

## Environmental Sustainability Group Meeting

EEDA, Victory House

15 September 2009

Chair: Julia Upton Environment Agency

Members: Andrew Hitter GO-East  
Andy Luff EEDA  
Johnathan Reynolds EEDA  
John Shaw Business Link  
Vanessa Winters Environment Agency  
Kevin Davis EERA  
Claudia Maresca EEDA

Apologies:

### Summary of Action Points

Para.	Item
4	CM to email dates highlighting when project concept forms will be considered by CDG.
16	CM to send link to Territorial Group Minutes to ESG
17	JR to follow up with Cindy Winn feasibility of all EU facilitators linking up

1. Minutes taken as read and approved, dated from December 08 with all actions completed.
2. Claudia Maresca presented an appraisal update on Environmental Sustainability in approved projects for the period July-September. Andy Luff highlighted that the G-Bic project had not yet gone ahead due to funding issues.
3. A general discussion followed on the recession and projects lacking match funding. Andy Luff also highlighted that all members of the ESG were welcome to attend CDG as the projects are discussed at an early stage and there was potential to influence environmental sustainability and input into the project development. Andy added that all projects complete Tier 1 at Concept stage and the prospectus includes guidance on environmental issues. Johnathan Reynolds added that there is a big difference between environmental sustainability and low carbon growth and the distinction needs to be made clear. Julia Upton agreed with this view and felt this could be addressed by the facilitators.
4. Claudia Maresca to email dates to ESG highlighting CDG dates that will look at project concept forms.

5. Julia Upton was pleased to note that PICs project scored 10 for its sustainability element and felt that there was potential for good marketing once the project was live.

## **Programme Updates**

### **ERDF Update**

6. Andy Luff reported on the current position of approved projects that could contribute to the 2009 N+2 commitment target is just under 115%, and potential spend of pipeline projects will also contribute to 2009 spend target. The 2009 spend to date is currently £1.1 million against a target of £5.8 million and is expected to report a slippage against profile of 21.57% by end of quarter 3 based on revised profiles and all claims being submitted. The ERDF Monitoring team are working towards re-profiling spend targets and projects are currently 40% under profile. They are evaluating delivering forecasts and indentifying issues surrounding spend in projects. It has been concluded that the reason behind projects falling behind spend target is that spend profiles are too optimistic and are therefore not delivered.
7. Andy estimated that the realistic spend total will be short of the target at around £4.249 million, excluding the Venture Capital fund. The contribution of the regional Venture Capital fund will be £4.6 million which will ensure the target is achieved. N+2 final drawdown will be the 13<sup>th</sup> December. However, it is anticipated that N+2 will be achieved by the end of November and we will be looking to include the final payments for the year to be included in the final aggregate claim to CLG around that date.
8. Andy gave an update on the call for ERDF Energy Efficiency and Renewable Energy in Existing Housing projects to be launched at an event to be held on the 19<sup>th</sup> October. An Expert Housing panel, including representatives from Go East, HCA, EERA, BRE and DECC, has been set up to consider the specification and will also look at project concepts with a view to recommending projects to CDG for approval. Andy said that £4 million of ERDF money has been allocated to the call for projects.
9. Julia Upton queried whether other regions were struggling with N+2 and wondered if collectively we spoke to the Commission regarding flexibility. Andy replied that conversation have been held with the Commission but no positive outcome as yet. Johnathan Reynolds asked how confident we were that the two VCF will get approval. Andy replied they would be approved.
10. Andy advised ESG that Michelle Burdett had been looking for transport related projects and looking to see if ERDF can fund interventions into things like logistics or efficiency in transport.

There is a conference scheduled for 22 September talking about EU programmes and transport projects which Michelle is presenting at.

11. John Shaw added that the problem with transport is aligning deliverables with targets of the Competitiveness Programme as efficiency on transport does not naturally fit. Johnathan Reynolds said the EEDA transport team were doing some work on a transport carbon study with the report due in the next couple of months which will hopefully show some measures for ERDF funding. Michelle is aware of this project. Julia Upton asked if transport was concerned only with road or could it be waterborne. Andy replied transport was a generic term. Julia then said there is talk about water taxis, as there is a project funded by the North East and Lincolnshire at Spalding with potential further developments planned for expansion into the East of England which Michelle could look into.

