



**Minutes of the Growth Programme Board
13:30 Wednesday 18 December 2019
The Abbey Centre, Great Smith St, London**

Agenda

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|---------------------------------|-------------------------------------|
| 1. Welcome and introduction | 6. Minutes of September meeting and |
| 2. Progress on Programmes* | progress on actions* |
| 3. ERDF Reserve Fund | 7. Items for information* |
| 4. Communication Activity Plan* | |
| 5. ESF Scoring Framework* | |

*Agenda items marked * were
accompanied by Board papers*

Minutes

Welcome and introduction

1. **Julia Sweeney** welcomed board members and advised that apologies received would be recorded in the minutes.
2. **The Chair** asked the board for any conflicts of interest and none were declared.

Item 2: Progress of Programmes

European Regional Development Fund

4. **David Malpass** presented the ERDF progress report summarising the key points from the circulated Progress Update paper.
5. **Huw Edwards** queried the risk management and analysis done around the impact of the FOREX exchange rate fluctuations on the programme. **David Malpass** explained that the MA had claimed £1bn from the Commission and that FOREX fluctuation was going to impact what is left to be claimed. **David Morrall** clarified that the ERDF policy team was closely working with finance colleagues on FOREX risk management and mitigation to finely calibrate the programmes budget and exchange rate. **Julia**

Sweeney added that the MA recognised that the FOREX rate was volatile and was working actively on this issue.

6. **Helen Millne** questioned the MA capacity to process the pipeline of applications as concerns surfaced that resources allocated to appraisal were spread too thinly. **David Malpass** explained that the business process had been simplified which should speed up application assessment and applicant speed of response to queries. **Helen Millne** then asked about the timeline for the contracting of the June call applications. **David Malpass** explained the plan was to have most of them completed by September 2020. He also clarified that in parallel teams were focusing on clearing applications that have been in the pipeline for a long time.
7. **Alison Gordon** raised a query regarding change controls. **David Malpass** answered that the MA was doing real time change controls ensuring that contacts are up to date.

European Social Fund

8. **Steve Spendlove** presented the ESF progress report summarising the key points from the circulated Progress Update paper.
9. Following the action raised in the September GPB, ESF provided the board with performance data presented by gender split. Headline figures indicate a fairly consistent 60/40 split in favour of males across the Outputs and Results indicators.
10. The ESF Reserve Fund had a launch value of £390.6 million, the on-going monitoring suggests that the value might be higher (figures are being worked through and tested).
11. Fortnightly assessment panels are in place and serve the dual purpose of:
 - Programme performance review, track take-up and impact of remaining funds;
 - Assess Call Proposals received against published criteria.

To date, Call Proposal approved from Liverpool City Region – “Households Inclusive Economy” - value £2m.

As at 6 December, local areas indicating potential for circa. 13 Call Proposals to be submitted – total value £14m.

Potential for local activity to increase spring/summer 2020 following responses to current Calls.

Working assumption for all new projects to be in place by 31 March 2021, with the bulk in place by December 2020.

Facility to award Funding Agreements post 31 March 2021 and run shorter projects/extend existing projects.

MA exploring/considering options and approaches to enable maximising commitment of funds in first half of 2020.

12. **Heather Waddington** advised that any deadlines set by the MA for local areas to submit Call Proposals should be flexible to accommodate and reflect local needs and position of existing published Calls. In addition, **Heather** sought clarification regarding how the HMPPS extension was being funded. **Steve Spendlove** explained that call deadlines are indicative and would need to be refined in discussion with delivery networks. On the funding of the HMPPS extension, if approved this will be funded utilising existing and future Programme under-spend and under-commitment returns to the MA.
13. In response to the update on application appraisal timelines, **Huw Edwards** sought clarification of progress of some specific applications being assigned to appraisers. **Steve Spendlove** answered that he would be happy to secure clarification offline if colleagues can make him aware of the details of the applications concerned.
14. **Andy Churchill** questioned whether the programme had enough flexibility to be able to address the OP provision regarding economic shocks? **Andy** also raised concerns about the lengthy timeline to issue Funding agreement and highlighted that applicant response time might not be the only factor at play. He suggested that a report on this should be presented at the next meeting to help investigate how timing could be improved. **Catherine Blair** clarified that the programme was equipped to cover the provision on economic shocks locally in collaboration with local trusts. On the timing issue, Catherine explained appraisal was closely monitored and management was informed by regular discussions with appraisers to identify blockers and solve them. Evidence suggest that applicant response speed is the main factor impacting contracting timing. DWP agreed to provide more details on this to the board.

