



European Union

European Structural
and Investment Funds

GPB20211207 Item 4(i)
European Structural and Investment Funds
2014 - 2020

Growth Programme for England

Minutes of the Growth Programme Board

11:30 Tuesday 7 December 2021

Microsoft Teams

Agenda

1. Welcome and Introduction
2. Progress on Programmes* *Agenda items marked * were*
3. Communications Annual Update* *accompanied by Board papers*
4. Minutes of December Meeting and
progress on Actions*
5. Items for information*
6. Any other business

Minutes

Item 1: Welcome and introductions

1. **Jenny Dibden** welcomed Board Members and substitutes and advised that apologies received would be recorded in the minutes. She also advised that the meeting was being recorded and transcribed.
2. **Jenny Dibden** asked the board for any conflicts of interest, although she added that she felt there was nothing on the agenda that would require members to recuse themselves. She added that we are grateful to members that have completed the annual register of interest for return and asked that any members who had not yet returned an updated document to do so.
3. **Jenny Dibden** invited board Members to say if they had anything they wished to include under **Items for Information**. No items were received.
4. **Jenny Dibden** then stated that we had received reports of presenters being sick so not all items would be presented verbally.

Item 2: Progress of Programmes

European Regional Development Fund (ERDF)

5. **David Malpass** presented the ERDF report summarising the key points from the circulated Progress Update paper.
6. He started with some headlines – 94% of the programme is now committed, 96% if the pipeline is included.
7. There has been an increase in requests for extensions within existing budget envelopes, which in part is down to projects having slowed during the Covid.
8. A Programme modification is planned for next year, which will come to the GPB for sign off, aiming to ensure we commit 100% of the programme.
9. 2022 N+3 target has been achieved which is very positive.
10. There is still £1.37bn to be spent. The majority is contracted and needs to be claimed by project beneficiaries
11. At a meeting held with the EC the ERDF Managing Authority received some additional closure guidance on project closure and planning for the closure of the programme in 2023.
12. It will return to business as usual in 2022 following the Covid easements – for example projects were enabled to submit claims without providing a lot of evidence. Many of these claims have been paid but there is still more evidence to collect.
13. The ERDF managing authority is still looking at the Financial Instruments absorption, whilst taking into account the fact that they have received quite a good settlement in terms of the spending review.
14. Programme value still set at £3.233bn. As mentioned previously this is 94% committed, across 1084 projects (96% with pipeline)
15. Part of the remaining unallocated funds is being used to manage the FOREX risk, with the remainder being recycled into well-performing projects (discussed at PDR).
16. 26% of projects have had their final claims paid.
17. 9,000 claims have been paid to date, amounting to £1.7bn. Approximately £25-26m of claims are being paid each month, although the average size of project claims has reduced.

18. There has been £84m of covid period claims where less evidence was required. Of these, all the monies have been paid but further evidence is needed relating to claims worth over £51m of this. No projects have been disadvantaged in this process, but it is a key task for the team moving forward to gather this evidence.
19. On the Welcome Back Fund, the ERDF value of the Programme (both RHSFF and WBF) is £107.5m and, to date, £20.5m worth of claims have been received. 75% of Local Authorities have predicted a combined spend of around £75m and the general feedback has been that the funding has been extremely useful and welcome.
20. Programme expenditure targets are set by EC to monitor spend across categories of region and priority areas. All but one are above 85% - just the one, more developed, falls between 65% and 85%.
21. One area being looked at carefully is slippage. Earlier in the programme expenditure forecasts had this at around 15%, but it is now at around 5% which is positive.
22. Looking at the output element of programme targets, again the picture is relatively positive. One PA within More Developed which is below 65% is PA5 (flood defences). Part of the reason for this is changes to the flood maps made by the Environment Agency (which we have spoken to the European Commission about). It is very difficult to draw out any more outputs from this particular part of the programme. Not all PA5 funds have been allocated. Given lead in times to implement projects of this nature, the managing authority is likely to need to consider alternative ways of utilising the unallocated funding.
23. In summary, at the present time there is a considerable amount of committed expenditure to be claimed and outputs to be reported. The ERDF managing authority is working with project beneficiaries to remedy this.
24. Finally looking at closure, David highlighted when final claims for projects were due in and noted an expected increase in workload during 2023 when a large proportion are due. And these numbers continue to grow as extensions take closure further to the right (which in part is being done to support projects in merging into some of the new domestic funding programmes).
25. **Alison Gordon** requested that at the next meeting some time was dedicated to sharing detail on what any likely underspend on the programme will be and what the plans are around that as we are nearing the end of the programme. She also queried whether there was an issue with the extension project change request (PCR) for the Reopening High Streets Safely Fund. David confirmed that this PCR has now been signed off.

