



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. 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.

Krishma Sawami
GPB Secretariat
13 March 2019

Communications Sub-Committee

Membership

- | | | |
|---|---|--|
| • Rob Martell (Chair)
MHCLG | • Margot Tomkinson-Smith
Thames Valley Berkshire
LEP | • Matt Smart
Oxford University |
| • James Ritchie
(Deputy Chair) DWP | • Matt Silver
Cornwall & Isles of Scilly | • Mark Herbert
Defra |
| • Richard Davies
BEIS | • Rebecca Wright
Big Lottery | • Laure Farret
GLA |
| • John Hacking
Third Sector National
Learning Alliance | • Laura Welham-Halstead
Greater Cambridge &
Greater Peterborough LEP | |

1. The sub-committee will next meet on 30 April at GLA offices in London.
2. Main items to be discussed include the results of the partner communications survey (including key recommendations and resulting actions) and the ongoing / future delivery of the 2019 Communications Activity Plan.
3. The latest situation around communications for the ERDF and ESF Programmes, in the context of Brexit, will also be discussed. There may be a special telekit held in late March for this sub-committee to discuss issues surrounding this area.
4. Sub-Committee Chair Rob Martell presented on 2018 communications delivered and 2019 communications planned at the December Growth Programme Board. Feedback was positive, and this will be relayed to the Sub-Committee at the next meeting given their key role in supporting the delivery of communications plans.
5. The Sub-Committee recently lost two of its members due to role changes. Replacements for both Laura Spencer (Big Lottery) and Liz Sheppard (DEFRA/Rural Sector) have been found and are included in the membership list above.

Employment, Skills and Social Inclusion Sub-Committee

Membership

- **Steve Spendlove (Chair)**
DWP
- **Mark Bacon**
Keele University
- **Chris Ball**
Newcastle University
- **Becky Brookes**
Employers' Network for Equality and Inclusion
- **Ellen Broome**
Family and Childcare Trust
- **Rita Chircop**
Greater London Authority
- **Eleanor Dearle**
Local Government Association
- **Gabrielle Melvin**
Office of Civil Society
- **Stacey Sleeman**
Cornwall & Isles of Scilly
- **Ian Oakes**
University of Wolverhampton
- **Sue Ormiston**
The Big Lottery Fund
- **Nicola Radford**
Coastal Communities Alliance
- **Laura-Jane Rawlings**
Youth Employment UK
- **Joanna Cain**, WEA
- **Nick Small**
LEP Network
- **Hitesh Patel**
Citizens Advice
- **Nick Campbell**
DWP
- **Michelle Thompson**
Department for Education
- **Marc Vermyle**
European Commission
- **Judith Walker**
DWP
- **Iain Wishart**
Education and Skills Funding Agency

1. The next meeting is scheduled to take place on 12th March 2019. Further updates will be provided at the GPB meeting.

Equality & Diversity Sub-Committee

Membership

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> • Steve Spendlove
(Chair)
DWP | <ul style="list-style-type: none"> • Tamara Flanagan
New Europeans
Association | <ul style="list-style-type: none"> • Rachel Quinn
D2N2 Social Inclusion &
Equalities Advisory Group |
| <ul style="list-style-type: none"> • Alan Beazley
Employers' Network for
Equality and Inclusion | <ul style="list-style-type: none"> • Nick Campbell
DWP | <ul style="list-style-type: none"> • Lauren Payne
Equality and Human Rights
Commission |
| <ul style="list-style-type: none"> • Duncan Carnie
DWP | <ul style="list-style-type: none"> • Sharon Long
Partnership for Young
London | <ul style="list-style-type: none"> • Marc Vermyle
European Commission |
| <ul style="list-style-type: none"> • Catherine Crocker
Greater London Authority | <ul style="list-style-type: none"> • Helen Millne
Third Sector | <ul style="list-style-type: none"> • Sue Ormiston
The National Community
Lottery Fund |
| <ul style="list-style-type: none"> • Richard Corfield
MHCLG | <ul style="list-style-type: none"> • Peter Riley
Manchester Metropolitan
University | |

1. The Equality & Diversity Sub-Committee last met on 26 February 2019.
2. Steve Spendlove acknowledged that there had been a suspension in the meetings, but that the pause had been for sound operational reasons and resulted in ESFD achieving their N+3 target. ESFD is now undertaking the lessons learned exercise to ensure the situation is not repeated in future years. This on-going piece of work will consider systems and processes and how grant recipient claim profiles can be better managed.
3. Steve Spendlove provided a progress update on the ESF 2014-2020 programme.
4. Duncan Carnie gave a presentation on equality targets and design for the new MI tables, that once populated, will be able to show 'actuals' monitoring data in relation to outputs (representation targets) and results. The information generated will not only help the sub-committee understand the progress that is being made in helping different target groups, but it should also inform the strategic steer for the use of the Reserve Fund.
5. Steve Spendlove provided members with an outline of the developing policy and approaches for the ESF Reserve Fund.
6. The next meeting is scheduled to take place on 17 July 2019.

