

AGENDA ITEM 11

REPORT TO THE TEES VALLEY COMBINED AUTHORITY CABINET

1 JUNE 2018

REPORT OF THE STRATEGY DIRECTOR

ACTION PLAN TO DELIVER EUROPEAN STRUCTURAL INVESTMENT FUNDS

SUMMARY

1. This paper sets out an action plan to deliver European Structural Investment Funds (ESIF) and ensure that remaining Programme resources are maximised within Tees Valley. It highlights the current funding position; the Combined Authority's responsibilities following receipt of Intermediate Body status; and identifies a timeframe to enhance delivery.

2. The key points to note from the report are:
 - The UK will continue to participate in all EU programmes in the 2014-20 funding period, subject to overall agreement being reached between the UK and EU on our exit from the EU. This means that ESI Funds programmes will continue to deliver and invest in Tees Valley until the programme closes. We also know that the Shared Prosperity Fund will start in 2021, coinciding with the end of the Local Growth Fund. Therefore, there is not the same urgency to get remaining funds committed quickly as there was a few months ago. However, we should not be complacent about the challenges of utilising the funds.
 - If the performance targets are not met the Commission will withhold 6% of the total programme. Therefore, as this is a key risk future calls will only cover funding up to 94% of the allocations.
 - These are national programmes and the overall performance reporting to the European Commission is at that level. However, to achieve the national targets each Local Enterprise Partnership area needs to deliver its share of the national targets.
 - Nationally, the latest performance information (March 2018 report) is suggesting that the performance targets for spend and outputs on ERDF will be met in transition areas for all activities with the exception of PA 4 (Low

Carbon). There are also issues with some of the other measures that Tees Valley is not delivering and there are issues in other categories of region, for example in the more developed areas there are risks against the PA 2 (ICT) targets.

- For ESF the national performance information (March 2018 report) is suggesting that all categories of region are on track to meet the 2018 performance targets.
- Some areas have tactically chosen to commit as much funding up front as possible, particularly for the European Social Fund (ESF) and are therefore seen as performing well. However, this leaves them with little funding available in the latter half of the programme period. There is a risk that the Managing Authority will be pressured by areas that are seen to be performing well against the 2018 targets to shift funding to them from areas that aren't.
- DWP have now confirmed that the Youth Employment Initiative delivery period can now be extended through to 2023 against the original allocations. Government is currently in discussions with the European Commission to consider how to fund extension requests that cannot be met within the existing allocations.
- Tees Valley is forecast to spend £12.91m of European Regional Development Funds against a performance target for the end of December 2018 of £15.55m. For European Social Fund Tees Valley has committed £32.5m of the performance target at the end of December 2018 of £34.1m. We do not have forecast spend figures available.
- £21.1m of ERDF and £35m of ESF remain to be committed in Tees Valley through to the end of the Programme if the performance reserve was not released, if it was a further £6m ERDF and £3.9m ESF would be available if it was released. The Action Plan at Appendix 2 sets out measures to maximise the use of these funds.
- Of the £1.1m European Agricultural Fund for Rural Development only £0.26m remains to be allocated.
- The Combined Authority is now undertaking responsibilities gained through the devolution deal through Intermediary Body status. This includes advising on when calls are issued, the development of strategic fit element of the open calls and undertaking assessments on strategic fit, value for money and deliverability.

RECOMMENDATIONS

3. It is recommended that Cabinet notes the content of this report, agrees the actions proposed and considers any further opportunities that can maximise the delivery of European Structural and Investment Funds in Tees Valley.

BACKGROUND

Tees Valley - ESIF resources for 2014-2020

4. Tees Valley was given an indicative allocation for the 2014-20 programming period of £171.7m. Table 1, below show the breakdown and current position for the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the European Agricultural, Fund for Rural Development (EAFRD) against the full programme period. Although the programme runs from 2014-20 normally spend and

outputs could be achieved through to 2023. It has been confirmed that UK will continue to participate in the ESIF programme until it ends.

