

Swindon and Wiltshire Local Enterprise Partnership

Joint Strategic Economic Committee

30 September 2015

Swindon and Wiltshire JSEC - ESIF – Progress report – 1 September 2015

ESIF Committee

1. Paper updating JSEC on Swindon & Wiltshire ESIF Programme progress; detailing project calls, programme developments and emerging Committee roles and governance

Programme progress

2. A number of key milestones have been reached in recent months, including:
 - Both European Regional Development Fund (ERDF) and Rural Development Operational Programmes agreed between London and Brussels. These programmes are now operational.
 - ESF Operational Programme remains in draft at time of writing.
 - Full business process for ESIF project selection confirmed by Managing Authorities.
 - Terms of Reference issued by Growth Programme Board to SWLEP ESIF sub-committee
 - Guidance issued to LEPs on finalising ESIF Strategies to align with national Operational Programmes. This is underway and local changes will be completed by 23 October 2015.

Progress summary

3. At the local level, progress has been made in the form of:
 - Four calls made using £4.725m ERDF matched-funded for total £10.65m support for SMEs
 - Applications supported for Big Lottery (£2m ESF) and Skills Funding Agency (£12.53m ESF)
 - ESIF Implementation Planning continuing with scoping and development of call specifications for projects to deliver strategic objectives.

Call progress

4. *Manufacturing Advice and International trade for SMEs* - outline assessments of applications received in July following collaborative national call. To be delivered by regional contract holders of Business Growth Service. Projects are not likely to start until early 2016. Summary of advice given by Committee to Managing Authority (DCLG):
 - General lack of detail provided on which to base its advice on strategic fit
 - Poor information on project's additional value and complementarity with other services

- The Managing Authority is working with applicants (SWMAS and UKTI respectively) to improve quality and presentation of information.
5. *Health and Life Sciences centre* – A single application was received in July (from Wiltshire Council) and Committee gave positive advice to Managing Authority on its assessment. Applicant to be invited to make full application. Project linked to Growth Deal. Proposal to begin in Feb. 2016.
 6. *Innovation Support Services* – Open call made by Managing Authority on 24 July 2015.
 - Support for growth potential SMEs to achieve planned and effective approach to research, development and innovation (RDI) as tool for growth.
 - Up to £500,000 ERDF available to fund 50% project costs for key sectors innovation service
 - Project to tackle barriers to investment by supporting business planning, accessing innovation techniques, low carbon opportunities, together with expertise and longer-term financial support
 - Outline assessment expected in October, with project likely to start by April 2016.
 7. *Skills Funding Agency (SFA) opt-in* – Committee advised its overall satisfaction of application by SFA to become co-funder to ESIF using Adult Skills Budget. Four detailed specifications will inform invitations to tender due to begin in September and October and leading to projects to deliver:
 - A business demand-led skills brokerage service to support businesses plan and access skills
 - Skills coaching for young adults (16-24) to sustain and improve workforce credentials
 - Project utilising older workers skills and experience and addressing need for extended careers
 - Project to raise aspirations of younger adults in science, technical, engineering and mathematic (STEM) based careers – working with employers, education and training providers
 8. *DWP* – work is ongoing with Job Centre plus and DWP to specify employability skills and in-work support for people experiencing difficulty in labour market
 9. *Big Lottery* – Four applications received for £4m Promoting Social Inclusion project. Committee provided written response to Big Lottery with [TBC - due 28th Aug]. Committee will assess and advise on final applications in January. Project to begin in spring 2016.

Call development

10. *SME Growth* – work continues with Managing Authority and local partners on project call design:

- Committee to receive paper in October 2015 to include draft call specification
- Services to be based on ESIF strategy rationale and best practice evidence from evaluations
- Build upon Growth Hub and business support and start-up services over past 36 months
- Services to include coordination and portal; specialist advice on ICT and resource efficiency; start-up support alongside grants for planned business growth
- Various options exist for funding for SME-oriented business support services, which ought to build upon Growth Hub and utilise The Enterprise Network
- Project to be called by Managing Authority in autumn 2015
- Project unlikely to begin until mid-2016

11. *Rural Development programme* – officers working with Defra / RPA on a range of tourism, food & drink sector and environmental innovation grant schemes to begin in October 2015.

12. *Innovation and Construction* – officers working with stakeholders, higher and further education providers, sector skills bodies and SWLEP sub-groups to set out range of specialised, key sector related investments that drive growth through innovation, research and development.

13. *Foreign and Direct Investment* – SWLEP investigating with local partners the potential opportunity of joining regional call to improve local inward investment offer.