ACTION 1812/01: DWP to include an update position on the appraisal process, including time taken for applications to result in Funding Agreements at the March meeting

15. **James Newman** questioned the assumptions used to calculate the Reserve Fund launch value and whether LEPs were informed about how much of their allocation they would have to give to the Reserve Fund. **James** raised concerns on the availability of match at local level as the high rate of slippage could impact the amount available through CFO de-commitment. A suggestion that was made was to use match funding from Government Organisations to support local needs. He highlighted that confidence needs to be given at local level that match funding will be coming forward and enough time will be given for project to crystallise. **Catherine Blair** clarified the assumptions behind the Reserve Fund launch value and confirmed that these were being reviewed on an ongoing basis. Catherine added that LEPs are encouraged to submit their Reserve Fund call proposals at pace so that the timetable could be completed, and delays avoided. **Catherine** confirmed the MA is looking at the CFO de-commitment impacts as there is an overall reduction of the match funding available across Government Organisations.
16. **James Newman** sought clarification on the amount of funds local areas have lost as a result of ESF establishing the ESF Reserve Fund. **Catherine Blair** clarified that the launch value of the Reserve Fund (circa £390 million) comprised of funds for which local areas had no plans plus a set of assumptions regarding future take-up and ultimate spend. All areas now have an opportunity to bid for and secure funding.

17. **Emily Kent** raised that IBs were not always given the opportunity to feed into the appraisal process and as a result selected projects were sometimes at odds with the regional context and local needs. **Emily** added the resource prioritisation model needed to be more flexible to improve the MA ability to respond to appraisal needs

European Agricultural Fund for Rural Development

18. **Tony Williamson** presented the EAFRD progress report summarising the key points from the circulated Progress Update paper.
19. The board members did not have any comments or questions.

European Maritime and Fisheries Fund

20. The update paper was noted by the board and there were no further comments or questions.

Item 3: Reserve Fund

European Regional Development Fund

21. **David Morrall** provided a verbal update on the Reserve Fund progress to date and apologised for not being able to provide the final Reserve Fund quantum, the final call templates and prioritisation methodology for agreement as originally planned. The main points of the update were:
- a. The quantum of finance is still a moving picture due to FOREX volatility and the June call pipeline being adequately progressed. The MA is actively working on this to provide an accurate estimate as soon as possible.
 - b. The PDR NSC had robust discussion on the prioritisation methodology and the call templates.
 - c. The prioritisation methodology will use the same selection criteria as used in appraisal but include additional factors to score applications. Scoring will not be binary but rather based on a 1-5 range. Prioritisation will not be solely based on the scoring but also take geographical spread into account. Work to refine the methodology is still on going and an extraordinary PDR meeting might be needed in Jan to feedback on this.
 - d. The call templates, i.e. what we are asking application to support, are nearly finalised. These highlight what will be prioritised – e.g. pan-LEP activity or community projects.
 - e. On FIs, as discussed at the PDR NSC, the position is that as we are still early in the FI lifecycle it is not the time to add more money. The MA recognises that FIs can absorb funding so will have a role in the Reserve Fund.
 - f. MHCLG is looking to publish Reserve Fund calls in Feb/March. Finalised material will be sent to the Board for comment and agreement, as required, through written procedure early in the new year.
22. **Huw Edwards** explained the difficulty of creating multi LEP project as negotiations are lengthy. As a result, very few are to be expected. **David Morrall** recognised the time pressures at this stage of the programme.

23. **James Newman** was keen to understand whether the call window would be extended to reflect the delay of the launch. **David Morrall** answered that the timeline would balance between project development and contracting so it can be completed in time to ensure deliverability by the end of 2023.
24. **Alison Gordon** asked whether there was a minimum viability threshold for the Reserve Fund. **David Morrall** recognised that there were a variety of options to consider. For instance, should the Reserve Fund be small, MHCLG might consider calling only for projects in one or two priority axes. **David Morrall** clarified that the MA would not implement the Reserve Fund if it was not viable.
25. **Heather Waddington** raised that some LEPs, backed by their ESIF sub-committees, were keen to top up their FIs and was concerned that the current approach to FIs would not allow this. **Sir Albert Bore** also shared this concern that due to the upcoming call and objective FI bids would not be considered. **David Morrall** clarified and reassured that FIs were not ruled out of being part of the Reserve Fund.

