

Enterprise M3 Programme Management Group

11th July 2019

EU Programme Update - Item 8

To NOTE the progress on the EU programme.

1. General Update

- 1.1. The ERDF & ESF videos are ready to show case studies and promote the fact that the EU funding is guaranteed beyond Brexit. We intend to publish these suites of videos in stages using our YouTube channel and social media and available for download on partners' websites
- 1.2. Managing Authorities continue to plan for a 'deal' or 'no deal' scenario, in case of 'no deal', programmes will become a domestic version of ERDF/ESF with some possible simplifications on audits & branding requirements.
- 1.3. The next round of ERDF calls opened on 28 June 2019 and will close on 28 September 2019. LEPs are expected to tender the remaining of their allocation as after this call, any uncommitted budget will become part of the national reserve.
- 1.4. The next round of ESF calls will open mid-July in our LEP area with a simplified one-stage process
- 1.5. Some reserve funds calls will be announced for ESF, ERDF and EAFRD in Autumn 2019.
- 1.6. The Internationalisation project led by Enterprise M3 passed the outline stage and we are leading the development of the full application with partners for the 9th August 2019 submission deadline.

2. European Social Fund (ESF)

- 2.1. Taking into consideration the revised exchange rate, 52.8% of our ESF allocation is published including 30.8% contracted, 15.6% in the pipeline and 13.1% spent.
- 2.2. We are hosting an ESF launch event on 30rd July in Farnborough to promote new funding opportunities for:
 - Social Inclusion worth £1.37m ESF
 - Virtual reality and online support learning worth £2.1m ESF
 - Brokerage of skills/Apprenticeship Hub worth £1.37m ESF
- 2.3. We are working with DWP to release a 'Digital Skills for the unemployed' specification worth £400K ESF (re-issue) and a new specification for addressing 'In Work Poverty'.
- 2.4. We are in the process of submitting a PRC (Project Change Request) on our ESF Technical Assistance Project with partners for seeking an extension until the end of the programming period.

- 2.5. Our first aggregated claim for our ESF Technical Assistance project from October 2015 to June 2018 has been verified along with our second claim for Q3 2018 and we await payment of £24,644.13. Our payment claim for Q4 2018 is under verification for £3,420.59. At the end of July we will submit our Q1 2019 payment claim for £3,718.65 aggregated with our Q2 2019 payment claim.

3. European Regional Development Fund (ERDF)

- 3.1. Taking into consideration the revised exchange rate, 97% of our ERDF allocation is published, 12.3% of applications are in process, 17.6% is contracted and 6.2% of ERDF has been spent.
- 3.2. Over 80 attendees are registered to attend our ERDF specification launch and partnering event on 2nd July at the Living Planet Centre in Woking, we will promote 4 new specifications for:
- R&D and Commercialisation Activities worth £5.1m ERDF
 - Digital Growth worth £1.5m ERDF
 - SME Growth worth £6.8m ERDF
 - Low Carbon and Energy worth £2.7m.
- 3.3. We submitted a PCR (Project Change Request) for extending the ERDF TA project until the end of the programming period. The value to Enterprise M3 is £125k for two years. We are awaiting for final approval.
- 3.4. Two new ERDF projects contracted this quarter with:
- Regional Manufacturing Growth Programme led by Economic Growth Solutions (now part of Oxford Innovation Services)
 - EMPHASIS3 led by the University of Portsmouth, our first Low Carbon project in the area
- 3.5. We submitted our payment claim for Q1 2019 worth £14,178 in April and will submit Q2 2019 payment claim at the end of July.

4. European Agricultural Fund for Rural Development (EAFRD).

- 4.1. 100% of allocation published with 15.4% projects contracted, 10% EAFRD spent, 140% over committed with the current pipeline.
- 4.2. Consultations are taking place between RDPE and LEPs to organise a Reserve Fund call for EAFRD towards the end of September. Two out of the three priorities will re-open for 'Business Development' and 'Tourism Infrastructure'. Both priorities were the most popular in our LEP area. Our level of over-commitment will allow our area to access more EAFRD money from other underspending regions.

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26th June 2019