

## ESIF Update for the Business Development Board – 08 March 2016

### Purpose of the paper

To update the Business Development Board on progress with ESIF programme

### Programme Overview

The following table outlines the notional allocations for each of the Priority Areas, the spend target for both ERDF and match funding by 2018 (National Performance Framework Target) and the value of projects that have been selected by the programme to date to progress through to full business plan.

Priority Axis	Notional Allocation	National Performance Framework Target (ERDF & Match)	Selected Projects (Outline & beyond)
PA1 – Research, Development and Innovation	£4,007,487	£1,705,864	0
PA2 – ICT	£1,872,430	£797,036	0
PA3 – SME Support	£12,553,859	£5,343,793	£10,760,055
PA4 – Low Carbon	£11,556,675	£4,919,322	0
PA5 – Promoting climate change adaptation, risk prevention and management	£7,247,737	£3,085,139	£18,676,439
PA6 - Preserving and Protecting the Environment and Promoting Resource Efficiency	£2,467,178	£1,050,202	£2,596,858
<b>Total</b>	<b>£39,705,366.00</b>	<b>£15,851,154.00</b>	<b>£32,033,352.00</b>

To date, calls for projects have been made across all of the Priority Axes in the Humber.

Due to a lack of eligible applications and a number of projects being withdrawn, for a variety of reasons, the above table highlights gaps in selected projects in the Innovation, ICT and Low Carbon Priority Axes.

In both the Climate Change and Environment Priority Axes, selected projects are in excess of the amount of funding notionally allocated to them, however, the Managing

Authority (Department for Communities and Local Government (DCLG)) will not over-commit the funding in these areas. This will be resolved as the competitive process continues and final projects selected and contracted.

## **ESIF Committee**

Since the last update, Local ESIF sub-committees have now moved out of shadow and take on formal status as of the 01 January 2016. Final terms of reference have been issued and minutes of the meetings will now be published on the gov.uk website.

The final terms of reference for the Local Sub Committee confirms its role to give advice on local strategic fit and states that funding decisions clearly rest with the Managing Authorities.

## **Open Calls for Projects**

DCLG has confirmed there will be two 'windows' of opportunity for new open calls to be published in 2016. The first window is between 11 April and 25 April 2016, with outline proposals from these calls required by the end of May 2016. The following window is between 18 July and 03 August 2016, with outline proposals from these calls required by the end of September 2016.

The LEP Digital Sector Group has been involved in steering proposed activities for PA2 – ICT by informing our local priorities. A draft call is currently being developed with a view to this being published in the April call window.

An Innovation Task & Finish Group has also been established which has been involved in steering proposed activities under PA1 – Research, Development and Innovation as well as the Innovation aspects under PA4 – Low Carbon. Calls for both PA1 and PA4 are being developed and it is likely that these will be taken forward in the July call window.

## **Access to Finance**

The LEP is continuing to work with the British Business Bank on the Investment Strategy for the Northern Powerhouse Fund of Funds. Currently the Humber has committed £5.7m of its PA3 – SME Support allocation to this Financial Instrument.

It is likely that some of the PA4 – Low Carbon allocation will be diverted to Financial Instruments which will then reduce pressures on the PA3 – SME Support allocation and assist in meeting our PA4 – Low Carbon Targets.

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