



European Union

European Structural
and Investment Funds

**European Structural and Investment
Funds**

2014 - 2020

Growth Programme for England

Buckinghamshire Thames Valley ESI Funds Sub-Committee

Tuesday 12 March 2019

**Westcott Innovation Centre, Westcott Venture Park, Aylesbury HP18
0NX.**

Agenda:

1. Welcome and introduction
2. Minutes of 16 January 2018 meeting and progress of actions
3. European Agricultural Fund for Rural Development (EAFRD) Programme Update
4. European Regional Development Fund (ERDF) Programme Update
5. ERDF general update on Applications & Calls
6. ERDF Assessments
7. European Social Fund (ESF) National Programme Update
8. AOB

1. Welcome and introductions

- 1.1 **The Deputy Chair** thanked members for their attendance and apologies were noted as detailed in Appendix B. **The Deputy Chair** thanked Westcott Innovation Centre for allowing the ESIF Sub Committee to use its facilities for this meeting. **The Deputy Chair** then introduced the new Chair, **Klaus Allion**. **The Chair** thanked everyone and introduced himself. **The Deputy Chair** then formally handed the meeting over to **the Chair**.
- 1.2 **Ian Barham** invited everyone to join a tour of the Westcott Business Innovation Centre (BIC) following the meeting. BIC were hosting an open day with an opportunity to learn about parallel test facilities and see the funded activities.
- 1.3 **The Chair** reminded all members of the ESIF Sub Committee to provide comments on strategic fit, value for money and deliverability and to declare an interest in a project application where appropriate.

2. Minutes of 16 January 2018 meeting and action update

- 2.1. Actions from the 16 January 2018 meeting were discussed and the draft minutes of the meeting were approved as accurate and were signed by **the Chair**. Actions were confirmed as completed.

3. National and Local Programme Update – EAFRD

- 3.1. **Sarah McGinn** sent her apologies for the meeting as the Rural Payments Agency (RPA) currently have a large quantity of appraisals across their programmes to work through as a priority. Sarah provided a written update which was circulated with the papers.

- 3.2. **Ian Barham** also provided a verbal update, summarising the EAFRD paper. He confirmed that a number of projects have fallen during the process, there was a £1.2 million pipeline spend and therefore a £200,000 under allocation. There is currently no decision on how the underspend will be managed; the options are either to have a future call or allocate the funds nationally. The Buckinghamshire Thames Valley LEP's preferred option is a future call. However the Managing Authority (MA) will need to confirm this.

4. National Programme Update – European Regional Development Fund (ERDF)

- 4.1. **Graham Watt** introduced the National ERDF Programme overview paper and provided some highlights from the written update. In terms of Brexit issues **Graham** confirmed that the HM Treasury Guarantee will guarantee projects contracted by December 2020. In terms of Brexit situation planning the following was confirmed:

- 4.1.1. In the event of a deal the programme will continue, there will be a call in June 2019 which will be the last of the local LEP area based calls. There will be a national call in November 2019, which will be for the reserve fund whereby all remaining LEP area allocations will be pooled and any organisation can apply to a national pot of funding.

- 4.1.2. In the event of no deal ESIF would become a domestic funding programme. The Managing Authority is working on different options/scenarios but it is expected that the fund would not be delivering against the ESIF Strategy or programme rules. The MA will be approaching LEPs to compile a 5-6 page document to include local priorities, industrial strategy links and new domestic priorities. It is possible that there will be more flexibility for new projects although some projects (those already contracted under ESIF) will still have to adhere to programme rules. Full details are yet to be determined.

- 4.1.3. There is a delay on the UK Shared Prosperity Fund consultation which is awaiting No. 10 clearance before that can be launched.

- 4.2. **Graham Watt** provided an update on the National ERDF Programme. The national N+3 2018 target is £517 million. That target was exceeded by £50

million, so the 2018 target was met with a good start made towards the 2019 target, which is £859m; so far claims worth £711m have been paid.

4.3. The MA will build on the activities of last summer to achieve N+3. This year the Greater South East Growth Delivery Team's (GDT) share of the cumulative target is £81m. The GDT are carrying out Project Performance Reviews with every project, the purpose of which is to have a discussion about forecasts for the year. If all those processes are in place then N+3 will be achieved naturally, rather than focussing on that specifically. The MA will implement the under-performance measures and consider Project Change Requests where necessary to get projects back on track and delivering.