26. **Carol Botten** raised a concern about the cross-cutting themes reporting within the paper; flagging that the text for the equality and diversity item has been the same for a number of meetings and asked for more information if there is any. Carol asked whether cross-cutting themes would be considered in the new domestic funds, highlighting that there is a danger it could get lost which would need to be avoided. She also asked, around programme evaluation and from a North East perspective, what information is available from the MA on a regional basis, and whether partners could have access to Summative Assessments for projects within their areas (to support forward planning). Carol also queried how the ERDF Managing Authority would ensure the ESIF programme evaluations are used to inform future programmes.
27. **Simon Jones** stated that the national evaluation phase 3 (which will take place next year) will look to build a much more granular picture at a local level given the much larger data source that will be available for this stage. On Summative Assessment sharing, this can only be done with the approval of those producing them (and those where we have had permission are published on [GOV.UK](https://www.gov.uk)). This would not preclude local partners from contacting projects to obtain the Summative Assessments from them directly. In terms of feeding learning into the policy development process, into the policy development process, a fundamental part of the restructuring of CLGU has been about getting that intelligence moving around properly from the various areas and teams to build in that learning culture.
28. **Pernille Kousgaard** said that it would be really useful if before the next GPB, the PDR was able to understand exactly how much ERDF is still available and to understand the thinking around FIs. On the Welcome Back Fund, she had picked up that this hadn't been going so well for a few of the Local Authorities so could she have a contact to speak to about this. On the C1 output measure, Pernille felt it was quite concerning that they are dropping.
29. **James Newman** added that the evaluation is really useful evidence for bidding for some of these new funds.
30. **David Malpass** started his response by agreeing that there are lots of pots of money moving around within the budget which need to be worked through. He agreed to a deep dive at the next PDR meeting, including on where and how much money has been recycled. He agreed that we needed to be hot on C1 outputs. On FIs, David said he had been asked if it was possible to put more money into the UDFs. He pledged to provide greater detail on equality and diversity in the next GPB paper. On ensuring it isn't lost when moving onto the new funds David stated that for all new funds we have to take account of an equality impact statement, which is a mandatory requirement. Additionally the equality work will be feeding into the evaluation.

ACTION: 0712/01: ERDF MA to ensure greater detail is included on equality and diversity in the next GPB programme update.

31. **Jenny Dibden** requested some clarity around sequencing, given there are a number of areas where people have requested further information. David responded that, in terms of commitment, we'll provide details/discuss at the next PDR meeting and provide an update to the next GPB.

ACTION: 0712/02: March PDR to include a discussion on commitment and plans for minimising underspend.

European Social Fund (ESF)

32. **Clare Bonson** introduced the ESF Programme Update item by announcing that last month they approved the very final appraisal of the ESF 2014-2020 England Programme. This final project will join over 650 projects worth more than £3bn and marks the end of an era. The current programme is currently at its absolute height – to date supporting over 1.5m people across England and helped get over 300,000 people into work and education. Entering a new phase as a programme now, ensuring they deliver on performance. She added that a key task was with ensuring with YEI in particular that we maximise the benefit and impact of all ESF money spent.

33. **Mark Burns** provided an update on the N+3 position. Headline is that they are now confident that they will achieve their N+3 2021 target. He took members through some of the finer details around the size and timing of upcoming claims which is included in the paper / accompanying slides.

34. **Emma Kirkpatrick** then led the update item, first outlining the PCR position. 58 PCRs have been received since the last GPB report, an increase of 93%.

35. **Emma** then highlighted a slight increase in the average time taken for a PCR clearance (up from 56 to 58 days), a figure skewed by two cross-departmental CLLD projects which were taking a lot longer to clear.

36. **Emma** then reported that the total Remaining Funds (RF) value had reduced from £86.8m to £67.6m. The change is a result of a change in the FOREX reducing the overall programme value, balanced off slightly by other funds being returned to the RF. This RF includes assumptions about overprogramming so is not to be counted as free money.

