

Enterprise M3 Board Meeting

31 January 2017

EU Programme Update – Item 15

Board members are asked to NOTE the progress on the EU programme.

1. General Update

- 1.1. The Government have now agreed that all EU activity can proceed with the expectation that all calls will be made for our original priorities with some minor tweaks. We now have a timetable for the majority of future calls which gives us more certainty. However, we will continue to monitor this situation should national policy alter in any way. To mitigate any future risk, we are planning future specifications now to give us the greatest opportunity to deliver our allocation.
- 1.2. Some of our contracts have now been signed and we have summarised them below. We continue to be nervous about the Managing Authorities ability to turnaround assessments and contracts but are monitoring the situation carefully. To build in flexibility and encourage applicants to come forward the new Calls are open for a longer period.
- 1.3. Work is commencing at a national level on how this activity may be delivered in the future through domestic funds. Tom Hinchcliffe, who used to work for Enterprise M3, is now involved in this activity.

2. European Social Fund (ESF)

- 2.1. We now have two contracts that have been signed under the Skills Funding Agency (SFA) opt-in, and one under the Big Lottery Fund (BLF) opt-in.
- 2.2. The first contract under the SFA opt in is with Skills Training UK in consortium with Brooklands College, Basingstoke College of Technology and Brockenhurst College and has two work strands. The first strand is an Employer centred employability & basic skills aims to work with individuals who are long term unemployed and furthest away from the job market to gain work related skills and support to boost confidence and interest in finding work. The second strand is an Employer led vocational pathways project for the unemployed. This project aims to work with unemployed individuals closest to the job market to gain work related skills to boost ability to gain work.
- 2.3. The second contract is with Sparsholt College who are leading a consortium to deliver three strands of work. Firstly, an Employer led vocational pathways towards higher skills which aims to work with employed individuals, particularly those employed in the Enterprise M3 growth sectors, to gain further intermediate, technical and advanced vocational provision for career progression and productivity. The second strand is Employer led vocational pathways for redundancy project, which aims to work with individuals at risk of redundancy or recently made redundant, to retrain or/and upskill to continue or gain new employment, particularly within the Enterprise M3 growth sectors. Finally, they will run an information advice and guidance project which aims to work with businesses and individuals supporting strategic workforce development for business growth.
- 2.4. The two projects being procured through the Big Lottery Fund cover social enterprise and social inclusion.
- 2.5. The Social Enterprise project contract has been signed and the project, led by WSX Enterprise, and has been launched. This project aims to work with unemployed individuals, especially those who are most at risk of social exclusion, to gain skills to start up or engage with social enterprises, thereby gaining employment.
- 2.6. Under the Social Inclusion strand we have one application that has been approved to go to the second stage. This project aims to work with unemployed, disadvantaged people to move towards and into employment. It will target socially-excluded individuals and those people furthest away from the labour market.

2.7. We are pleased that in addition to the projects that are contracted we are also planning a Direct Call for Digital Skills this Spring. The call is a joint call with Coast 2 Capital with two geographical lots to support businesses across the Surrey borders. The project aims to work with employed individuals to upskill them with digital skills.

3. European Regional Development Fund (ERDF)

3.1. We are pleased that following the pause in the Programme last year, we now have four projects contracted. The Digital Business Acceleration Hub project, led by University of Surrey, is now underway. The project will set up a network of business acceleration hubs in the EM3 Growth towns and complements the Local Growth Fund 5G project.

3.2. The Innovate to Succeed project, led by Oxford Innovation Services, has also been launched and will provide tailored support to SMEs to enhance their innovation management capability. The South East International Business Growth project will provide additional support for SMEs wishing to grow their business internationally.

3.3. The Technical Assistance project Grant Funding Agreement has been signed. This project, run by the LEP, promotes and publicises the programme as well as supports potential applicants.

3.4. In addition to this, we were able to publish three new ERDF Specifications on the 16 December 2016. These are:

- Access to Finance - £500,000
- Digital to Support SMEs Embracing New Digital Technologies and Superfast Broadband Uptake - £1.2million
- 5G Technologies and Development of New Products - £4million

3.5. As part of the Technical Assistance project, a launch event for these specifications was held in Basingstoke on the 19 December. 30 people attend from a range of organisations indicating that there is still an appetite to apply for these funds. However, we will be following up with these organisations to see whether this interest translates into applications.

3.6. We are intending to publish a new specification, covering Internationalisation/Inward Investment, in the next Call which is scheduled for Spring 2017.

4. European Agricultural Fund for Rural Development (EAFRD)

4.1. The first EAFRD project, an office conversion project, has now been contracted. A project to develop Chobham Adventure Park has been approved and is in the process of being contracted. We are expecting decisions on the final three applications imminently. These include the development of a Goats Cheese Dairy by Artisan Farm Limited and two expansion projects at Hambledon Vineyard.

4.2. The next EAFRD Calls are due to be issued the week commencing 23 January 2017. The three specifications will be as follows:

- Tourism infrastructure (£826,000)
- Food and Drink Processing (£826,000)
- Rural Business Development Grant (£174,000)

4.3. They will remain open for a year with points of review during that time. A joint DEFRA/LEP Launch event is scheduled for 20 March, to be held in Farnborough. We submitted a successful proposal to DEFRA to part fund this event under Technical Assistance. We will be working with our contacts to promote the new funding opportunities and working closely with LEADER Teams to help applicants understand the funding routes available to them and to select the most appropriate.

5. ESIF Committee

5.1. The next ESIF Committee has been scheduled on Friday 31 March 2017.

Kathy Vuillaume/Jennie Pell
18 January 2017