| Table 1: Current ESIF Position (total Programme allocation - 2014-2020)* | £M | £M | £M | £M | £M |
|---|-------------------|-------------------|-----------------|------------------|---|
| | ALLOCATION | CONTRACTED | PIPELINE | AVAILABLE | AVAILABLE MINUS 6% PERFORMANCE RESERVE |
| ERDF | 96.2 | 37.3 | 31.0 | 27.7 | 21.9 |
| ESF/YEI | 74.4 | 35.4 | 0 | 38.9 | 35.0 |
| EAFRD | 1.1 | 0.3 | 0.6 | 0.3 | 0.3 |
| TOTAL | 171.7 | 73.0 | 31.6 | 66.9 | 57.2 |

* All figures are subject to exchange rate fluctuations, currently based on 0.78. Options to manage exchange rate fluctuations, including impact on implementation and allocations across LEP areas and Priority Axis are currently being considered by the national Growth Programme Board. An update will be provided when it is available.

Appendix 1 details some of the current projects that are being delivered with the support of the ESIF programme.

European Regional Development Fund

5. At this stage in the ERDF programme we are working towards the Performance Framework allocations/targets, which were set at the beginning of the programme and run to 31 December 2018, at which point the programme will be reviewed. If performance targets are achieved, the total Programme allocation will be released through funding calls in 2019. If the UK targets are not achieved there is a risk that up to 6% of the full programme allocation would be withheld. The current national performance information (through to end December 2017) suggests that transition regions are forecasting to achieve the performance framework expenditure and output targets in all activities with the exception of low carbon.
6. Details of the Tees Valley ERDF Performance Framework allocations and remaining balances up to the end of December 2018 are shown below in Table 2. The table highlights that projects are not either achieving their original forecast spend. This is likely to be for a mix of reasons including challenges in achieving the forecast spend and / or delays in getting claims in and processed.

| Table 2: Current ERDF Breakdown by Priority (N+3 Targets – to December 2018) | £M | £M | £M | £M | £M |
|--|-------------------------------|---|-------------|------------------|-------------|
| | N+3 Target to End of Dec 2018 | Forecast Spend by Current Projects to June 18 | Variance | Total Contracted | Pipeline |
| 1 Innovation | 3.44 | 4.16 | 0.72 | 6.3 | 16.3 |
| 2 ICT | 0.38 | 0.13 | 0.25 | 0.7 | 0 |
| 3 SME Competitiveness | 9.26 | 10.02 | 0.76 | 24.8 | 7.0 |
| 4 Low Carbon | 2.47 | 2.26 | -0.21 | 5.6 | 7.7 |
| TOTAL | 15.55 | 12.91 | 1.52 | 37.4 | 31.0 |

£2.5m of claims have been paid to date, based on the N+3 targets. (This covers ERDF expenditure only. It excludes NPIF, of which £4.8m has been drawn down).
£18.36m of claims have been submitted against total contract value of £19.25m. These figures are based on total expenditure, including match and outputs, and are not limited to ERDF expenditure (as the N+3 figures above are).

Tees Valley ERDF Performance Compared to National Performance

7. We have recently received the national performance information up to the end of December 2017. The table below illustrates that on Low Carbon activity we are exceeding the national performance, despite significant issues with this activity, on SME competitiveness we are on a par with the national performance but on Innovation and ICT we are below the national programme performance.

| | Tees Valley Performance % contracted against allocation | Transitional Areas % contracted against allocation |
|-----------------------|--|---|
| 1 Innovation | 32 | 42 |
| 2 ICT | 34 | 50 |
| 3 SME Competitiveness | 46 | 46 |
| 4 Low Carbon | 38 | 32 |

European Social Fund (ESF)

8. As above with ERDF, we are also working towards the Performance Framework allocations/targets for the ESF programme, which again were set at the beginning of the programme and run to 31 December 2018, at which point the programme will be reviewed. If performance targets are achieved, the total Programme allocation will be released for future funding calls.
9. A recent report to the national Growth Programme Board highlighted that all Categories of Region are on track to meet the 2018 performance reserve targets.

Table 3 below shows the Performance Framework targets for Tees Valley ESF together with the current levels of commitment.

Table 3: Current ESF Breakdown by Priority (N+3 Targets – to December 2018)

| | £M | £M | £M | £M |
|--|-------------------------------|-------------|------------|----------|
| | N+3 Target to End of Dec 2018 | Commitments | Variance | Pipeline |
| 1 Extending Employment Opportunities Incl. Youth Employment Initiative | 29.3 | 27.4 | 1.9 | 0 |
| 2 Developing a Skilled and Adaptable Workforce | 4.7 | 5.1 | -0.4 | 0 |
| TOTAL | 34.1 | 32.5 | 1.5 | 0 |

It is not possible at this stage to provide full details of actual spend for ESF, due to an exercise being undertaken by DWP to update their e-claims system. Full details will be available in time for the next ESIF Sub-Committee meeting in July.