37. Taking into account the pipeline, 100% of what is currently available has been committed.

38. Looking at how that £67.6m is split across the programme, priority area 1 (the unemployment measure of the programme) is considerably overcommitted, due partly

to covid. Plans remain to move some funds from priority 2 to priority 1 to cover this (an OP amendment, confirmed with the EC, is to be requested next summer).

39. Over £42m remains unspent in YEI. In England, there are 10 areas which qualify for YEI – the programme is able to run to the end of 2023. There has been high demand in the transitional areas, and less demand in more developed areas, so funding has been moved into the transition category of region budget. Despite this, there is still a lot of YEI funding (£39.4m) left in the more developed pot for which there is no proven demand.
40. YEI is ringfenced so cannot be moved into other areas of the programme. That said, the total left is match funded with ESF 1:1 so only £21m is YEI money and at risk of being surrendered back to the EC. The other £21m could be redeployed to other parts of ESF and potentially used to alleviate the overspend situation in PA1 MD.
41. The ESF MA then sought the views of the GPB on whether the option of surrendering the YEI portion of the allocation should be investigated further, with a view to bringing final recommendations to GPB in March.
42. **Carol Botten** asked for more detail around reasons for their being such a lack of demand for this funding. **Emma** responded by saying the main reason was YEI carrying an extra layer of complexity around eligibility (what the money can be spent on and who it can be spent on). Co-financing organisations said they wouldn't be offering YEI because it is too complex and GLA said the same thing.
43. **Pernille Kousgaard** asked if this ESF money coming back into the wider programme would stay in those same 10 areas. She specifically flagged London and asked how much was unspent there. **Clare Bonson** stated that these were the exact areas they needed to be considering and exploring over the coming weeks.
44. **Marc Vermyle** welcomed the N+3 news and then stated that, programme-wide, the EC were looking for the impact of the CRii+ measures. On YEI Marc then quoted some figures from the ONS website. Youth Unemployment in London 21%, Midlands, East and West Yorkshire, North East 14% (still 3 times higher than UK unemployment rate). And recent NEET unemployment figures rose from 630,000 to 690,000. On this basis it seems a pity that the money available for this will not be spent and requested that the MA look a bit further for any measures which can make it happen.
45. **James Newman** stated that he was really pleased with the flexibility being shown in looking to move money from one place to another (particularly welcome to PDR members where there has been a push for this kind of flexibility to be shown). He asked whether, with N+3, were there no adjustments made due to Covid and, taking the point made by Marc about wanting to see the statistics around the impact of Covid. On YEI great to see we can try to be flexible (lessons around complexity potentially leading to

issues should be taken on board around new UK domestic funding). James asked whether there is a way we can look at changing some of the restrictions so remaining money can be spent in other areas – at least investigate that first before surrendering our money.

46. **Clare Bonson** confirmed that the flexibility question on N+3 was asked of the EC and the response was no. On where the YEI was still available to be spent, her understanding is that it may just be in the West Midlands now but they are saying that they have nowhere else to go with this funding. Clare is happy to discuss with Marc possibility of changing the rules. Within this coming period the ESF managing authority will be looking at all potential options. And in terms of lessons learned, from DWP perspective they are certainly sharing lessons learnt around the ESF programme and working closely with colleagues at DLUHC to help to build UKSPF. On CRii+ impact, Clare agreed to talk with Marc and loop in their evaluators so some work can be done in this area.

47. **Carol Botten** mentioned that what she had said earlier around ERDF evaluation was also needed for ESF and requested LEP area level outputs and results is shared with local areas. She also asked if there was a specific contact within the MA for this. **Clare** responded that there are some evaluation reports ready to be published awaiting final upload and that MA will take away Carol's specific points.

48. **Jenny Dibden** introduced the next two updates by stating that, unfortunately, due to sickness and unavailability no one was available to present either the EAFRD or EMFF items from their MAs. Papers for both items had been circulated with meeting papers ahead of the meeting. Jenny invited questions and comments

European Agricultural Fund for Rural Development (EAFRD)

49. **Pernille Kousgaard** commented that we need to keep a hold on the spend. Defrayment is quite good for the big projects but defrayment for broadband ones is behind (which is mentioned in the report).

European Maritime and Fisheries Fund

50. **Pernille Kousgaard** highlighted that the report was unchanged from previous meetings so requested a report illustrating where the underspends are, where are they recycling and whether there are issues. **James Newman** requested that someone from EMFF appear to present the paper at the next meeting.

