



**D2N2 LEP Area  
ESI Funds Sub-Committee  
Minutes of the meeting held on  
19<sup>th</sup> May 2017 11.45-12.45pm  
Derbyshire County Council, County Hall Matlock, Derbyshire DE4 3AG**

<b>Item</b>	<b>Description</b>
1	Apologies, Minutes of last meeting (10 <sup>th</sup> March) and process of actions (paper)
2.	Management Information Reports (papers) ERDF ESF EAFRD
3.	ERDF December Call: PA4 Outline Assessment - Low Carbon Supported Housing (paper)
4.	EAFRD EOI for consideration: Bottling Plant and Distribution Building (paper)
5.	ERDF July Calls: Specification local content – PA5 Promoting climate change adaptation, risk prevention and management (paper)
6.	Greater Nottingham Sustainable Urban Development - Progress Update
7.	Any Other Business  Potential for Committee to consider ESF Youth Engagement Initiative Outline application

**Item 1: Apologies, Minutes of last meeting (10<sup>th</sup> March**

- 1.1 The Chair welcomed everyone and apologies were noted from: David Williams (Gelards), Professor Edward Peck (Mike Carr attending as HE representative), Andrew Pickin, Cllr Diana Meale, Matthew Easter, Roger Blaney, David Williams (Butt foods).
- 1.2 Nicola McCoy-Brown was representing Nottinghamshire County Council for this meeting in place of Cllr Diana Meale.
- 1.3 Dawn Ward CBE Chief Executive and Principal at Burton and South Derbyshire College is the new FE representative on this committee.
- 1.4 Jane Howson has replaced Sylvia Green from Rural Action Derbyshire as the VCSE Representative (Autism East Midlands).

- 1.5 The minutes of the last meeting were accepted with no matters arising.
- 1.6 MA requested that the sub-committee note that he is now working at the Derbyshire Mental Health Forum

## **Item 2: Management Information Reports**

### **2.1 ERDF**

Progress was provided by IW for each ERDF Priority Axis 1-6 to the ESIF Sub-committee with management information to show progress against spend and output targets at the LEP area level.

IW asked Members of the ESIF sub-committee to note:

- 76.6% of the current PA1(Innovation) allocation has been programmed against three live projects (£14m ERDF), which are forecast to meet both the 2018 and 2023 output and financial target with significant headroom.
- The current live PA2 project will not deliver the 2018 output target of additional businesses with broadband access of at least 30mpb. Following a lack of interest in the December 2016 broadband infrastructure call, £8m is now allocated against PA2b broadband business support.
- PA3 commitment is 74.3% (£25.9m) of the priority axis allocation (£34.8m). All eleven projects are now live worth £25.9m. A further £5.5m is ring-fenced for Sustainable Urban Development (SUD) in Greater Nottingham. PA3 is forecast to meet both the 2018 and 2023 output and financial targets.
- £15.8m (70%) of the current PA4 (low carbon) allocation of £22.6m has been programmed against three live projects (£5.9m ERDF), two projects at full application stage (£6.5m) and the Sustainable Urban Development for Greater Nottingham (£3.5m). The 3 live projects would ensure D2N2 meet the 2018 output target, but only achieve 9% of the 2023 output target. D2N2 would also achieve the 2018 financial target. One application worth £0.746m was received at the second December 2016 PA4 Call review point in April.
- £3.15m (63.6%) of the current PA5 (Climate Change) allocation of £4.9m has been programmed against 1 project. This project would ensure D2N2 achieve the financial target for 2018, but would only achieve 15% of the 2018 D2N2 output target.
- £4.4m (92.1%) of the current PA6 (Environment & Resource Efficiency) allocation of £4.8m has been programmed against 2 projects. These projects would ensure D2N2 achieve the financial target for 2018 and achieve 276% of the 2018 output target.

The recommendations relating to ERDF to be considered were:

- a) DCLG will continue to work with D2N2 LEP officers to ensure there is a future programme of call activity in 2017 to maximise the ERDF Programme of activity across the D2N2 area before the UK leaves the European Union on the following basis:-
- A climate change (PA5) Call in July 2017;
  - Final innovation Call (PA1);
  - Broadband business support Call (PA2b); and
  - SME competitiveness (PA3) Call in Autumn 2017.

The sub-committee supported the recommendation.

- b) To promote the delivery of the Sustainable Urban Development Strategy, DCLG will work with Nottingham City Council to open a call or calls across 3 priority axis;
- Broadband (PA2);
  - SME competitiveness (PA3); and
  - Low Carbon (PA4)

The sub-committee supported the recommendation.

## 2.2 ESF

TG provided an update on ESF as follows:

9 Full Applications have been made with a value of £39.05M (4 CFO/5 Direct Bid)

9 Full Agreements have been made with a value £39.05M (4 MOUs/5 FA)

59% of the allocation is remaining

IP 2.2 has 100% of allocation remaining

There are no open calls currently.