Tees Valley ESF Performance Compared to other Areas

10. We have recently received the national performance information up to the end of December 2017. The table below illustrates that Tees Valley is performing close to national average for Priority 1 Extending Employment Opportunities but well below national average for Priority 2 –Developing a Skilled Workforce.

| | Tees Valley Performance % contracted against allocation | England Operational Programme % contracted against allocation |
|--|--|--|
| 1 Extending Employment Opportunities | 59% | 57% |
| 2 Developing a Skilled and Adaptable workforce | 18% | 27% |

11. However, when compared to other transition areas it is apparent that some areas have chosen to tactically commit the bulk of the full programme allocation in the first half of the programme (see table below).

| LEP area (Transition Area) | 1.1 Access to Employment | 1.2 Sustained Integration for Young People | 1.3 YIE | 1.4 Active Inclusion | 1.5 Inclusive Labour Markets | 2.1 Lifelong learning | 2.2 Improving Education |
|---|--------------------------|--|---------|----------------------|------------------------------|-----------------------|-------------------------|
| % of total programme allocation committed | | | | | | | |
| Cumbria | 73% | 40% | NA | 77% | NA | 59% | 0% |
| Greater Lincolnshire | 47% | 23% | NA | 27% | NA | 32% | 84% |

| | | | | | | | |
|-------------------------------------|------------|------------|------------|------------|-------------|------------|-----------|
| Heart of the South West | 81% | 18% | NA | 81% | NA | 39% | 30% |
| Humber | 92% | 81% | 83% | 81% | 53% | 54% | 0% |
| North East | 48% | 9% | 81% | 23% | 81% | 29% | 36% |
| Sheffield City Region | 13% | 0% | NA | 10% | NA | 47% | 0% |
| Stoke and Staffordshire | 62% | 73% | NA | 72% | NA | 40% | 0% |
| Tees Valley | 31% | 0% | 98% | 48% | NA | 28% | 0% |
| The Marches | 0% | 71% | NA | 35% | NA | 12% | 0% |
| York, North Yorkshire & East Riding | 9% | 98% | NA | 77% | 100% | 41% | 0% |

12. There is a risk that transition areas that have already committed the bulk of their full programme allocation in the first half of the programme period ask for allocations from areas that haven't fully committed. It is therefore, essential that we have a plan in place to ensure the rest of the Tees Valley allocation is fully committed over the remaining programme period and be able to demonstrate the need to retain the funds to address particular issues and challenges. The table in Appendix 2 is the start of this plan and further detail will be developed as discussions progress with DWP.
13. Tees Valley is performing particularly well (98% committed) against other areas in relation to Youth Employment Initiative which is the element of ESF directed at supporting employment opportunities up to the age of 25.
14. The extension of YEI enables delivery to continue to support people up to the age of 29 move towards work. The extension is an opportunity to maximise the unallocated and underspent YEI funding. In order to secure this extension match funding is required to support the two lead providers and their subcontractors in Tees Valley to extend the opportunity. The two lead providers are Hartlepool Borough Council and New College Durham, there is no opportunity to enable new applications to DWP for YEI delivery. Both providers have explored available match funding from alternative sources and have identified a gap of £1.75m. In November 2016 Cabinet agreed to allocate £2.06m to YEI extension, therefore match funding will now be provided to the lead providers to deliver the extension. The remaining £310K will now be made available within the wider Education, Employment and Skills investment envelope.
15. The opportunity to raise calls for applications has been under consideration for a number of months, but a number of factors resulted in delays for raising these open calls:
- Awaiting confirmation from DWP as to its ability to act as an Opt-in partner in future
 - Awaiting outcome of consideration to extend extensions to ESFA and Big Lottery Fund Opt-ins
 - Awaiting an announcement from DWP and the Opt-in organisations regarding their role in the second half of the ESF Programme
16. The issues above are national issues and the decisions impact on both when and what additional provision will be required via open calls. Responses are critical in

terms of TVCA's consideration of future calls and how much match funding we would be required to identify either directly or from future applicants.