ACTION: 0712/03: GPB Secretariat to contact EMFF colleagues and request a detailed paper and someone presenting in person at the next GPB. Additionally both

EMFF and EAFRD to be asked to ensure they have contingency in place to cover for unexpected absences and ensure someone is present at future meetings.

Item 3: Communications Annual Update

51. **Rob Martell** presented on communications activities delivered during 2021, running through the paper for this item. This included online activity, social media activities and statistics, ESIF and programme specific bulletins and internal communications.
52. **Rob** also talked through the ERDF 2021 Annual Information Activity, a promotional campaign supporting the launch of the Welcome Back Fund in England. The campaign featured a Secretary of State launch video, further films and animated tweets and a news article published on GOV.UK circulated to media across the country. It was reported that the campaign had achieved excellent reach among both key local partners, potential applicants and the wider general public.
53. **James Ritchie (DWP)** then talked through the ESF Annual Information Activity, a case study booklet currently in final stages of development and set to be published on GOV.UK and promoted during December.
54. **Rob** then talked through the Communications Activity Plan for 2022, highlighting ongoing and other planned communications for the ERDF and ESF programmes including the 2022 Annual Information Activities, continual updating of our programme pages on GOV.UK, social media, producing/publishing new lists of beneficiaries and bespoke partner bulletins.
55. **James** closed the presentation by highlighting an England ESF programme celebration event being planned for 2022. It will be held on teams, timing are to be confirmed but it will possibly be during March. It will celebrate how across the country ESF makes a positive difference to the lives of people and communities, and recognise the MA and delivery partner response to COVID-19 challenges to ensure continued support for participants.
56. **Huw Edwards** congratulated the MAs for their clear focus on the impacts of these communications. He added that it was good to see impacts referenced in the plan for 2022 but he felt there was still room for more focus on this (details on what our audiences are taking from them, why are they looking at them). James Newman agreed that there was a need to include the local impact information on all the funds. **Rob Martell** responded by saying they would look to draw out some of this information through the partner communications consultation planned for early 2022.
57. **Pernille Kousgaard** offered congratulations recognising that the communication programmes across both ERDF and ESF were comprehensive. We are moving to outcomes now and she asked if the MAs were planning on including recipients of ESIF on some of our films to bring them to life. And on ESF specifically (looking at audiences for the celebration event), she flagged that most former Combined Authorities are now Mayoral Combined Authorities and offered help with contacts if required. James thanked

Pernille for this and also mentioned, regarding the participant voice in films, that they have identified a few already.

Standing Item 4: Minutes of March Meeting and Progress on Actions

58. **Rob Martell** outlined the actions arising from the March meeting and stated that all actions have been completed - there are no outstanding actions.
59. **Rob Martell** asked the board if they approve of the minutes. **Pernille Kousgaard** asked that her apologies be recorded as they had been provided at the time. Otherwise the board agreed the minutes.

Standing Item 5: Items for Information

National Sub-Committee Report

60. **Rob Martell** informed the board about the National Sub Committee (NSC) report. The Employment, Skills and Social Inclusion NSC, the Equality and Diversity NSC and the Performance and Dispute Resolution NSC (twice) had all met since the previous GPB and updates were provided within the paper.
61. **Alison Gordon** requested more detail on the outcomes of discussions at two of the above NSCs on the UKSPF. This was taken away as an action for David Malpass.

ACTION: 0712/04: NSC report to provide more detail on discussions and outcomes of discussions held at NSCs relating to UKSPF

Item 6: Any Other Business

62. **Carol Botten**, reflecting on information received when ESIF Local Sub-Committees met (quite regular reporting at that level), put in a request for ERDF, ESF and EAFRD to give some indication of what is happening at local area level. She added that at a local level there is currently an information vacuum. James Newman asked what was happening in the background around the local governance decision which has been discussed at recent PDRs and which is currently deferred to March next year. Local meetings haven't been held for some time and while we get all the national numbers, local numbers aren't being circulated. He asked if there was going to be a firm proposal at the next GPB and, if it is, it would be good if it was available ahead of the next PDR meeting.
63. **David Malpass** responded that the issue had been discussed at a number of PDR meetings but no conclusion has been reached. A lot of comments have been taken from members. He pledged to call a special meeting of PDR for the end of January to finalise where we are on Local ESIF Committee meetings. He added that he had taken on board Carol's comments on information, highlighting that one of the points for consideration was how that information was circulated. He said he would speak to colleagues at ESF

to get that process clear and standardised and this would also be looked at in the January PDR meeting.