Evaluation Sub-Committee

Membership

- | | | |
|---|---|--|
| • David Morrall
Chair, MHCLG | • Simon Jones
MHCLG | • Zainab Agha
MHCLG |
| • Madison Weir
MHCLG | • Stuart Roddam
BEIS | • Sarah Haley
DEFRA |
| • Yi Zhang
BEIS | • Derek Egan
DEFRA | • Nicholas Campbell
DWP |
| • Justin Martin
DEFRA | • Anthony Mtitimila
Oxford University | • Konstantina Dimou
DCMS |
| • Anne Lythgoe
Social Audit Network | • Max Nathan
LSE | • Lee Humphreys
Cornwall Council |
| • Sue Parkinson
North East LEP | • Marc Vermyle
EC | • Phil Smith
Business West |

1. The sub-committee was last held on the 6 February 2019.
2. The National Evaluators presented on the activity that has been undertaken during the national evaluation thus far, including a comprehensive outline of the Counterfactual Impact Evaluation analysis. The first phase of the National Evaluation – focusing on scoping and material review – has been finished, and Hatch Regeneris is currently undertaking a process evaluation that will inform the April reporting period.
3. Simon Jones gave a brief UKSPF M&E update. The UKSPF team is currently pulling together the business case in advance of the Spending Review, this work is being informed in part by the soft consultations that took place last year.
4. Due to time constraints both the update on the ESF programme and update around summative assessment material will take place at the next ENSC.
5. The next ENSC is provisionally scheduled for the 6th of May 2019.

Performance & Dispute Resolution Sub-Committee

Membership

- | | | |
|---|---|---|
| • Zainab Agha (Chair)
MHCLG | • Jackie Tinkler
DWP | • Heather Waddington
Core Cities |
| • David Malpass
MHCLG | • Stuart Scott
GLA | • John Hunt
College |
| • Mary-Louise Harrison
LEP Network (more developed) | • Keith Harrison
Action for Communities in Rural Kent | • Guus Muijzers
DG Regio |
| • Simon Jones
MHCLG | • Justin Martin
Defra | • Jo Lappin
LEP Network |
| • David Pratt
Higher Education | • Emily Kent
Cornwall & Isles of Scilly | • James Newman
LEP Network (transition) |
| • Paul Green
Local Government (LGA) | • Helen Milne
Third Sector | • Carol Botten
Third Sector |
| • Richard Powell
Local Nature Partnerships | • Richard Davies
BEIS | • Sylvain Alem
MHCLG |

1. The sub-committee last met on 14 February 2019.
2. Members unanimously welcomed the achievement made on N+3 and recognised the hard work that DWP colleagues had put in to ensure that N+3 are met.
3. DWP thanked the members for their support and highlighted that seventy-nine percent of the 2019 N+3 target was already achieved and that the priorities for the next calls were basic skills, people over 50 and people with disabilities. The focus of the ESF MA is now on the Annual Implementation Report.
4. Members raised concerns that the lessons learned by CFOs from phase 1 were not used to improve the delivery of phase 2 and that errors were going to be repeated, especially around procurement. Concerns were also raised that the reporting from the existing CFO programme was still uneven. DWP provided insurance that they would look into this with the CFO management team.
5. The main ERDF performance discussion was regarding PA4 project appraisal in relation to the greenhouse gas reduction output as good projects are finding it hard to meet the target during the period covered by the target. In addition, concerns were raised that appraisers were solely focused on the Energy side of projects and not the broader benefits that could be accrued from them; however, recognising the potential compliance issues that a broader view could run into. MHCLG agreed to ask the GDTs to engage with LEPS around issues happening in PA4 delivery.
6. The main point arising from the Performance Review discussion was regarding the payment suspension and how it would operate. MHCLG clarified that this only would happen should MHCLG fail to implement remedial actions suggested by the EC. The

impact would only affect LEPs with allocations for the relevant PA and CoR until the issue is resolved.