17. The requirement to identify clean match funding is a challenge for many potential applicants, although there are organisations with the experience and ability to identify some degree of match funding.
18. Another key factor was the development of the Skills Strategy 'Inspiring Our Future' and the need to ensure that the strategy informed the development of future calls. This is now complete and includes a high level investment plan for ESF. Work has begun to identify future open calls and a plan for releasing the remaining funding, approximately £39m, is included in the ESF Action Plan later in this report.

European Agricultural Fund for Rural Development (EAFRD)

19. Tees Valley has a total EAFRD allocation of £1.1m. The deadline for Expressions of Interest was the end of January 2018 and it was then extended to 31 May 2018.
20. Tees Valley ESIF Committee mandated authority to a small Sub Group in early 2017 to consider Tees Valley projects for strategic fit.
21. Nine projects have been submitted to date. The first Tees Valley approval was obtained in December 2017, one project was withdrawn by the applicant during the process of developing the Full Application and one project was rejected due to it failing strategic fit. Five projects are developing Full Applications and one project was recently assessed by the Sub Group so we are awaiting the outcome of the appraisal.
22. Performance Framework allocations/targets are not an issue for EAFRD as it is a time bound programme with a deadline for new projects of May 2018. There are a number of projects in the pipeline, promotion is ongoing and with the additional time for submission the risk of not committing the remaining funding is minimal.
23. Table 4 illustrates the current position in terms of EAFRD funding and projects to date.

| Table 4: Current EAFRD Breakdown by Theme | £M | £M | £M | £M |
|---|------------|-------------|--------------|--------------|
| | Allocation | Contracted | Pipeline | Available |
| Rural Business Development | 0.45 | 0 | 0.254 | 0.196 |
| Tourism Infrastructure | 0.65 | 0.32 | 0.284 | 0.042 |
| TOTAL | 1.1 | 0.32 | 0.538 | 0.238 |

INTERMEDIATE BODY STATUS

24. In December 2017, the Combined Authority secured Intermediate Body status for ERDF and ESF funds remaining in the current Programme. This transfers agreed functions to the Combined Authority from the Managing Authorities (Department for Work and Pensions for ESF and Ministry for Housing, Communities and Local

Government for ERDF), and potentially puts the Combined Authority in a stronger position for local management and control of Shared Prosperity funds in the future.

25. From December 2017, the following functions became the responsibility of the Combined Authority:

- Providing advice on the timing of calls to the Head of the Local Growth Delivery Team
- Developing local strategic fit content for call design
- Carrying out assessment and appraisal of local strategic fit for outline and full applications
- Deciding on local strategic fit content for project calls (seeking advice from the ESIF sub-committee to inform decision making)
- Assessing outline and full application for local strategic fit and deciding which to approve (seeking advice from the ESIF sub-committee to inform decision making)
- Providing advice to the Managing Authorities on Value for Money and Deliverability selection criteria
- Having regular review meetings with the Local Growth Delivery Team to discuss performance information and agree actions as appropriate.

26. New responsibilities will enable the Combined Authority to:

- Influence the timing of calls so that the value of projects can be maximised for the Tees Valley economy. We recently requested that the calls that were to be issued on 2 March-20 April, be extended to 25 May – this was agreed. This will allow sufficient time for appropriate projects to be brought forward. In providing the timetable for future calls MHCLG has confirmed that IB and SUD calls are not required to follow this call window schedule and are subject to local / GDT agreement (calls will still require a 2 week No. 10 approval period on submission to ERDF Communications Team).
- Ensure that all calls, and projects that go on to receive funding, complement one another for the benefit of the Tees Valley economy and actively contribute towards the achievement of regional economic priorities.
- Align assessment approaches for deliverability and value for money with the Combined Authority's Assurance Framework for the Tees Valley Investment Fund.
- Better understand performance of projects in receipt of European Funding, to take action that addresses underperformance and ensure that funded activity continues to deliver regional economic priorities.

27. The Combined Authority has applied for Technical Assistance resources to fund the additional tasks associated with Intermediate Body status. Existing staff resources will deliver the activities.

