



European Union

European Structural
and Investment Funds

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

**Growth Programme for England
27/06/2023 - Item 4**

ESI Funds Growth Programme Board

Item 4: Discussion on future role of the GPB and its remaining Sub-Committees

Purpose:

To set out to Members the ESIF MAs views on the role of the GPB (acting as the PMC for ERDF and ESF) and its remaining sub-committees over the remaining months of the ESIF Programmes. To support a discussion to be held at the June GPB meeting and agreement being reached on a clear course of action.

Recommendation(s):

Members note the points made in this paper to inform the meeting discussion.

Summary:

As we draw towards the end of the 2014-2020 ESIF programmes, the time is right to assess and discuss the ongoing role of the ERDF and ESF PMC and to review the GPB (and NSCs) meeting schedule for the remainder of the programmes.

With strategies for the final allocation/delivery of funds agreed and to enable the MAs to focus on the delivery of these strategies the MAs propose that the June Performance National Sub-Committee and Growth Programme Board meetings are the last of 2023 and we reconvene for a meeting/reflection on the achievements of the programmes at a GPB meeting March 2024.

Issues arising in the intervening period that require GPB attention can be dealt with by written procedure or an *ad hoc* meeting.

The GPB (acting as the PMC for ERDF and ESF) will also need to be consulted on the Final Implementation Reports prior to submission to the EC. Membership of GPB will be managed and maintained to ensure this consultation can be undertaken.

This paper was first discussed at the Performance National Sub-Committee meeting held on 8 June 2023 where the proposals were met with broad approval.

More detail of the MA proposal is provided below in the main body of this paper.

Future role of PMC / future GPB (and national sub-committee) meetings

The GPB and national sub-committees have done an excellent job supporting the respective MAs in:

- Establishing the strategic direction of the Programmes;
- Monitoring performance of the Programmes and working with the MAs in addressing issues that arise; and
- Overseeing the evaluation and communication of the Programmes.

Additionally, while the GPB is not the PMC for EAFRD and EMFF, meetings have been used to provide members with an oversight on the delivery/performance of these programmes.

The Programmes are in their final stages and the respective MAs have clear strategies, shared with the GPB and the PNSC, as to how spend will be maximised, targets managed and closure deadlines met.

For ERDF this strategy is to continue to recycle funding where practical to ensure that as much funding as possible is made available to projects. In exceptional circumstances extensions may be available to capital builds where project completion is at risk, but no further extensions are available for revenue projects. If this recycling is not sufficient to ensure that the full programme value is spent, then the MA will absorb underspends and/or FOREX gains into Financial Instruments including follow on equity funds at the end of the Programming period. If there is still surplus ERDF after that option has been maximised, then the MA will use the EC's initiatives to support Ukrainian Refugees (FAST-CARE) and Energy costs (SAFE) to absorb that funding if doing so does not put at risk successful closure of the Programme.

For ESF the approach is to continue to maximise programme spend on the most vulnerable communities in England through a combination of extending project delivery timescales to the end of the programme period (where appropriate), taking account of the impact of the pandemic and resetting project profiles and also providing additional funding to well performing projects. Over 300 projects now have the maximum period available to deliver quality outcomes which will have a long-lasting impact on people who face disadvantage and provide even more quality outcomes. In addition, the ESF MA will explore other available options to absorb funding into current live projects or new initiatives where it is low risk to the programme.

To ensure that the MA can focus on the delivery of these strategies it is proposed that we forego our September and December meetings and reconvene in March 2024 to:

- Provide an update on Programme performance and closure progress;
- Review communications during 2023; and
- Celebrate the success of the respective Programmes, welcoming reflections from Board members of the impact that the Funds have had on those they represent.

In the intervening period, a quarterly MI pack containing top level data for each of the programmes will be produced and distributed to members in September and December.

If, during this time, issues arise that require GPB attention then we will do this either through written procedures or hold an *ad hoc* meeting if required.

The GPB will have one final role following that meeting which will be review of the Final Implementation Reports (FIR) that will provide the final picture of what has been delivered.

These reviews are likely to be staggered over the course of 2024 and early 2025 and, as with recent AIR documents, will be managed through the use of written procedure.

May 2023

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