ACTION: 0712/05: PDR Secretariat to convene a special PDR meeting for late January where local governance/local information provision plans can be shared and discussed.

64. There were no other items raised under AOB – **Jenny Dibden** confirmed that the next meeting will be held on Tuesday 22 March and that we will confirm whether we will physically meet up, a mixture of physical/virtual or if it will be just virtual again nearer the time (it is likely to be just on teams again). Jenny thanked everyone for all the valuable and extremely important input they have provided, all their support for these programmes and contributions during 2021 and wished everyone a great Christmas and happy new year.

Meeting closed: 13:30

Date, Time and Venue of Future Meetings

Tuesday 22 March 2022 11:00 - [15:00]

Annex A

List of agreed actions from December 2021 Growth Programme Board meeting

No.	Action	Assigned to:
0712/01	ERDF MA to ensure greater detail is included on equality and diversity in the next GPB programme update.	David Malpass
0712/02	March PDR to include a discussion on commitment and plans for minimising underspend.	David Malpass
0712/03	Contact EMFF colleagues and request a detailed paper and someone presenting in person at the next GPB. Additionally both EMFF and EAFRD to be asked to ensure they have contingency in place to cover for unexpected absences and ensure someone is present at future meetings.	GPB Secretariat
0712/04	Provide more detail on discussions and outcomes of discussions held at NSCs relating to UKSPF	NSC Secretariats
0712/05	Convene and prepare updates for a special PDR meeting for late January where local governance/local information provision plans can be shared and discussed.	PDR Secretariat / MAs



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Growth Programme for England

Chair:

	Sector/Organisation Representing	Attending (Y/N)	Substitute For
Jenny Dibden Director, Cities and Local Growth	MHCLG	Y	

Board Members (full and advisory):

	Sector/Organisation Representing	Attending (Y/N)	Substitute For
David Malpass Cities and Local Growth	MHCLG	Y	
Stacey Sleeman Cornwall Council	Cornwall and Isles of Scilly	Y	Emily Kent
Helen Millne The Women's Organisation	Voluntary/Community Sector	Y	
Carol Botten Network for Europe	Voluntary/Community Sector	Y	
Councillor Sir Albert Bore Birmingham City Council	Local Authorities	Y	
Councillor Philip Atkins Staffordshire County Council	Local Authorities	Y	
Alison Gordon Greater Manchester Combined Authority	LEPs	Y	Simon Nokes
Jennifer Gunn LEP Network	LEPs	Y	
Dr Huw Edwards Thames Valley Berkshire	LEPs	Y	

Dr Clive Winters Coventry University	Higher Education	Y	John Latham
Pernille Kousgaard Liverpool City Region	SUD	Y	
Guus Muijzers European Commission	EC	Y	
Marc Vermyle European Commission	EC	Y	
James Newman Sheffield City Region LEP	LEPs	Y	
Janet Thornton Rural and Farming Network	Rural	Y	
Richard Powell Chair Wild Anglia	Local Nature Partnerships	Y	
Clare Bonson ESF Division	DWP	Y	
Emma Kirkpatrick ESF Division	DWP	Y	
Simon Jones Cities and Local Growth	MHCLG	Y	
Lee Harvey European Programmes	GLA	Y	Alex Conway
Richard Davies European Programmes	BEIS	Y	

Additional Attendees / Observers:

Name	Sector/Organisation	
Mark Burns ESF Division	DWP	Presenter
James Ritchie	DWP	Presenter

ESF Division		
Sean Hughes Growth Programme Board Secretariat	DLUHC	Growth Programme Board Secretariat
Rob Martell Growth Programme Board Secretariat	DLUHC	Growth Programme Board Secretariat
Pauline Williams ESF Division	DWP	Observer
Stephen Archer ESF Division	DWP	Observer
Caroline Hyde ESF Division	DWP	Observer
Tina Collopy Cities and Local Growth	DLUHC	Observer

Apologies:

	Sector/Organisation	Sending a Substitute?
Simon Nokes Greater Manchester Combined Authority	LEPs	Yes, Alison Gordon
John Latham Coventry University	Higher Education	Yes, Clive Winters
Alex Conway Greater London Authority	GLA	Yes, Lee Harvey
Emily Kent Cornwall Council	Cornwall and Isles of Scilly	Yes, Stacey Sleeman
Cllr Peter Thornton Cumbria County Council	Local Authorities	No