



**Stoke-on-Trent and Staffordshire ESI Funds Sub-Committee**

**Minutes of meeting held 10<sup>th</sup> May 2016  
The White Room, County Buildings, Staffordshire**

**Agenda:**

1. Welcome –Introduction and Apologies
2. Minutes of last meeting on 7<sup>th</sup> April 2016
3. Declarations of Interest
4. ERDF Management Information Report
5. ESF Opt In Update
6. EAFRD and Leader Update
7. ERDF Full Applications
8. Any other Business

**1. Welcome and introduction (The Chair)**

- 1.1. The Chair (Jonathan Dale) welcomed the meeting attendees. Apologies were received from the RPA/DEFRA, Cllr Brown, Allan Howells, Emma Johnson, Graham Morley, Jo Rushton, Julian Woolford and Andrea Whitworth.
- 1.2. The Chair reminded members to submit completed Terms of Reference forms to DCLG.

**2. Minutes of 07/04/2016 meeting and action update (The Chair)**

- 2.1. The Vice-Chair (Darren Cope) confirmed that actions 1-4 had been completed.
- 2.2. It was agreed that the minutes were a true record of the meeting.

**3. Declarations of Interest (The Chair)**

- 3.1. The Chair asked Sub-Committee members to declare an interest where applicable ahead of each agenda item.

**4. ERDF Progress Report (Vice-Chair)**

- 4.1. The Vice-Chair provided a verbal summary of the written update circulated to Sub-Committee members in advance of the meeting.
- 4.2. For PA1 (Innovation), the total amount currently under consideration represents 20.9% of the allocation against the 94% cap (2018), and 19.6% of the allocation at 100%. This

leaves £15.03m left to allocate until 2018 and £16.243m until the end of the programme. The projects currently under consideration are forecast to generate sufficient outputs to meet the 2018 performance indicator target. The percentage under consideration has dropped considerably since the April 2016 MI report. This is due to the Medical Research and Development Centre project (£12.5m) being removed from the PA1 total.

- 4.3. In PA3 (SME competitiveness), the total amount currently under consideration represents 78.5% of the allocation against the 94% cap (2018), and 73% of the allocation at 100%. This leaves £7.38m of unallocated funds to the 2018 target date and £9.58m until the end of the programme. The projects currently under consideration are forecast to generate sufficient outputs to meet the 2018 performance indicator target.
- 4.4. Priority Axis 4 (Low Carbon) represents 74% of the 94% cap (2018 target) and 69.9% of the funding allocation at 100% (2023 target). It is currently looking as if the key performance indicator targets for this PA will be exceeded.
- 4.5. There is currently a lack of project activity programmed under PA2 (ICT) and PA6 (Environment) although the Managing Authority acknowledges that local partners are working up schemes in readiness for future calls.
- 4.6. The Vice-Chair added that a Priority 6 Workshop was held in Wolverhampton on the 26<sup>th</sup> April 2016. The purpose was to develop partners' understanding of the activities that are supportable under this Priority.
- 4.7. Jill Norman asked if the Slides from the workshop could be circulated to prospective applicants. The slides were issued by Mark Connell via email to members following the meeting.
- 4.8. Cllr Alcott noted that the ERDF application process is complex and enquired if there was any support available.
- 4.9. The Vice-Chair invited Nigel Senior and Mark Connell to respond given their involvement in the OWG and Staffordshire Technical Assistance. Nigel advised that workshops had been delivered to support applicants under earlier bidding rounds. Support is available to projects under the Technical Assistance Project.
- 4.10 The Chair commented that the ERDF update was clear, succinct and highlights the progress being made.

## **5. ESF Opt-in Update (Harjinder Dhami)**

- 5.1. Harjinder Dhami (HD) provided a verbal summary of the written update circulated to Sub-Committee members in advance of the meeting.
- 5.2. HD provided an introduction to the new DWP management information template and explained that future reports will ultimately be based on source information from the E-Claims system which is currently in the BETA phase.
- 5.3. 63.5% of the total ESF allocation for Stoke-on-Trent and Staffordshire LEP has been committed. HD proceeded to present the breakdown of the allocation by investment priority and category of region.
- 5.4. SFA –Opt In: The SFA has concluded almost all of the NEET provision with contracts being awarded. Procurement re-scheduled for completion by the end of April has slipped further due to major re-organisational and staffing changes within the SFA and also procurement complexities. The DWP Managing Authority is holding fortnightly tele-kits with the SFA at a national level in order to support the conclusion of the procurement activity.