4.4. The Performance Framework (PF) targets cover expenditure and outputs which apply at the end of 2018 and then again in 2023. Each LEP area has a share of those targets. All activity to the end of 2018 counts and achievement is being calculated now. The targets have been reduced following the Operational Programme modification in November 2018. Priority Axis (PA)1, PA2 and PA3 are all well above the PF targets for expenditure and outputs across all Categories of Region. In PA4 only Transition expenditure has not met the target. There are difficulties across PA5, PA6 and PA8 where most of the targets have not been met, but there are reasons which have been discussed with the Commission.

4.5. 606 projects are now contracted to a value of over £1,600 million ERDF, slightly under half the value of the programme and there is a pipeline of potential projects worth £1,064 million.

4.6. A 2018 booklet presenting case studies of projects around the country is now available on the ESIF website. Each GDT now has a Twitter account (@GrowthSoutheast for the Greater South East GDT) – everyone is encouraged to use social media to promote projects and to publicise key messages and events. With key decisions on UKSPF coming up, powerful local stories about the impact of ERDF are really important.

5. General Update on ERDF Applications and Calls

5.1. **Vicki Bidwell** introduced the item and provided the ESIF Sub Committee with an updated position on the progress of applications in each of the ERDF Priority Axes, and the remaining funds available, as per the written paper.

6. Outline Applications

6.1. **Vicki Bidwell** presented each of the projects and then invited comments from ESIF Sub Committee members.

The Challenge Lab - Buckinghamshire New University

6.2. The **Chair** reminded the ESIF Sub Committee of the need to declare any conflicts of interest. Greta PaaKerner, Adrian Champney and Nigel Simms declared an interest and remained silent throughout the project discussions.

6.3. The ESIF Sub Committee commented that Buckinghamshire is facing an aging population and supporting SMEs to innovate into ways to combat aging and in particular social isolation is vital. This project has excellent strategic fit as Buckinghamshire is known for its growing digital health and artificial intelligence sectors. The project also makes a direct link with the priorities in Aylesbury Garden Town and its living lab. The ESIF Sub Committee supported the notion of taking innovative pilot working space out of the clinical healthcare setting and into the community. With the growing demographic profile in Buckinghamshire this project not only presents an agile challenge but a strong strategic fit.

6.4. The ESIF Sub Committee supported the assessor's recommendation to progress the application to the next stage.

Digital Support Programme for Buckinghamshire (DSP) – Ngage Solutions Ltd

6.5. The **Chair** reminded the ESIF Sub Committee of the need to declare any conflicts of interest. Greta PaaKerner and Adrian Champney declared an interest and remained silent throughout the project discussions.

6.6. The ESIF Sub Committee shared the assessor's concerns that the marketing budget appears very high and would want to see more detail on what these costs consist of and what marketing activities are planned to cost this much.

6.7. The ESIF Sub Committee commented that currently there is a lack of ICT productivity support, digital leadership and scale up activity; this project makes that vital support possible. The ESIF Sub Committee were particularly supportive of the inclusion of the local universities as partners. The Buckinghamshire universities are recognised as key digital innovation leaders and will broaden the scope of the offer to support SMEs to give them expert technical advisory services/support. Digital connectivity will play a vital role in the future of Buckinghamshire especially given the proximity to the HS2 route. This adds to the content and need for such support in the area and thus provides strong strategic fit.

6.8. The ESIF Sub Committee supported the assessor's recommendation to progress the application to the next stage.

Graduate Link to Develop New Enterprise (GLIDE) - Buckinghamshire New University

6.9. The **Chair** reminded the ESIF Sub Committee of the need to declare any conflicts of interest. Greta PaaKerner and Adrian Champney declared an interest and remained silent throughout the project discussions.

6.10. The ESIF Sub Committee were supportive of the project and commented that the Buckinghamshire College group have good delivery experience of EU programmes (ESF mainly) therefore they have a good working knowledge of EU rules. They also are in a better position to signpost students between the two schemes so they are well aligned.

- 6.11. The ESIF Sub Committee supported the assessor's comment that the programme of activity should be broadened to all graduates in Buckinghamshire, not just Bucks New University. This will improve the graduate retention in Buckinghamshire as currently graduates leave following their courses and there is a need to retain the expertise locally and to encourage them to establish new businesses. The ESIF Sub Committee also supported the need to remove the references to loans as this is out of scope of the call.
- 6.12. The ESIF Sub Committee supported the assessor's recommendation to progress the application to the next stage.