ESIF Programme progress summary table

ESIF activity	Call theme	Structural fund	ESIF investment	Total investment	Summary of outputs	Earliest start date
SME Growth	SME support service	ERDF	£3 - 4m	£7 - 8m	<ul style="list-style-type: none"> • 794 SMEs supported • 398 start-ups • 285 jobs created 	June 2016
ERDF allocation - £5.875m	Exporting support	ERDF	£0.7m	£1.4m	<ul style="list-style-type: none"> • 175 SMEs supported • 108 jobs created 	May 2016
	Manufacturing advice	ERDF	£0.52m	£1.05m	<ul style="list-style-type: none"> • 263 SMEs supported • 81 jobs created 	May 2016
Innovation for sustainable growth	Health & Life sciences centre	ERDF	£3m	£7.2m	<ul style="list-style-type: none"> • Workspace centre • Infrastructure project 	February 2016
	Innovation support services	ERDF	£0.5m	£1m	<ul style="list-style-type: none"> • 50 SMEs supported • Cooperation with researchers, new products and processes 	April 2016
	Life science SME cluster support	ERDF	£TBC	£TBC	Target of 40 SMEs supported for growth by accessing specialist service	Early 2017
SME Growth Rural programme allocation £2.9m	Rural Tourism Accommodation	Rural Dev.	£0.55m	£1.375m	<ul style="list-style-type: none"> • 11 Business grants for quality accommodation • 76 jobs created 	June 2016

Skills for growth	Skills brokerage service	ESF	£6.55m	£14.03m -	<ul style="list-style-type: none"> • 2550 participants • 2200 SMEs supported 	February 2016
ESF allocation £12.326m	Raising attainment for STEM careers	ESF – (Skills Funding Agency co-fund from adult skills budgets)	£2.52m	£5.12m	<ul style="list-style-type: none"> • 1113 Participants • 177 newly employed • 50+ higher skills 	March 2016
Skills for inclusion	Skills coaching for young adults	ESF – (Skills Funding Agency co-fund from adult skills budgets)	£1.35m	£2.85m	<ul style="list-style-type: none"> • 790 Participants • 332 newly employed 	February 2016
	Utilising older workers skills and experience		£0.855m	£1.805m	<ul style="list-style-type: none"> • 500 Participants • Targets for over-50s and women 	February 2016
ESF allocation £5m	Promoting social inclusion	ESF – (Big Lottery)	£2m	£4m	<ul style="list-style-type: none"> • 976 Participants • All inactive or jobless 	April 2016

14. Notes on table

- Summary based upon ESIF Implementation Plan (v4) as at 11 August 2015
- Table is summary info only with some rounding - figures shown do not tally with total allocations
- Other developments in-scope but not developed are not included for brevity
- 'ESIF investment' funding is provisional until agreed by Managing Authority and selected project

Strategic alignment

15. *Commissioning* – Rationale for investment is based on ESIF Strategy Activities and Topics and combined with contemporary policy information, best practice and evidence from evaluations. Local partners work to develop the local strategic elements of call specifications. These align with relevant Operational Programmes and take forward ESIF Activities. Managing Authorities (DCLG, DWP and Defra) issue calls for projects inserting local strategic information into standard template.

16. *Check and challenge* - Prior to issuing a call, ESIF Committee advises on 'read across' from ESIF strategy to the proposed call specification. Secretariat act as a gateway during commissioning, checking developments. The SWLEP Board can also provide a strategic steer as ESIF sponsor.

17. *Calls for projects* Specification templates invite applications to deliver types of eligible activity are published on government website. Applicants respond detailing operations, achieving outputs, results and desired outcomes. Encouragement for innovative projects and integrated programming.

18. *Formal role* - Committee provides advice to Managing Authorities at outline and full application stages of project selection. Committee receives an assessment of applications received by Managing Authority, providing orally minuted advice on the local strategic fit of a proposal only. This takes into consideration factors on equality, match-funding, complementarity with other local services and projects and the fit with ESIF Strategy.

Committee Development

19. In July 2015, SWLEP ESIF Committee received Terms of Reference for its function as a sub-committee of the national ESIF board – known as Growth Programme Board. These set out the Committee’s advisory role and the duty to conform with the Nolan principles of public duty.
20. The SWLEP Board acts as the ‘sponsoring’ body for the ESIF programme – strategy and implementation. Two members of the Board and Isobel Brown are ESIF Committee members. The board, as sponsor supports and oversees overall delivery of the ESIF programme.
21. Managing conflicts of interest has become a complex area with the need to balance protecting potential delivery organisations from challenge with useful knowledge and experience that these bodies can bring to the development of programming.
22. The Committee is supported by group of senior staff from both Local Authorities and SWLEP. Officers come together in working groups, such as for innovation coordination, servicing Committee, working with chair and Secretariat (by Dept.CLG). The group develop call specifications working with government bodies, SWLEP sub-groups, and lead comms, informing through web and call events.

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