The ESFA (formerly SFA) have submitted change requests to align their Match, procured activity and name change.

The timescale for future calls is currently under review with the possibility of a June/July D2N2 Call under Investment Priority 1.4.

## 2.3 EAFRD

RA provided an update as follows:

Ten applications for £1m have been received since the EAFRD calls opened in January, with 5 invited to full application stage, 4 rejected as in eligible and 1 due to be considered by the Sub-Committee at this meeting. At the last meeting the sub-committee agreed that projects requesting below £100,000 could be considered by the Rural Reference Group and signed off by the Chair (on their behalf), and projects requesting over £100,000 should be brought to the full ESIF sub-committee for review. Therefore, of the 5 applications that have been invited to full application stage so far, 3 were considered by the Rural Reference Group since the last full sub-committee meeting and have been endorsed by the ESIF Chair. One other project

requesting more than £100K (Bottling Plant and Distribution Building) was to be discussed at Item 4 on this agenda.

### **Item 3: ERDF December Call: PA4 Outline Assessment - Low Carbon Supported Housing**

3.1 A paper providing an update on Priority Axis 4 was presented by IW for the one application: Low Carbon Supported Housing by the Applicant – Together Housing Association.

IW stated that the project will take place in a cluster of supported housing facilities providing circa 150 homes for vulnerable older people in North Derbyshire. In each of the 2 buildings the project will:

- Maximise the solar PV generation capacity
- Install battery storage capacity to store renewable energy and provide grid balancing services
- Install innovative energy management systems to maximise benefits
- Provide access to electric vehicle charging and shared use

Overall the project proposes to create a model low carbon living environment. This involves both social housing retrofit improvements and pooled use of electric vehicles. The project indicates that this a whole place solution but this needs further enhancements at full application stage. A further by product of this proposed approach is power generation, which are all aims of the D2N2 call document.

Details are light on the type of technology and the innovative approach to be taken, with concerns over how the project will benefit the wider community in terms of dissemination. The applicant will need to demonstrate further at full application the innovative nature of the project and how this aligns with both the ERDF Operational Programme and specifically the D2N2 call document.

Supporting this further within the full application they should provide details on how the results of the project would be disseminated within the sector.

However, the estimated output of 8,231,923 ton CO<sub>2</sub> pa decrease in Greenhouse Gas and 937,422 KWh/year decrease in annual energy primary consumption of public buildings, does appear high and should be reviewed. Currently the project is requesting 0.3% of the notional funding allocation for D2N2 and forecasting to meet the whole Operational Programme performance reserve target for 2023, with it contributing 1.3m greenhouse gas reduction (c32 – performance reserve target output), by 2018.

The ESIF sub-committee accepted the suggested advice that as an outline application, there is a lack of detail about the proposal, and agreed with the suggestion that, subject to further detail and evidence at full application stage, the project was of sufficient

strategic value to be invited to full application with the expectation that the applicant would address the various issues identified by the CLG Assessor.

It was recommended that there are a number of issues that the applicant should address between the outline and full application and, given the limited 'window' for opening calls and approving projects, the applicant should have a time limit in which to address the identified issues or risk the funding being allocated to another project.

#### **Item 4: EAFRD EOI for consideration: Bottling Plant and Distribution Building**

- 4.1 The sub-committee considered the EOI presented by RA. This project is for the installation of new equipment to create a new bottling line and associated building works at an existing brewery business.

The recommendation to progress to full application was supported by the sub-committee as the project demonstrated good strategic fit.

#### **Item 5: ERDF July Calls: Specification local content – PA5 Promoting climate change adaptation, risk prevention and management.**

- 5.1 MW presented a paper relating to a PA5 Climate Change Call with specific focus on capital expenditure on flood defence work on the Lower Derwent in Derby.

There was a discussion around the potential eligibility of flood defence activity in the Upper Derwent. Potential applicants were advised to discuss proposals with the LEP and MA before submitting their applications. IW advised that the call would be open in July.

#### **Item 6: Greater Nottingham Sustainable Urban Development - Progress Update**

- 6.1 CH declared a Conflict of Interest and informed the sub-committee that Jem Woolley (Nottingham City Council) will be the SUD secretariat.
- 6.2 JW presented a paper which outlined the background to the development and agreement of the Nottingham SUD Strategy; the governance arrangements for the delivery of the strategy; and the development of a first call for applications.

The focus of the SUD call would be on PA 2, 3, and 4 with option to integrate the Priority Axes in projects.

It was agreed that the SUD committee will take place on the same day as the ESIF sub-committee and LEP Board and would follow the ESIF sub-committee.

## Item 7: AOB

- 7.1 A paper was submitted relating to an Expression of Interest for a project to use YEI funds targeted at Nottingham young people. The application which passed the initial gateway assessment was for £516k to be delivered by mid 2018. This initial application meets the full Output target for the Call.

