

Enterprise M3 Board Meeting

27 September 2018

EU Programme Update - Item 17

Members are asked:

- **To NOTE** the progress on the EU programme.

1. General Update

- 1.1. On the 24 July the Government confirmed contingency plans for Brexit including a no deal scenario for EU Funding. Government have produced a range of theme papers for a no-deal scenario which we have summarised and are working across the team to pull out key issues for business. Our Brexit Intelligence Group will consider any actions we need to take at its meeting on 10 September.
- 1.2. The Government announced an extension to their previous guarantee, which will now cover the full 2014-2020 EU programme period and allocation in the event of a no-deal. The extension means that departments will continue to sign new projects after EU exit during 2019 and 2020, up to the value of programme allocations. Therefore, we can continue to promote our ERDF and ESF specifications and provided contracts for new projects are signed by 31 December 2020 they can run up to 31 December 2023.
- 1.3. We received an updated ERDF allocation at the beginning of August following the revised exchange rate. It means an additional 15% allocated under ERDF. This represents an additional £3m. We have just received our updated ESF allocation with an additional £1.8m.
- 1.4. Kathy Slack was interviewed by the Infrastructure Projects Authority as part of a review of the Cities and Local Growth Unit and LEPs readiness for preparations for the UK Shared Prosperity Fund.
- 1.5. A formal UKSP consultation event took place at the beginning of September. A verbal feedback will be given at meeting.

2. European Social Fund (ESF)

- 2.1. 54% of our ESF allocation is published, 30% contracted, 4,4% in the pipeline, 7.6% ESF spent.
- 2.2. The Not in Education, Employment, Training (NEET) prevention, participation and preparation' worth £1m ESF has been launched through ESFA Opt-in on 20 August 2018. We ran a media campaign to support this national call closing on 17 September 2018.
- 2.3. We are awaiting confirmation on timetable for the next round of direct ESF calls to launch £2.5m to include: 'Constructions skills for the unemployed' - £1m ESF, 'STEM skills' - £0.5m ESF and 'Retraining for a Fuller Working Life' - £1m ESF. We are awaiting to hear whether we can re-issue 'Digital Skills for the unemployed'.

2.4. We have been formally offered to take part into a new DWP Opt-in offer in support of the unemployed and economically inactive individuals

2.5. Big Lottery Opt-in is due to announce a new call shortly.

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

3.1. Taking into consideration the revised exchange rate, 82% of our ERDF allocation is published, 22% contracted, 16% in the pipeline, 4.9% ERDF spent.

3.2. The next round of ERDF calls will open on 5 October where we will launch £6.2m ERDF specifications at an event on Thursday 11 October. The specifications are for projects in Low Carbon, Access to Finance, Internationalisation, Digital Growth, 5G and Life Sciences. The call window will close on Friday 23 November 2018.

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

4.1. 100% of EAFRD allocation is published and call closed now with 14% projects contracted, 155% in the pipeline, 5% EAFRD spent. All expressions of interests endorsed at first stage have now been invited to proceed to Full Application with a deadline in the Autumn.

4.2. The EAFRD timetable differs from the other two funds, as all projects must get contracted before the Brexit date and the implementation completed by 31 December 2020.

5. **Funding**

5.1. We have submitted our quarter 2, 2018 payment claim for the ERDF Technical Assistance project worth £12,504.01 to Enterprise M3 in July and completed the MHCLG spot check in August. We await certification and payment of this claim.

5.2. We have submitted the Summative Assessment plan on 31 August 2018 for the ERDF TA project within the deadline. We are working with partners at Hampshire County Council with independent evaluation expertise. The time spent on this will help with HCC's project underspend.

5.3. We are in the process of resubmitting the ESF claim from the start of the project worth £34,881 grant to bring us up to date now that the MA has agreed for a combined claim using the new system Eclaim. Once done, we shall apply for an extension to the ESF TA project via the mechanism of project change request for an initial period of 18 months without additional budget.

Kathy Vuillaume/Susan George
17 September 2018