- 5.5. Big Lottery Fund Opt-In: Nationally 37 applications have been received totalling £157.7m ESF. Applications will be considered by a decision making panel in late April. The outcome will be communicated to ESIF Sub-Committees between the 27th April and the 4th May 2016. Stage 2 development support will commence on 16th May 2016.
- 5.6. DWP Opt-In: The 3rd round of DWP applications is currently open. Nationally 10 applications have been received to date totalling £59.7m (ESF). All of the memorandum of understandings (MOUs) have been signed.
- 5.7. HD suggested that it might be useful to invite a representative of the Big Lottery to the next meeting to provide an update on progress. Sub-Committee members agreed that this was a good idea.
- 5.8. Sub-Committee members asked if the report could be made more user-friendly by incorporating details including the name and nature of each Investment Priority.
- 5.9. In response, Nigel Senior volunteered to pull together a supplementary report. The report will be forwarded to HD and the Chair for consideration prior to wider circulation.

## **6. EAFRD and Leader Update (Vice Chair)**

- 6.1. The Vice-Chair presented a progress report on behalf of the RPA/DEFRA.
- 6.2. Following the sub committee's advice, two Tourism co-operation projects and 1 business development project have been invited to submit a full application, with a deadline of 26<sup>th</sup> August 2016. The 2 Tourism projects are Lichfield Cathedral (£50,000 EAFRD) and Canal and River Trust (£69,477 EAFRD). The Business Development Project is Johnsons Engineering Ltd (£139,485)
- 6.3. Staffordshire Leader: The Delegated Authority Agreement (DAA) was issued on 6th May which gives the Accountable Body (Staffordshire County Council) the authority to issue funding agreements. The first outline call for bids closed at the end of December 2015, 13 applications were submitted with 9 endorsed to come forward at full application stage. Currently 4 Full Applications have been submitted at full and it is planned that they receive a decision in the next 6 weeks. A second outline call was opened in March which covered all 6 themes and has now closed.
- 6.4. In order to inform future bidding rounds, the RPA asked LEPs in March 16 to review their EAFRD spend profiles and to consider requesting the transfer of funds across different areas of activity where appropriate. It is anticipated that there will be opportunities to launch future calls for business development, food processing, and tourism projects in the summer 2016, with Broadband and Forestry available in early 2017, and skills, business advice and renewables later in 2017. Initial proposals were received by 11 April and further local discussions will be held over the coming weeks. The RPA is currently processing the responses received, and will clarify next steps as soon as possible.
- 6.5. A number of Committee members enquired if the suggested future calls timetable could be amended.
- 6.6. The Deputy Chair advised that this question should be raised with DEFRA/RPA at the next ESIF Sub-Committee meeting.
- 6.7. Nigel Senior and Frances Beatty commented that the ESIF-Sub-Committee, supported by the Rural Enterprise Forum is developing a proposal to the RPA which will inform an anticipated Bidding Round in the Autumn.

## 7. ERDF Full Applications (Vice Chair)

7.1 **Stoke on Trent and Staffordshire LEP Growth Hub** (ESIF £1,635,567): The Vice-Chair provided a verbal summary of the project. He noted that the project appraiser had found that the project was sufficiently aligned to Priority Axis 3 and appeared to offer good value for money based on the proposed output targets. The conditions raised by the appraiser were procedural in nature. Comments on local strategic fit were invited.

7.2 Cllr Terence Follows and Cllr Philip Atkins declared an interest in this project.

7.3 ESIF Sub-Committee members were in agreement that the project was sufficiently aligned to local priorities.

7.4 **Innovative Product Support Service** (ESIF 89,000): The Vice-Chair provided a verbal summary of the project. He noted that the project appraiser found that the project was sufficiently aligned to Priority Axis 3 and appeared to offer good value for money based on the proposed output targets. The conditions raised by the appraiser were procedural in nature. Comments on local strategic Fit were invited.

