

ERDF Inward Investment soft landing project

- **Background**

Earlier in 2018 HotSW Lep submitted an application to MHCLG for ERDF/ESIF funding as part of a £4m match funded project to attract inward investment to the region by means of a “soft landing package”. It was intended that, once recruited, the HotSW Lep Inward Investment manager would assume the role of Project Manager for this project with administrative and procurement support to be provided by Somerset County Council.

MHCLG responded to the initial application with a list of pre-contract conditions that have since been addressed and submitted formerly back to MHCLG on December 21st 2018. The next stage, likely late January 2019, will be a response from MHCLG to this latest submission and ultimately a formal offer letter for funding the programme which is anticipated to begin on March 1st 2019.

To ensure impartiality when reviewing applications for funding an independent appraiser or “operator” is to be appointed. The key responsibility of the operator will be to perform a technical appraisal of applications based on agreed project eligibility criteria. Alongside this, for eligible applicants, the operator will produce a written report highlighting key benefits to the region e.g. GVA, number of jobs to be created etc including recommendations whether or not the applicant will be instrumental in supporting key priority HotSW sectors.

The written report, produced by the operator, will be submitted to a “Decision Making Panel” (DMP) which will decide, based on agreed criteria, whether or not grant funding should be awarded.

An additional requirement of the project is to create a steering committee. The Steering Committee’s role is to provide advice and support to the Project Manager whilst ensuring delivery of the project outputs and the achievement of project outcomes.

- **Recommendation**

Given the experience of the Business Leadership Group (BLG) working within the ERDF framework for the Growth Hub it is recommended that the BLG (or a sub-group if more practicable) assume a similar role as a Decision-Making Panel for this Inward Investment soft landing project.

In addition, given that the Inward Investment manager already presented the HotSW Inward Investment strategy to the BLG in September 2018 and their support for implementation was granted, it would make sense if the DMP also assumes the responsibilities of a steering group.

It is the recommendation of the ERDF Project Manager that the steering group meets when key project milestones are imminent – it is also recommended that Plymouth, Devon, Somerset and Torbay Local Authorities are represented on the steering group given their focus and resource levels for inward investment and their insight into local companies who would qualify to apply for this funding.

- **Considerations**

The project itself will run from March 2019 to March 2022 and will focus on providing either consultancy or match funding to **existing FDI SMEs** with growth ambitions during the two to

three year timescale of the project. In addition, the project will be aimed at attracting **new, non-EU FDI SMEs** to the region.

Prior to launch, the Project Manager will create and share with the steering group a Project Plan outlining the detailed aims of the project, eligibility and funding approval criteria, as well as an overview of potential marketing communications activity over the duration of the project including a launch event. A marketing communications agency will be appointed to help develop and implement a marketing communications plan - progress of which will be included in subsequent steering group discussions and ongoing reviews.

The DMP would need to be responsive and objective; cross-checking the recommendations of the **appointed operator** for each applicant as well as monitoring the likely impact and alignment of the individual cases in accordance with Lep priorities, Local Industrial Strategy and productivity planning. The Project Manager would liaise closely with the **operator** and team at Somerset County Council on a regular basis to maintain a register of eligible applicants and share operator reports and recommendations with the DMP as and when appropriate. If decisions need to be considered between BLG meetings, a facility for online discussions needs to be put in place to avoid delays.