

European Union Structural and Investment Funds 2014-2020

Report to the Humber LEP Board, 19 March 2021
Report from Isobel Mills, Chair of Humber LEP Area ESIF Sub Committee

1. Summary

1.1. This report highlights the latest progress regarding the utilisation of European Union Structural and Investment Funds (ESIF) in the Humber LEP area.

2. Recommendation

2.1. The Board is asked to **note** the information within this paper.

3. Programme Overview

3.1. All remaining allocations from LEP areas have now been used to form National Reserve Funds for ERDF, ESF and EAFRD. The Humber has secured additional funding from the ESF Reserve Fund and projects / businesses in our area have also had the opportunity to access the EAFRD National Reserve calls.

3.2. The Managing Authorities are utilising the National Reserve Funds to respond to Covid-19 related issues. Further details are provided below.

4. ERDF

4.1. Delivery of the Kick-starting Tourism and SME Restart & Recovery Package continues, following the Humber LEP securing an additional £500,535 for both strands of activity. This enables small businesses to access 100% grants of between £1,000 and £3,000 to help them adapt their businesses following the Coronavirus pandemic.

4.2. The scheme has reopened to enable further applications for businesses needing support to respond to the pandemic. An extension to the project timescale has allowed additional time to receive and process applications.

4.3. MHCLG will be working with partners and stakeholders to ensure that remaining funding within the programme is efficiently and effectively deployed to support key priorities, including COVID-19. Further details are still to be confirmed.

5. ESF

5.1. The Humber LEP successfully secured an additional £2m of funding under IP1.2 has been applied for from the ESF Reserve Fund to support the youth employment across the Humber. This takes the total additional investment secured from the ESF Reserve Fund for delivery of projects in the Humber to £9.59m. The call is now live.

5.2. Currently there are two calls, all utilising additional funding from the ESF Reserve Fund, that are currently live as follows:

- [Women in the Workforce](#) (PA2 training and development support for progression of women in the workforce) - £800k - deadline **31 March 2021**
- [Humber Youth Employment Support](#) (PA1 – Individuals and Young People) - £2m – deadline **10 May 2021**

5.3. Applications for both Mental Health calls which recently closed have been received and are currently in appraisal with the Managing Authority (MA).

5.4. The MA has been reviewing the ESF Reserve Fund utilisation, in consultation with a national Task & Finish Group, to agree how to prioritise remaining Programme funds for distribution this year. As a result of this exercise, the MA has closed the Reserve Fund call proposal process within immediate effect. The focus will now be on enabling existing projects to continue through to the end of the programme through a Project Change Request (PCR) process. Existing well performing projects will be able to apply for additional funding to extend delivery by up to no more than a 50% increase against the project's original costs

5.5. Project extensions must be focussed on the same type of provision, and to the same target group as the existing project. Extension requests must ensure there are no substantial changes to the scope of the revised project. An Action Note will be published on gov.uk which sets out the scope of the extensions approach and will invite projects to submit requests for additional funds and continue delivery up to December 2023.

5.6. In the Humber, the National Lottery Community Fund is likely to extend its activities which would enable Building Better Opportunities to deliver until the end of the Operational Programme, but confirmation of this is still awaited. The ESFA Opt-in projects that are currently performing well have already secured an additional 50% increase so will not be able to expand further due to procurement restrictions, unless the ESFA undertakes an additional procurement exercise. It remains unclear whether this will be an option.

5.7. The PCR approach is unlikely to have an impact on other projects that progressed through open calls, as this only applies to live projects that have been operational for over six months, but we will explore all opportunities to maximise investment and the continuation of projects in the area that fit the criteria. A range of new projects will be commencing over the coming months, using the funding secured through the ESF National Reserve's open calls process which will deliver until the programme end. A new national call focused on Digital Poverty is also anticipated in the coming months.

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