Item 4: Communications National Sub-Committee Annual Update

26. Minal Patel provided the Board with an overview of the communications activities carried out by MHCLG and DWP during 2019 and shared the 2020 Communications Activity Plan as required by EC regulations. The detail of the activities is set out in the circulated Communications paper. The above information/ links are also included at the foot of our [homepage on GOV.UK](#) and are regularly promoted across our communications platform.

Action 1812/02: To include links in the minutes on how to register for bulletins and where to find us on social media.

To subscribe to receive the ESIF Programme bulletin and / or ERDF Practitioner bulletin Email us at esif@communities.gov.uk requesting to be added to the database (GDPR rules require all contacts on list to have actively requested being added).

To sign up for the ESF bulletin click [here](#).

Find us on social media:

<https://twitter.com/esif1420england>

https://www.youtube.com/channel/UC7aVirRopHuW_0u7oVWx7Vw

<https://www.instagram.com/growthengland/>

Click on the links above to follow/subscribe.

27. **Julia Sweeney** added that the social media presence has blossomed, enabling best practice and case studies to be shared.

28. **Huw Edwards** challenged the impact of the communication activities. **Minal Patel** informed Huw that evaluation plans were incorporated in the communications plan.

The chair welcomed others to put forward any suggestions to help us identify and reach key audiences.

29. **James Newman** commented that the audience will change as we move towards the UKSPF. **Julia Sweeney** responded we will have the appropriate sets of tools and audience targets when the time comes to send comms around the Reserve Fund or UKSPF.

Item 5: ESF Scoring Framework

30. **Catherine Blair** presented the latest version of the ESF Scoring Framework, seeking the board's approval for the updated changes. The changes are as follows:

- i. Removed the Outline Application and Assessment elements;
- ii. Taken the opportunity to set out in the document to set out clear wording explaining the precise timeframe of validity for this edition of the ESF Scoring Framework (paragraph 1 & paragraph 13);
- iii. Introduced additional wording (paragraphs 4 & 5) explaining that the scoring methodologies for dual-stage applications received by the ESF Managing Authority in response to calls published prior to 29th October 2018 can be found in Versions 6 & 7 of the ESF Scoring Framework document and explained how copies of previous versions of the ESF Scoring Framework can be obtained on request from the ESF Managing Authority.

There are no changes to the actual scoring scale for Full Applications or how the scores will be determined per individual selection criteria.

31. **The board** approved of the changes.

Standing item 5: Minutes of September meeting and progress on Action

32. **The chair** outlined actions arising from the September meeting and that there is one outstanding action (1909/05: MHCLG, DEFRA and DWP to review where there is good practice around issues with planning permission and consider development of a case study), which **David Malpass** will be taking lead on.

Action 1812/03: David Malpass to lead on the good practice review around issues with planning permission and consider development of a case study

33. **Action 1909/01: Janet Thornton** was advised that it would take a lot of resource to provide a breakdown of the current programme into rural areas and it was agreed it would not be value for money to undertake such an exercise at this point. However, **Steve Spendlove** noted that could be advantageous and this would be referred to the Task and Finish group looking at any learning for the future.

34. **The Chair** ask the board if they approve of the minutes. **The board** agreed.

Standing Item 6: National Sub-Committee Report

35. **The Chair** informed the board about the NSC report.