### **ESF Update**

12. Andrew Hitter advised ESG that all funding, including additional funding identified through the revaluation of the programme had been allocated to Co-financing Organisations and has largely been committed. The latest procurement exercise to provide additional places on DWP's ESF Flexible Routeway programme for Jobseekers' Allowance customers is still on track. An announcement regarding the preferred bidder is expected in the next few weeks with delivery due to commence in December 2009. The LSC has contracted over £35m of provision and is currently involved in tendering for additional provision focussing on supporting Train to Gain type activity. During the last quarter the LSC has issued invitations to tender to secure additional providers to deliver its Response to Redundancy programme and is in the process of evaluating these tenders.
13. Andrew advised that the LSC will be replaced by two new agencies for funding from April 2010. These are the Young Peoples Learning Agency (YPLA) for 14-19 funding and the Skills Funding Agency (SFA) for 19+ funding. The SFA will replace the LSC as the Co-financing Organisation in relation to all ESF activity currently managed through the LSC, including NEET activity on behalf of the YPLA and local authorities. A number of local authorities have raised concerns as to how the SFA will ensure that local authority targets and needs are taken into account in terms of developing Co-financing plans and specifications. A meeting will be hosted by DWP ESF Division and will involve shadow SFA and local authority CFOs on 5 October to discuss how this will be taken forward.
14. Andrew advised that Regional ESF frameworks were originally developed in 2007 and informed co-financing plans for 2007-2010. They now need to be updated to inform co-financing plans for 2011-2013. A draft revised framework is currently being written and the working group will agree a version which will then go out for consultation in November 2009 to a wide group of partners, including EPSG Members. On completion of the

consultation process, a final revised version will be produced for approval by EPSG in December 2009

15. With regards to CCT themes of equal opportunities and sustainable development ESF economic programmes' main focus is environmental sustainability and DWP have contracted EcoTech to deliver national training to co-financers on how they can include sustainability in projects. One of the things that the framework review will look at is green jobs, new industry new jobs strategy, there will be greater focus on those sorts of sectors and ESF will be looking to identify important sectors in the region and where skills will need to be.

### **Territorial Co-Operation**

16. Claudia Maresca to send the link for TCDG minutes to ESG members. Andy Luff advised the group that a paper went to the REF which included a recommendation on agreement for additional facilitation for the Territorial Co-operation and wider EU opportunities through Improvement East, an organisation that supports LA to improve their performance and one of the remits is to provide facilitation in the region for LA to access funding. Andy said there would be 2 part-time posts filled by existing EERA staff and an additional post at EEDA with a 50% split between Territorial Co-operation and other EU funding streams to support local authorities – this has been agreed by EEDA's Chief Executives Team (CET).
17. Johnathan Reynolds queried the fact this group looks at European Funding and doesn't look at RDPE. Andy replied no, this is for Structural Funds only and as a sub-group of EPSG we don't have any authority or responsibility for it. Johnathan felt it would make sense for all EU facilitators to meet up and ensure good linkage especially as RDPE covers sectors excluded by ERDF. Andy said the reason nothing is in place is that it is not in the remit of EPSG to oversee that programme. Johnathan Reynolds will follow this up with Cindy Winn.

### **Facilitation**

18. Julia Upton updated the group on the number of options regarding putting in place an Environmental Sustainability facilitator for both ERDF and ESF. Julia explained that originally we were looking at the old Environment Agency model, working in partnership with other like minded organisations and we had a funding package to support that. Natural England who were a potential partner had to withdraw to due to a lack of resources which left the EA on their own. There was a meeting with EEDA and GO-East in June to discuss both this and the role of this group, especially as the main focus of the group's activities relied on an environmental sustainability facilitator being in post.
19. A number of options were discussed: EcoTech in principal were open to the idea of potential line management of a facilitator post, although currently this has not been taken forward.

20. Vanessa posed the question as to whether this was adding value to the group. Johnathan Reynolds said the original concept was based on the last programme, but with the new appraisal systems and monitoring across all EU funded programmes, and so queried if there was still a requirement for an Environmental Sustainability Facilitator. Julia Upton said this was not a requirement but more about adding value. A facilitator came in at the end of the last programme and made an impact and we felt this might help improve projects in the current programme.
21. Andy Luff questioned that due to the delay by the end of 2009 we will have committed 50% of the ERDF fund. On the ESF side EcoTech have been contracted. Andrew Hitter added it would be beneficial to have someone in place now would be helpful especially as the co-financing plans are due at the end of April, however we can email those round to the group for comment. John Shaw was struggling to see what the added value was in having a specialist in this field, especially when it is covered by the facilitators currently employed by ERDF.
22. Vanessa Winters then asked what role this group filled, as having a facilitator gave it a function, however if the group looked at papers already appraised, there seemed little point to its purpose. Julia Upton queried if having the group was a European requirement, to which Andy replied no, although EPSG requested it existed. Andy added this group could come to CDG and influence projects at the development stage.
23. Vanessa suggested the group became a virtual network and added that we would be very supportive going forward, we are looking at how to do it smarter. Johnathan Reynolds agreed with Vanessa, that things had moved on and a virtual network was a good way to go. Andy Luff added if necessary we could have an annual meeting around March in order to feed into the ESF report and also the Annual Implementation Report. It was agreed the group would go to EPSG in October with the new proposal and Julia Upton would revise terms of reference.