MAXIMISING THE ESIF FUNDS

28. The current position is less than ideal, but given the difficulties in getting initial spend underway it is not surprising. However, as the Programme will now continue to its natural end there is not the same pressure to get funding committed as there was a few months ago when it seemed that the Programme period would be cut short. However, we should not be complacent about the challenges in maximising the use of the funds.

Key challenges

29. There are ongoing challenges to achieving ESIF spend and outputs. These include:
- applicants ability to secure match funding;
 - avoiding duplicating projects already in delivery, and impacting their ability to achieve spend and outputs (e.g. Business Compass, for which the Combined Authority is directly accountable);
 - identifying eligible activity to deliver outputs required (particularly in in relation to Priority Axis 4- Low Carbon);
 - perceptions and understanding of the European Funding process together with reporting and audit risks; and,
 - issues around income generation and being unable to make a profit. This is a particular deterrent to the private sector who may be in a position to provide match funding.
 - the length of the process from when a call is issued to approval, even for project sponsors that are experienced in preparing applications. For example, NEEAL (North East Enterprise Agencies Limited) submitted an EOI for the Business Compass Start-Up service on 27 May 2015, it was approved on 7 August 2015, they submitted the full business case on 4 November 2015 and it was approved on 23 May 2016. Therefore, it was almost a year to the day from submitting an EOI to the approval of the project so that it could proceed. The Managing Authority had previously considered the ability to have a one stage process with applicants going straight to full application if they are prepared to take the risk. However, this would need to be approved by the European Commission as a significant change in process. Applicants could be encouraged to submit EOIs and prepare their full business case at the same time so that as soon as the EOI is approved they can submit the full business case.
 - complexity of the system and capacity to submit and process claims, which can lead to payment delays and affect figures for actual spend.

Bringing forward activity

30. Attached as Appendix 2 is an Action Plan for both ERDF and ESF. It sets out a timeframe for activity that has recently been undertaken and planned activity to secure the take up of ESIF resources in the current Programme. It shows a particular focus on areas where the region has not maximised funding opportunities to date.
31. Additional activity will be confirmed based on the ability to access performance reserve and major projects in the pipeline moving to delivery stage.

Implications of Brexit and plans for a UK Shared Prosperity Fund

32. The UK will continue to participate in all EU programmes in the 2014-20 funding period, subject to overall agreement being reached between the UK and EU on our exit from the EU. This means that ESI Funds programmes will continue to deliver and invest in Tees Valley until programmes close.
33. Government has confirmed that structural fund money which comes back to the UK following Brexit will be used to create a UK Shared Prosperity Fund. The Shared Prosperity Fund will also replace the current Local Growth Fund, and other funds may also be put into it. It will be designed to reduce inequalities between communities, help deliver sustainable and inclusive growth based on the Industrial Strategy.

34. We now know that the Shared Prosperity Fund will start in 2021 coinciding with the end of the existing Local Growth Fund. Government are currently planning further consultation on the design of the UK Shared Prosperity Fund.

FINANCIAL IMPLICATIONS

35. There are no direct financial implications as a result of this report. There are likely to be financial implications associated with future applications for ESIF resources. These will be the subject of separate reports to Cabinet as required.

LEGAL IMPLICATIONS

36. There are no direct legal implications.

RISK ASSESSMENT

37. Without a clear and targeted plan to deliver the European Structural Funds that have been allocated to Tees Valley, there is a risk that resources will not be drawn down, and would therefore be lost to the region.

CONSULTATION

38. This paper brings together areas of activity that have been consulted on separately, therefore no consultation took place for this report.

Name of Contact Officer: Geraldine Brown / Sue Donnelly

Post Title: Policy Manager / ERDF Programme Development Officer

Telephone No. 01642 524432 / 01642 524422

Email Address: geraldine.brown@teesvalley-ca.gov.uk / sue.donnelly@teesvalley-ca.gov.uk

EXAMPLES OF CURRENT ERDF ACTIVITY

Detailed below are examples of current projects being delivered under the 2014-20 programme.

ERDF Priority 1 - Innovation

Teesside University – Innovate Tees Valley £3.7m ERDF £2.6m Match

Innovate Tees Valley is a partnership project which delivers revenue support to Tees Valley SMEs. It provides support to overcome growth barriers and find new markets for enhanced products or services which will ultimately increase the number of businesses which are innovation-active.