The sub-committee were made aware of the technicality regarding receiving papers five days before the meeting and offered the option of considering the proposal via written procedures. It was agreed to discuss the proposal at the meeting.

CH declared a Conflict of Interest.

TG summarised the proposal with the recommendation that this was a strong proposal with a number of diverse partners and outputs. The EOI provides good strategic fit and value for money.

It was agreed that a condition should be added requiring the applicant to reflect the connections with other partners.

Based on feedback from the Committee TG would ensure that the appraiser is aware of the issue relating to funding per capita for disabled participants to ensure the costs quoted are realistic.

Based on feedback from the Committee TG would also seek advice from the Appraiser re outputs data and confirm the distinction between asylum seekers and refugees and highlight the potential for ineligible participants.

TG will seek advice from the appraiser relating to funding per capita for disabled applicants to the programme.

TG will also seek advice from the Appraiser re outputs data and confirm the distinction between asylum seekers and refugees.

**Action:** TG to provide YD with a list of partners for circulation to ESIF sub-committee members.

**Post meeting note :** Action - response from Tim George

The Delivery Partners in the 'Nottingham Works Plus' YEI Application were:

- Nottingham and Nottinghamshire Refugee Forum
- Life
- Empleo Community Interest Company
- Community Recording Studio
- Double T Development Ltd

- Switch Up CIC
- Nottingham NHS Trust
- Belong

**Action:** TG to seek advice from the appraiser re status of output stats and beneficiary funding

The sub-committee supported the EOI to be progressed.

7.2 There was no other business to be discussed.

7.3 The next ESIF sub-committee meeting will be held on Wednesday 12 July, 2017  
1:30pm – 3:30pm – Nottinghamshire.

## Annex A – Actions

Agenda item	Actions	Action assigned to	Actioned
7	TG to provide DCLG with a list of partners for circulation to ESIF sub-committee members.	Tim George	See post meeting note above
7	TG to seek advice from the appraiser re status of output stats and beneficiary funding	Tim George	

## Annex B Attendee List

### Chair & Deputy Chair:

Name, title and organisation	Sector/Organisation Representing
Peter Richardson (PRich)	D2N2 LEP
Ian White (IW)	Managing Authority ERDF (DCLG)

### Sub-Committee Members:

Name, title and organisation	Sector/Organisation Representing
Dawn Ward (DWa)	Burton and South Derbyshire College (FE representative)
Cllr Jon Collins (Cllr JC)	Nottingham City Council
Chris Henning (CH)	Nottingham City Council
Ian Morgan (IM)	Business Representative / Wellglade
Mike Carr (MC) – on behalf of Professor Edward Peck	Nottingham Trent University / HE
Nicola McCoy-Brown (NMxCB)	Nottinghamshire County Council
Rob Mayo (RM)	CLA Midlands
Matthew Allbones (MAIl)	Derby Citizens Advice and Law Centre
Rob Johnston (RJ)	Trade Union Congress
Tim George (TGeo)	Managing Authority ESF (DWP)
Diane Beresford (DB)	East Midlands Chamber of Commerce
Roger Allonby (RA)	Managing Authority EAFRD (RPA / DEFRA)
Jane Howson (JH)	Autism East Midlands (replacing Sylvia Green)
Cllr Martin Rawson (MR)	Derby City Council
Peter Gadsby (PG)	Ark Capital
Ian Stephenson (IS)	Derbyshire County Council

Paul Robinson (PR)	Derby City Council
Jem Woolley (JW)	Nottingham City Council
Melanie Ulyatt (MU)	Federation of Small Businesses (Nottinghamshire and Derbyshire)

**Others in attendance (non-members - including secretariat):**

<b>Name, title and organisation</b>	<b>Sector/Organisation Representing</b>
Lindsay Allen (LA)	D2N2 LEP
Rachel Quinn (RQ)	D2N2 LEP
Matthew Wheatley (MW)	D2N2 LEP
Jonathan Leonard (JL)	DCLG
Dominique Rowan (DR)	DCLG

**Apologies:**

<b>Name, title and organisation</b>	<b>Sector/Organisation Representing</b>
David Williams (DW2)	Geldards
Professor Edward Peck	Nottingham Trent University / HE
Cllr Anne Western (AW)	Derbyshire County Council removed from membership due to change in administration
Cllr Diana Meale	Nottinghamshire County Council removed from membership due to change in administration
Sylvia Green (SG)	Rural Action Derbyshire (and being replaced by Jane Howson)
Andrew Pickin (AP)	Business Representative
David Williams (DW1)	Butt Foods
Matthew Easter (ME)	Sustrans
Cllr Roger Blaney	Leader NSDC

**Date, time and venue of future meetings:**

Wednesday 12 July, 2017 1:30pm – 3:30pm - Nottinghamshire  
Tuesday 26 September, 2017 11:30am – 1:30pm – Nottingham  
Wednesday 8 November, 2017 1:30pm – 3:30pm - Derby