advisory):

	<i>Sector/Organisation Representing</i>
Stuart Scott Greater London Authority	Greater London Authority
Simon Nokes Executive Director, Greater Manchester Combined Authority	LEPs
Dr Huw Edwards Chair, TVB ESI Funds Sub-committee	LEPs
Lorraine George South East LEP	LEPs
Mary-Louise Harrison Leicester and Leicestershire Enterprise Partnership	LEPs
Cllr Ian Stewart Cumbria County Council & South Lakeland District Council	Local Authorities
Russell Reefer Advisor, Local Government Association	Local Authorities / LGA
Carol Botten Deputy CEO, VONNE	Voluntary & Community Sector (Local)
Andy Churchill Network for Europe	Voluntary & Community Sector (National)
Greg Warren Federation of Small Businesses	Business / Private Sector (SMEs)
Dr Clive Winters Associate Pro-Vice-Chancellor, Coventry University	Higher Education (Universities)
Keith Cowell Principal, City of Westminster College	Further Education
Catherine Blair Deputy Director, Head of ESF	DWP
Emma Kirkpatrick Head of ESF Managing Authority	DWP
Tony Williamson Head of RDPE Strategy Team, Rural Policy	Defra
Nick French Europe Directorate	BEIS
Zainab Agha Deputy Director, Policy & Partnerships	DCLG
David Malpass Deputy Director, Growth Delivery Network	DCLG
David Morrall Head of 2014-20 Policy Team	DCLG
Iain Derrick European Strategy and ERDF Secretariat Manager	DCLG
Guus Muijzers DG Regio	European Commission, DG REGIO

Marc Vermyle Programme Manager	European Commission DG EMPL
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Additional Attendees / Observers:

Name	Sector/Organisation
Malcolm Nicholls DWP	DWP
Rob Martell DCLG	DCLG
Jackie Tinker DWP	DWP
Adrian Champney Buckinghamshire Thames Valley LEP	LEPs
Jennifer Gunn LEP Network	LEPs
James Ransom Universities UK	Universities
Richard Inman Growth Programme Board Secretariat	DCLG
Ben Meadows Growth Programme Board Secretariat	DCLG
Abe Allen Growth Programme Board Secretariat	DCLG

Apologies:

	Sector/Organisation
Professor John Latham Vice-Chancellor, Coventry University	Higher Education (Universities)
Tim Parry CEO, Community Council for Berkshire	Voluntary & Community Sector (National)
Dominic Williams Federation of Small Businesses	Business / Private Sector (SMEs)
Sir Albert Bore Birmingham City Council	LGA / Local Authorities
Sandra Rothwell Cornwall & the Isles of Scilly LEP	Cornwall & the Isles of Scilly
Cllr Philip Atkins Leader, Staffordshire County Council	Local Authorities
Shelly Dowrich Government Equalities Office	Equalities
Mayor Joe Anderson Liverpool City Council	SUD / Core Cities
Richard Powell Chair, Wild Anglia Local Nature Partnership	Local Nature Partnerships
Keith Harrison Chief Exec, Action with Communities in Rural Kent	LEADER
George Kieffer Vice Chair, South East LEP	LEPs
James Newman Sheffield City Region LEP	LEPs

Mark Tinsley Lincolnshire Forum for Agriculture and Horticulture	Rural & Farming Network
Louise Bennett Chief Executive, Chamber of Commerce	Business / Private Sector
Kevin Rowan Trades Union Congress	Trade Unions
Robert Matthews Head of Unit, EU Fisheries Funding	Defra (EMFF)