ERDF Priority 2 - ICT

Tees Valley Combined Authority – Broadband Vouchers via Tees Valley Business Compass £750k ERDF £1.25m Match.

Broadband vouchers can part fund capital costs of accessing superfast broadband and improved broadband schemes.

ERDF Priority 3- SME Competitiveness

Tees Valley Business Compass – Growth Hub and Flexible Fund £9.5m ERDF £13.5m Match.

Tees Valley Business Compass is the local growth hub delivered by BE Group on behalf of TVCA. It helps ambitious businesses realise their growth potential by offering access to a range of practical services, from local business information, assessing growth options through to unlocking finance and funding streams.

ERDF Priority 4 - Low Carbon

Tees Valley Combined Authority – Energy Efficiency Vouchers via Tees Valley Business Compass £600k ERDF £1m Match.

This project provides financial assistance to enable SMEs to overcome barriers to improving their energy efficiency.

ESF

TVCA has tried to ensure that future ESF spend aligns with the Education, Employment and Skills Strategy; “Inspiring Our Future”.

Currently the only activity underway for ESF is through the opt-in contracts. We have two opt-in partners the Education and Skills Funding Agency (ESFA) and the Big Lottery Fund (BLF).

ESF Priority 1.1 - Extending Employment Opportunities

The ESFA have six separate contracted programmes. These are:

- Skills Support for the Unemployed – 2 contracts
- Routes to Enterprise
- ESOL (English for Speakers of Other Languages)
- CAIG Services (Careers Advice Information and Guidance)
- Sector Led Apprenticeship Routeways

ESF Priority 2.1 - Enhancing Equal Access to Lifelong Learning

The ESFA also has another two contracts under:

- Skills Support for the Workforce; and
- Skills Support for Redundancy.

These are all delivering to a current end date of 31st July 2018. However ESFA have been in discussions with DWP for some months, regarding the potential to extend delivery under these programmes until July 2019. ESFA are also discussing with DWP, the possibility of taking out another Opt-in within the second half of the European Programme.

ESF Priority 1.2/1.3 - Extending Employment Opportunities: Sustainable Integration of Young People/Youth Employment Initiative

The Youth Employment Initiative (YEI) Programme is due to finish at the end of July 2018. There are therefore plans to launch a new Open Call for NEET provision as soon as possible. TVCA are currently in dialogue with DWP with a view to a draft version going to the next available ESIF Committee.

ESF Priority 1.4 - Extending Employment Opportunities

The BLF have a single Opt-in Programme to deliver part of their national, 'Building Better Opportunities' Programme. This is already scheduled to run until 31st July 2019 and currently works with those aged 29+ who have complex needs to overcome barriers to work; however this will expand to take young people aged 18+ from April 2018, as our YEI programme reduces its new referrals. Big Lottery are also in discussions with DWP around the opportunity to undertake a further Opt-in for the second half of the EU Programme.

The decision on whether or not to extend the ESFA and Big Lottery Fund Opt-ins is a national issue and all LEP areas are pressing for an early resolution, as this will have an impact on both when and what additional provision LEPs need DWP to commission for their area, as open calls.

The Education, Employment and Skills Team is working closely with DWP to determine the needs and further calls will be developed as required under the following themes.

- ESF Priority 2.1 - Enhancing Equal Access to Lifelong Learning
- ESF Priority 2.2 - Improving the Labour Market Relevance of Education and Training Systems.

There are no pre- determined call windows for ESF therefore calls can be launched as and when they are ready.

EAFRD

Calls under EAFRD remain open for Business Development and Tourism Infrastructure projects. The current deadline is 31st May 2018 for Expressions of Interest.