Smart Measures in Local Enterprises (SMILE) / Low Carbon Workspaces (LCW) - Ngage Solutions Ltd

- 6.13. The **Chair** reminded the ESIF Sub Committee of the need to declare any conflicts of interest. Adrian Champney declared an interest and remained silent throughout the project discussions.
- 6.14. The ESIF Sub Committee felt the project presented a strong strategic link to reducing carbon emissions in the area. This also raises the need to support charging point infrastructure in the enterprise zones, the project would complement/support such future activity. To offer a clinical response to a low carbon agenda the EV would ideally be charged using green energy only as opposed to energy generated by power stations, again another future consideration.
- 6.15. The ESIF Sub Committee supported the assessor's recommendation to progress the application to the next stage.

7. National Programme Update – ESF

- 7.1. **Joanna Wright** spoke through the written update that was circulated with the papers. The recent recruitment drive means the team is now up to the full complement on resource, **Joanna** confirmed there are 12 new members of staff working in Contract Management. This is really helpful at the mid-term of the programme which is the most intensive stage given the amount of work around appraisals, pipeline and contracting.
- 7.2. **Joanna** provided an update on the N+3 and performance framework targets; the N+3 target was overachieved by 4%, 70% of the programme through co-financing, claims didn't start coming in for Opt-Ins until 2018, however the adverse effect of this results in a reduction in funds. The performance framework target is until the end of 2018 and claims are still being processed but the outlook is a positive one; confident that PA2 will be achieved but PA1 less developed is slightly behind.
- 7.3. In terms of Brexit, work is going on behind the scenes to cover all eventualities; Deal – continue with the programme; No Deal – HM Treasury

guarantee to underwrite the commitments, in effect a business as usual situation. There will be more calls issued before the end of 2019 to enable applications to be processed and contracted before the deadline of December 2020.

7.4. The Reserve Fund will potentially be launched in October 2019, there will be a soft transition with 4-5 calls launched each week to enable resources to process applications with further news on how the fund will operate will come through in the coming months.

8. Any Other Business

8.1. **Vicki Bidwell** reminded all ESIF Sub Committee members to sign the Terms of Reference and Code of Conduct form and to declare an interest in project(s) where appropriate.

Date, time and venue of future meetings:

- Buckinghamshire New University offered to host the next meeting on 26 September 2019 – room details will be confirmed in due course.

Annex A

No Agreed Actions for the Buckinghamshire Thames Valley ESI Funds Subcommittee 12/03/2019 Meeting.

Annex B Attendee List

Buckinghamshire Thames Valley ESI Funds Subcommittee 12/03/2019 Meeting

Chair & Deputy Chair:

Name, title and organisation	Sector/Organisation Representing
Klaus Allion, Managing Director, ANT Telecom	Chair
Graham Watt, MHCLG	Deputy Chair (ERDF Managing Authority)

Subcommittee Members:

Name, title and organisation	Sector/Organisation Representing
Adrian Champney, Buckinghamshire Business First	Private Sector - Business Support
Greta PaaKerner, Bucks New University	Higher Education
Ian Barham, BTV LEP	BTV LEP
Nigel Sims, Buckinghamshire County Council	Education, Skills & Employment
Steve Adkins, Aylesbury Vale DC	Local Authority
Val Cumberland, Bucks College Group	Further Education

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

Name, title and organisation	Sector/Organisation Representing
Vicki Bidwell, DCLG	ERDF Managing Authority
Joanna Wright, DWP	ESF Managing Authority

Apologies:

Name, title and organisation	Sector/Organisation Representing
Claire Britton, Aylesbury Vale DC	Local Authority
Fred Wilson, Chiltern and South Bucks District Council	Local Authority
Martin Tugwell, Buckinghamshire County Council	Local Authority
Nick Phillips, Community Impact Bucks	VCS
Philippa Batting, Buckinghamshire Business First	Private Sector - Business Support
Richard Harrington, BTV LEP CEO	BTV LEP
Sarah McGinn, RPA	EAFRD Managing Authority
Rebecca Chandler-Wilde	Higher Education
Steve Bambrick, Chiltern District Council	Local Authority