7. There was also a further discussion on the implementation of the Reserve Funds where DWP set out ESF thinking on this. The main points arising from this discussion were:
 - Members were concerned that the programme was not managed in a transparent manner despite intentions as illustrated with the Work & Health programme that had been badged as being supported by ESF. DWP agreed to try to seek clarity on this.
 - Questions were also raised around the role of IBs in the process. GLA and Cornwall asked for a separate discussion with both DWP and MHCLG to discuss.
8. Finally, there was a discussion around no-deal delivery planning where both DWP and MHCLG set out ESF and ERDF programme delivery thinking under no-deal. Members welcomed the update but raised that stakeholder anxiety was high around no-deal and enquired whether any details of the planning and the timescale could be shared. MAs answered that details will be shared in due time but at the moment nothing could be circulated.

Smart Specialisation Sub-Committee

Membership

- **Paul Drabwell (Chair)**
BEIS
- **Farhana Quasem**
(Secretariat), BEIS
- **Tricia Allen**
MHCLG
- **Nicholas French**
BEIS
- **Prof Stephen Roper**
Warwick Business School
- **Prof Roy Sandbach**
Newcastle University
- **Jen Rae**
NESTA
- **Gillian Docherty**
The Data Lab
- **Prof Joe Sweeney**
Lancaster University
- **Melanie Knetsch**,
ESRC
- **Andrew Carter**
Centre for Cities
- **Prof John Goddard**
Newcastle University
- **Mark Duddridge**
Cornwall & Isles of Scilly
LEP

1. The sub-committee last met on 11 December 2018.
2. Following the Smart Specialisation Hub's conference on 29th November 2018, the hub members were invited to speak about the outputs of their conference and to lead a debate amongst the sub-committee about the importance and role of place based policy in the Science, Research, and Innovation landscape.
3. As part of this, the group discussed the role of analysis and evidence and the findings of the Smart Spec Hub around the state of evidence and scale of knowledge about strengths across different local areas and institutions. This discussion proved useful for Government as we take forward the 'ideas' elements of Local Industrial Strategies in England.
4. The Group also had a discussion with the BEIS team taking forward the development of the '2.4% Roadmap', considering the role of Local Industrial Strategies and different National and Local funds and policies in helping deliver the commitment to increase the scale of R&D investment in the UK economy
5. The next meeting of the sub-committee has not been set yet but will likely take place in May or June 2019.

SME Competitiveness Sub-Committee

Membership

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

1. The sub-committee have not held a meeting since 14 May 2018 and there are no immediate plans to hold one.

Sustainable Growth and Development Sub-Committee

Membership

- | | | |
|--|--|---|
| <ul style="list-style-type: none"> • Patrick Allcorn
(Chair)
BEIS • Mark Joslyn
MHCLG • Duncan Carnie
DWP • Paul Nolan
Mersey Forest • Phil Woods
Cornwall & Isles
of Scilly • Mark Atherton
New Economy,
Manchester • Richard Hurst | <ul style="list-style-type: none"> Durham County
Council • David Read
MHCLG • Ian Whale
MHCLG • Graeme Kerr
Natural England • Carly McLachlan
Tyndall Centre • Chris Saville
Environment
Agency • Paul Bourgeois
Greater
Cambridgeshire & | <ul style="list-style-type: none"> Greater
Peterborough LEP • John Osborne
MHCLG • Emma Friend
Defra • Richard Powell
OBE
Chair, Wild Anglia
CIC • Aled Jones
Anglia Ruskin
University • Phil Larkin
National Trust |
|--|--|---|

1. The committee has not met since 12th November 2018, the meeting planned in February 2019 was cancelled as it was felt that there was not enough change since November 2018 to justify a meeting.

Sustainable Urban Development and Urban Agenda Sub-Committee

Membership

- | | | |
|---|---|---|
| • David Morrall (Chair)
MHCLG | • Heather Waddington
Leeds City Region | • Huw Jenkins
Liverpool City Region |
| • Iain Derrick
MHCLG | • Stuart Scott
Greater London Authority | • Robin McDowell
Bristol City Council |
| • Garry White
MHCLG | • Lloyd Broad
Greater Birmingham and Solihull | • Jem Woolley
Nottingham City Council |
| • Glyn Darbyshire Evans
MHCLG | | • Alison Gordon
Manchester City Council |
| • Sam Lucas
MHCLG | • Felix Kumi-Ampofo
Sheffield City Region | • Maggie O'Carroll
The Women's Organisation |
| • Peggy Haywood
MHCLG | • Teresa Kirby
Newcastle City Region | • David Anderson
Scottish Government |

1. The sub-committee last met in January 2018 and a summary of that meeting was provided in the report for the June 2018 meeting of the Growth Programme Board
2. All 9 designated Intermediate Bodies have launched calls for projects and they have generally been successful although in some areas a second call has been necessary. As at the end of February 2019 the position was as follows:

- **Leeds City Region:** Despite a high level of attrition, currently c.73% of the SUD allocation is indicatively committed across seven projects valued £12.8m: five of which are currently at full application development/appraisal stage, one project is contracted, and one project held in reserve pending future resource availability in PA5.

