

Enterprise M3 Board Meeting
28 September 2017
EU Programme Update - Item 18

Members are asked to NOTE the progress on the EU programme.

1. General Update

- 1.1. To date, 85% of our ERDF allocation is published, 12% contracted and the first ERDF projects have started spending. 38% of our ESF allocation has been committed to procurement with 31% contracted. 75% of our EAFRD allocation has been published with over 14% contracted. In addition, we have several projects either in the pipeline and going through assessment.
- 1.2. Our current ERDF Project Officer has been successful in securing another position within Enterprise M3. We have successfully recruited a replacement for her who we anticipate will start in October.
- 1.3. We have received confirmation from DCLG that we have submitted sufficient evidence to clear actions raised in the recent ERDF audit into our £178,873 contract.
- 1.4. We have recently held our first ESIF Practitioners Network Meeting which brought together all the project leads from our ERDF and ESF funded projects. The aim of this network is to encourage linkages between ESF/ERDF projects in the Enterprise M3 LEP Area; facilitate the exchange of good practices in the management and delivery of ESIF Projects and to prepare for the future 'UK Shared Prosperity Fund'.
- 1.5. There was a very positive reception from the project leads who appreciated the opportunity to network and share experiences. This will be a forum to highlight the activities and successful interventions that our ESIF programme is starting to deliver.
- 1.6. We continue to remain engaged in the development of the proposed UK Shared Prosperity Fund. Official consultation is due to start in Autumn 2017.

2. European Social Fund (ESF)

- 2.1. We have four ESF contracts that have been signed, two of these under the Skills Funding Agency (SFA) opt-in and two under the Big Lottery Fund (BLF) opt-in.
- 2.2. Our most recently contracted project, The Alliance Project, started on the 1st September. Romsey Community School Ltd won £243K ESF (total value £485k) through Big Lottery opt-in for a social inclusion project. The Alliance Programme will work across the Enterprise M3 area to provide one to one support and ensure that 150 people have access to critical interventions to move them closer to the work place and find employment.
- 2.3. Two further ESF direct calls closed on 7th July 2017 and we are waiting to hear whether any of the bids have got through the first stage. One call is for digital skills for the employed, worth £800k ESF grant. This builds on the successful Digital Skills for the High Street (DSHS) funded by BIS in 2014/15. The scope of the intervention was broadened and this specification was issued jointly with Coast to Capital. The second specification covers Digital Skills for the Unemployed worth £800k ESF grant and links to the previous call.

2.4. The next ESF direct call specifications are due to be launched in Autumn 2017 and will cover:

- Construction Skills for the unemployed worth £1m
- Development of Higher Level Skills Capacity (apprenticeship) worth £450k
- Retraining for a Fuller Working Life worth £1m
- STEM skills worth £500k

3. **European Regional Development Fund (ERDF)**

- 3.1. We have several applications currently going through assessment with the Managing Authority. This includes both Outline and Full Applications with a total value of £2.8m, 14% of the total allocation. Both the '5G' and 'Access to Finance' specifications are being re-tendered as no successful applicants selected.
- 3.2. Our Business Scale Up Support Programme specification was published on the 30th June. With an ERDF value of £1m, this specification is seeking a proposal, or proposals, to develop and deliver a business support scheme aimed at supporting SMEs to scale up. We received two outline applications following the September deadline currently going through assessment.
- 3.3. We are currently drafting two further specifications for a 'Digital Enabling Technologies Knowledge to Market Accelerator' worth £500k ERDF and a 'Quantum Supply Chain Initiative' worth £2million ERDF take forward the work being undertaken as part of the Science and Innovation Audit. These are multi LEP specifications with our neighbouring LEPs (Solent, C2C, TVB and Dorset) that mirror the Innovation South geography. The revised planned publication date is the 17th November 2017.

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

- 4.1. In addition to the four projects that were contracted under the First Round of EAFRD funding, we still have the current round of Calls open. We have four outline & full application bids currently going through appraisal process.
- 4.2. A national Rural Broadband call worth £30million will be launched by DEFRA on 22nd September. Local authorities can apply for this funding to complement current BDUK investment. Consequently, we can redeploy the initial £1.1m broadband money across the three current open calls.

5. **Funding**

- 5.1. The Board agreed to set aside funding to underwrite our EU expenditure as part of our technical assistance programme for ERDF and ESF. As part of this we submit quarterly claims and our first two ERDF claims covering April 2016 to March 2017 have been processed and we have received payment of £40,508.33.

6. **ESIF Committee**

- 6.1. The next ESIF Committee has been scheduled on 13th October.

Kathy Vuillaume/Jennie Pell
19th September 2017