

Enterprise M3 Board

29 November 2018

EU Programme Update - Item 19

To NOTE the progress on the EU programme.

1. General Update

- 1.1. Enterprise M3 LEP are working with a number of partners, including the Chambers of Commerce in Surrey and Hampshire, the Federation of Small Business, County Councils and the Department for International Trade (DIT) on activities to support businesses to prepare for Brexit. We are developing a programme of advice and practical guidance in the coming weeks and months to prompt business into planning for Brexit, ensuring business is aware of where to get help and developing a possible programme of support on exports.
- 1.2. We are expecting the Spring call for ERDF projects to be pushed out to May to ensure that information on these calls can be marketed clearly and is not lost in discussions around leaving the EU.
- 1.3. Enterprise M3 is leading the development of a consortium in response to the £1M ERDF Internationalisation call closing on 23 November. The project would start in 2020 and run for 3 years with four work streams to create:
 - an Export Community Group lead by the Chambers of Commerce.
 - a 12 month Internationalisation Programme for SMEs offering workshops and 1:1 support, delivery via the Growth Hub and the local Universities.
 - a funding pot of £500,000 with grants available from £3,000k to £10,000 for SMEs to access specific services in support of Internationalisation.
 - Bilateral trading and inward investment routes linked to Brexit where we will develop strategic links with specific countries.
 - The project output target is to support 350 SMEs in the EM3 area.
- 1.4. The contractual date for EAFRD projects has been pushed back to the same as for ESF/ERDF which is 31 December 2020. However, we are unlikely to see more EAFRD calls issued, but it will give applicants more time to put their Full Applications together and get relevant planning permissions.

2. European Social Fund (ESF)

- 2.1. Enterprise M3 LEP are focussed on ensuring all of our allocation of the ESF grant funding is contracted and spent to benefit our region. This relies on prompt action now to get the calls issued and partners responding. The EU funds are managed, contracted and monitored by our Managing Authority. We are reliant on the MA to deliver whilst the LEPs role is to promote ESF funding opportunities and advise on value for money and strategic fit through the ESIF Committee.
- 2.2. Taking into consideration the revised exchange rate, 52,8% of our ESF allocation is published including 14% live calls, 25% contracted, 4,4% in the pipeline, 7.6% ESF spent,
- 2.3. The 'Not in Education, Employment, Training (NEET) prevention, participation and preparation' worth £1m ESF has been launched through ESFA Opt-in on 20th August 2018. We ran a media campaign to support this national call closing on 17th September 2018. Applications are under assessment.

- 2.4. We have 3 direct live calls opened on 24th October closing on 14th January 2019. We ran an ESF event in Farnborough on 16th November 2018 and launched £2.5m to include: - £1m ESF for 'Constructions skills for the unemployed', - £0.5m ESF for 'STEM skills', - £1m ESF for 'Retraining for a Fuller Working Life'. Over 20 representatives attended from FE colleges and Local Authorities. We are awaiting to hear whether we can re-issue 'Digital Skills for the unemployed'.
- 2.5. We have been formally offered to take part into a new DWP Opt-in offer in support of the unemployed and economically inactive individuals. We are in discussion for a £1M support provision.
- 2.6. Big Lottery Opt-in has confirmed the opportunity to extend current contracts. We are in discussion with two of our current providers that could benefit from additional funding.
- 2.7. We submitted an aggregated payment claim in October for our ESF Technical Assistance Project from October 2015 up to June 2018 for £23,001.06 of ESF grant funding, worth £22,278.12 to Enterprise M3.

3. European Regional Development Fund (ERDF)

- 3.1 Taking into consideration the revised exchange rate, 82% of our ERDF allocation is published, 27% live specifications, 22% contracted, 16% in the pipeline, 4.9% ERDF spent.
- 3.2 The next round of ERDF calls opened on 5 October where we launched £6.2m ERDF specifications at an event on Thursday 11 October at the Living Planet Centre. 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.
- 3.3 Another round of ERDF calls will be announced in the Spring.
- 3.4 We have submitted our ERDF Technical Assistance (TA) Project payment claim in October for July, August and September 2018 for £14,053.25 of ERDF grant funding, worth £13,734.02 to Enterprise M3. Surrey County Council has still not submitted any expenditure to date under that contract. We are pushing to get this sorted as it is holding back other decision on TA extension.
- 3.5 Our Summative Assessment is on track to be completed by December.

4 European Agricultural Fund for Rural Development (EAFRD).

- 4.1 100% of EAFRD allocation is published and call closed now with 14% projects contracted.
- 4.2 From the 42 expression of Interests received at the last call, 16 have been invited to progress to Full Application and 2 are in assessment. If everything goes through we shall be 34% over committed on EAFRD.

5 Next ESIF Committee

- 5.1 The next ESIF Committee will take place on 21 January 2019.

Kathy Vuillaume/Susan George
20 November 2018