36. The next meeting will be held on 23 March 2020.

Meeting closed: 16:15

Date, time and venue of future meetings

- Monday 23 March 2020 11:00 - [15:00] Conference Room 5a & 5b, MHCLG
- Tuesday 23 June 2020 11:00 - [15:00] Conference Room 5a & 5b, MHCLG
- Tuesday 15 September 2020 11:00 - [15:00] Conference Room 5a & 5b, MHCLG
- Wednesday 9 December 2020 11:00 - [15:00] Conference Room 5a & 5b, MHCLG

Annex A

List of agreed actions from September 2019 Growth Programme Board meeting

No.	Action	Assigned to:
1812/01	DWP to include an updated position on the appraisal process, including time taken for applications to result in Funding Agreements at the March meeting.	Steve Spendlove/Catherine Blair
1812/02	To include links in the minutes on how to register for bulletins and where to find us on social media.	Krishma Sawami
1812/03	David Malpass to take lead in ensuring that the previous action from the last meeting is completed: MHCLG, DEFRA and DWP to review where there is good practice around issues with planning permission and consider development of a case study.	David Malpass, Steve Spendlove/ Catherine Blair, Tony Williamson



European Union

European Structural
and Investment Funds

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

Growth Programme for England

Chair:

	<i>Sector/Organisation Representing</i>	<i>Attending (Y/N)</i>	<i>Substitute For</i>
Julia Sweeney Director, European Programmes and Local Growth Delivery	MHCLG	Y	

Board Members (full and advisory):

	<i>Sector/Organisation Representing</i>	<i>Attending (Y/N)</i>	<i>Substitute For</i>
Carol Botten Deputy CEO, VONNE	Voluntary/Community Sector	N	
Emily Kent Cornwall Council	Cornwall and the Isles of Scilly	Y	
Councillor Albert Bore Birmingham City Council	Local Authorities	Y	
Councillor Peter Thornton Cumbria Council	Local Authorities	Y	
Alison Gordon Greater Manchester Combined Authority	LEPs	Y	<i>Simon Nokes</i>
Clive Winters Pro-Vice-Chancellor Coventry University	Further Education	N	
Richard Powell Chair Wild Anglia	Local Nature Partnerships	Y	

James Newman Sheffield City Region LEP	LEPs	Y	
Councillor Phillip Atkins Staffordshire County Council	Local Authorities	Y	
Guus Muijzers European Commission	European Commission	N	
Kris Magnus European Commission	European Commission	N	
Joanne Knight European Commission	European Commission	Y	
Marc Vermyle DG EMPL / European Commission	European Commission	Y	
Helen Millne The Women's Organisation	Voluntary/Community Sector	Y	
Jennifer Gunn LEP Network	LEP	N	<i>Heather Waddington</i>
Paul Green Local Government Association	Local Authorities	Y	
Huw Edwards LEP	LEP	Y	
Andy Churchill Network for Europe	Voluntary/Community Sector	Y	<i>Carol Botten</i>
Alex Conway Greater London Authority	Local Authorities	Y	
Dominic Williams Federation of Small Businesses	Business/ private sector	N	
Louise Bennett Chamber of Commerce	Business/ private sector	N	<i>David Bharier</i>
Nick French European Directorate	BEIS	Y	
Steve Spendlove ESF Division	DWP	Y	

Catherine Blair ESF Division	DWP	Y	
Emma Friend EAFRD Division	DEFRA	N	
Minal Patel Head of Centre of Excellence	MHCLG	Y	
Zainab Agha Deputy Director, Policy & Partnerships	MHCLG	Y	
David Malpass Deputy Director, Growth Delivery Network	MHCLG	Y	
David Morrall Head of European Programmes & EU Urban Policy	MHCLG	Y	

Additional Attendees / Observers:

Name	Sector/Organisation	
Isma Muhith European Programmes	MHCLG	Observer
Ola Dykes European Programmes	MHCLG	Observer
Simron Gill European Programmes	MHCLG	Observer
Sophia Peacock European Programmes	MHCLG	Observer
Sylvain Alem European Programmes	MHCLG	Observer
Ameer Hamza ESF Division	DWP	Observer
Krishma Sawami Growth Programme Board Secretariat	MHCLG	Growth Programme Board Secretariat

Apologies:

	<i>Sector/Organisation</i>	<i>Sending a Substitute?</i>
Professor John Latham Coventry University	Further education	No, not on this occasion
Dr Clive Winters Pro-Vice-Chancellor Coventry University	Further education	No, not on this occasion
Carol Botten Voluntary Organisations' Network North East	Voluntary	Yes, Andy Churchill
Jennifer Gunn LEP Network	LEP	Yes, Heather Waddington
Simon Nokes Greater Manchester Combined Authority	LEPs	Yes, Alison Gordon