Current indicative commitment in respect of PA3 (SME Comp) is c.34% of the available budget; Demand exceeds available budget in respect of PA5 (Climate Change) value of pipeline currently at c.134%; Current indicative commitment in respect of PA6 is c.54%. A further £7m call utilising the remaining headroom in PA3 (£4m) and PA6 (£3m) was published in early January 2019 with a closing date of 22nd February 2019.

- **Sheffield:** Call was oversubscribed, three full applications (valued c.£9.3m) are in development/appraisal which will almost absorb the full SUD allocation of £9.7m. Indicative commitment in PA4 (Low Carbon) represents c.94% of the available budget, indicative commitment in PA5 (Climate Change) represents c.99.6%. Applications received in respect of PA5 have been subject to scalability due to demand exceeding available budget.
- **Liverpool City Region:** Two full applications have been approved, and the grant funding agreements issued, which utilise the full allocation.

- **Greater Manchester:** Five outline applications were invited to progress to full application - three were withdrawn and two have been approved and the grant funding agreements issued. A further call will be launched shortly.
- **Greater Birmingham and Solihull:** The first call, which closed at the end of March 2018 attracted a total of 8 outline applications, 4 of which were invited to submit full applications. Subsequently 3 full applications have been received; all are currently in appraisal. The total value of these applications is £7.9m, of which £3.5m is ERDF Grant; 30% of the current ERDF Grant allocation. The low number of full applications reflects several issues. Firstly, the quality of the outline applications received to date. Secondly, the requirements set out in the SUD strategy stating that the projects should have a tangible link to the HS2 developments in Birmingham and Solihull. Thirdly, restricting applications to Priority Axes 4 and 6. To address these issues some changes have been made to the strategy and the financial threshold for PA6 applications lowered to £250k (ERDF Grant). A second call was issued late in 2018, which will close at the end of April 2019. The first assessment point (31 January 2019) has passed with no further applications received.
- **Nottingham and Derby:** The first call, which closed in March 2018 attracted a total of 9 outline applications; 3 were invited to submit full applications and 1 was put on a reserve list. Subsequently, one of the projects submitting a full application has withdrawn. The reserve project has submitted a full application, consequently there remain 3 projects in appraisal. The total value of these applications is £16.9m, of which £8.45m is ERDF Grant; 74% of the current ERDF Grant allocation. Funding remains in each of the Priority Axes selected for the SUD strategy (PA2, PA3 and PA4). A second call will be published in the near future. This call will reflect several changes made to the SUD strategy, primarily the inclusion of additional Investment Priorities for Priority Axes 3 and 4, which will broaden the types of activity accepted.
- **North East:** Currently 33% of the SUD allocation is committed with all projects currently at full application development/appraisal stage. PA4 (low carbon) is at 33% of the available budget whilst PA5 (climate change) is at 30%. The low level of funding committed is largely due to the late withdrawal of a project worth £6 million ERDF towards the end of 2018. A new call utilising the remaining headroom was published in early September 2018 with a closing date of January 2019. Three outline applications, currently under assessment, have been received in response to the call seeking Priority Axis 4 funding. Demand for Priority Axis 5 is proving challenging.
- **Bristol:** The first call was launched on 5 October, utilising the full SUD allocation, with a closing date of the end of November. One outline application under PA3 worth £2 million ERDF was received. This application is currently being assessed and is due to be presented to the local SUD Sub-Committee on 13 March. A further call for PA4 will be launched within the next couple of months.

- **London:** Currently 95% of London's €204m allocation is committed to live projects and pipeline applications. The latest call closed in November 2018 and applications have been selected (both for new projects and extensions to existing projects) to proceed to the next stage of the process; full applications are due for submission in April.
3. The MA is currently carrying out the first round of review meetings with the city authorities designated as devolved Intermediate Bodies, to discuss progress in implementing their SUD strategies. Meetings have so far been held with Leeds, Nottingham, Liverpool, Newcastle and Bristol. Meetings will be arranged with Birmingham, Greater Manchester and Sheffield in the near future.
 4. The next meeting of the sub-Committee will be held on 28 March 2019.