7.5 Several members suggested the inclusion of a condition to ensure that the project works with the local Growth Hub. However both the Vice Chair and Chair confirmed that this requirement is addressed within the application.

7.6 ESIF Sub-Committee members were in agreement that the project was sufficiently aligned to local priorities.

7.7 **Business Growth Programme (ESIF £2,118,249)**. The Vice-Chair provided a verbal summary of the project. The appraiser found that the unit cost of some of the outputs was higher than the applicable benchmarks. However it was noted that this was arguably justified on the basis that the project was focussed on fewer, but larger, potentially transformative grants.

7.8 Cllr Alcott declared an interest in this project.

7.9 The proposed project includes two conditions which were added following feedback from the ESIF-Sub Committee: The addition of a 12 month performance review clause and a provision for grant requests for £100K and over to be referred to the relevant ESIF Sub-Committee for local strategic advice. Members indicated that the latter clause in particular was a good idea.

7.10 ESIF Sub-Committee members were in agreement that the project was sufficiently aligned to local priorities.

7.11 **Stoke-on-Trent and Staffordshire Grants for Growth (ESIF £2,271,500)**. The Vice-Chair provided a verbal summary of the project. The appraiser found that the unit cost of some of the outputs was higher than the applicable benchmarks. However it was noted that this was partially attributable to the inclusion of large, high impact grants.

7.12 The proposed project includes a provision for grant requests of £100K and over to be referred to the relevant ESIF Sub-Committee for comment. . Members indicated that the proposed condition was a good idea.

7.13 In response to question from Frances Beatty, the Vice Chair clarified that the project would operate across the LEP area, whilst having the potential to make a valuable contribution to the Stoke-on-Trent Enterprise Zone.

7.14 ESIF Sub-Committee members were in agreement that the project was sufficiently aligned to local priorities.

## **8. Any other Business**

8.1.No additional matters were put forward for consideration.

### **Date, time and venue of future meetings:**

Date 29/06/2016, Time 16:00 – 18:00 , Venue Stoke-on-Trent- TBC

## Annex A

### List of Agreed Actions from [Date] [Insert LEP area] Sub-Committee Meeting

Agenda Item	Action	Action Assigned to
5.7	HD to invite a representative of the Big Lottery to attend the next meeting to provide an update on progress on the Opt-In.	Harjinder Dhani (HD)
5.9	NS to compile a note/guide which will serve as an aid to interpreting the ESF Management Information Reports. The note/guide is to be forwarded to the Chair and HD for consideration before circulation to the Sub-Committee members.	Nigel Senior (NS)

## Annex B Attendee List

### Stoke-on-Trent and Staffordshire ESI Funds Sub-Committee 10/05/2016 meeting

#### Chair & Deputy Chair:

Name, title and organisation	Sector/Organisation Representing
Jonathan Dale	Stoke –on-Trent and Staffordshire LEP Board member (Chair)
Darren Cope	DCLG (Deputy Chair)

#### Sub-Committee Members:

Name, title and organisation	Sector/Organisation Representing
Cllr Gordon Alcott	Southern Staffordshire District Authorities
Cllr Philip Atkins	Staffordshire County Council
Dr Mark Bacon	Keele University
Frances Beatty	Stafford Borough Council/ Stafford Rural Forum
Harjinder Dhani	DWP
Cllr Terence Follows	Stoke-on-Trent City Council
Andrew Greenhough	Stoke-on-Trent College
Jill Norman	Support Staffordshire

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

Name, title and organisation	Sector/Organisation Representing
Mark Connell	Stoke-on-Trent City Council
Peter Hamid	DCLG
Deborah Harris	Cannock Chase District Council
Nigel Senior	Staffordshire County Council

#### Apologies:

Name, title and organisation	Sector/Organisation Representing
Roger Allonby	DEFRA
Cllr Abigail Brown	Stoke-on-Trent City Council
Allan Howells	Staffordshire University
Emma Johnson	Natural England
Jo Jury	DEFRA
Graham Morley	South Staffordshire College

Jo Rushton	DWP
Andrea Whitworth	BIS
Julian Woolford	Staffordshire Wildlife Trust