ERDF ACTION PLAN

| Timeframe | Activity |
|-----------------------------------|--|
| From December 2017 | Following receipt of IB status, work with the Managing Authority to advise on timing of future calls. |
| 8 December 2017 - 26 January 2018 | <p>Call for PA3 (SME Competitiveness) - £10m revenue</p> <p>TVCA activity to support the development of appropriate applications:</p> <ul style="list-style-type: none"> • Information Event held in November 2017 to promote draft calls and encourage applicants to begin developing projects • Advise applicants on eligibility at the earliest opportunity • Assist applicants in identifying match funding sources • TVCA to continue working with applicants where potential proposals have been identified • Encourage take up of the support provided by TVCA to develop the strongest applications possible and address issues early • Align TVCA procedures where match is concerned, where possible. <p>Two projects are in the final stages of assessment.</p> |
| 8 December 2017 - 26 January 2018 | <p>Call for PA4 (Low Carbon) - £5m revenue & capital</p> <p>TVCA activity to support the development of appropriate applications:</p> <ul style="list-style-type: none"> • Information Event held in November 2017 to promote draft calls and encourage applicants to begin developing projects • Advise applicants on eligibility at the earliest opportunity • Assist applicants in identifying match funding sources • TVCA to continue working with applicants where potential proposals have been identified • Encourage take up of the support provided by TVCA to develop the strongest applications possible and address issues early • Align TVCA procedures where match is concerned, where possible. <p>Two projects are in the final stages of assessment.</p> |
| 2 March – 25 May 2018 | <p>Live calls:</p> <p>PA2 (Enhancing ICT) - £1.1m</p> <p>PA3 (SME Competitiveness) - £10m</p> <p>PA4 (Low Carbon) – up to £5m</p> <p>Potential projects to bid into these calls, which will be supported to develop applications are:</p> <ul style="list-style-type: none"> • Full Fibre Network • Collaborative networks • Digital City |

| | |
|------------------|--|
| | <p>A gap analysis of business support activity is taking place, which will be available to encourage stronger applications and avoid duplication with Business Compass activity.</p> <p>Launch Events have been arranged in anticipation of the new calls:</p> <p>ICT – Monday 5 March 2018 SME Competitiveness – Tuesday 13 March 2018 Low Carbon – Tuesday 13 March 2018</p> |
| Now | Encourage applicants to develop full business cases at the same time as EOIs to try to reduce the timescales for project assessment and approvals. |
| Now | Request an additional open call slot for July 2018. This will be particularly useful for the extension of exiting projects such as Business Compass Growth which cannot apply for an extension in the current open call but the November 2018 call is leaving it too late to avoid a break in activity. |
| June / July 2018 | An information event to be held for project sponsors around submitting timely and fit for purpose claims, to avoid slippage in payments |
| On-going | Work with the Managing Authority to understand potential issues with project claims, and liaise with projects to avoid slippage |
| Ongoing | Increase pro-active engagement prior to official calls being launched, to begin developing pipeline and assisting applicants with proposals. |
| Ongoing | Continue targeted promotion of European Funding as an opportunity for applicants. This is one of the few remaining forms of grant funding with the potential of obtaining a maximum of 60%. |
| Ongoing | Consider projects submitted seeking other TVCA funds to assess eligibility for ERDF. Encourage those potentially eligible projects to make an application where there is a live call. TVCA funds could be used as eligible match and result in a stronger project proposal. |
| Ongoing | Maintain a pipeline of potential projects and ensure regular contact with the lead offering support as required. |
| Ongoing | Engage with government to influence the design of the new Shared Prosperity Fund which will be available from 2021. |
| Ongoing | Ensure that use of ESIF Funds is considered for all Combined Authority projects requiring funding, for example in delivering Sector Action Plans. |

ESF ACTION PLAN

| | |
|-----------------|---|
| From Dec 17 | Following receipt of IB status, work with the Managing Authority to advise on timing of future calls |
| February 2018 | Cabinet approval of the Combined Authority Skills Strategy – <i>Inspiring our Future</i> |
| March 2018 | DWP confirm extension opportunity to existing project delivery |
| March –May 2018 | Growth plans for existing projects developed, submitted to DWP and formally considered by DWP for extension Consideration of potential for utilising Adult Education Budget as match funding for delivery post devolution in August 2019 |
| April 2018 | Opt-ins for Big Lottery Fund, ESFA and DWP to be confirmed, this informs potential for open call procurement |
| April –May 2018 | Open call specifications drafted for submission as soon as funding availability confirmed by DWP |
| July 2018 | YEI confirmed as extended, subject to national future performance targets (N+3) |
| Dec 2018 | National performance targets confirmed and projects continued or notice provided to close |
| March 2019 | All contracted provision confirmed to end 2023 |
| Post March 2019 | Confirmation to be provided by DWP if any additional contracts can be funded |