

**Decision Session – Executive Member for
Economic Development & Community
Engagement (Deputy Leader)**

16 August 2016

Report of the Assistant Director (Communities, Culture and Public Realm)

**Community Led Local Development - 4CommunityGrowth York:
Local Development Strategy and Accountable Body**

Summary

1. This report provides:
 - A draft of the 4CommunityGrowthYork Local Development Strategy for endorsement /comment to ensure that all parties have had an opportunity to contribute prior to the submission deadline on the 31st August 2016.
 - Information on the results of the consultation activities which have informed and supported the drafting of the Local Development Strategy.
 - Feedback on progress on the activities required under the stage 1 funding agreement.

Recommendations

2. The Executive Member is asked to:
 - Endorse the draft 4CommunityGrowthYork Local Development Strategy (contained in Annex A)
 - Confirm that City of York Council will act as Accountable Body for the duration of the 4CommunityGrowthYork project.

Reason: To meet the contractual requirements for funding and to support the submission of the 4CommunityGrowthYork Local Development Strategy as the next required milestone in the bid for European Structural and Investment Fund (ESIF) Community Led Local Development Funding.

Background

3. City of York Council first considered an expression of interest in the (ESIF) 2014 – 2020 Community Led Local Development in 2013. Executive member support and Accountable Body status was confirmed at an Executive Member Decision session on 17 December 2013.
4. There have been a number of required revisions since the original Expression of Interest. The original project area has been revised in line with advice from the two Managing Authorities (the Departments of Communities and Local Government and Work and Pensions). The total pot applied for has increased slightly in line with an increase in the required minimum project budget and the total project budget is now £2.58 million (50% match funded), so potentially drawing down £1.29 million ESIF funding into York.

Progress since the last review

5. City of York Council's bid for preparatory stage 1 funding under the ESIF Community Led Local Development programme was successful and this was confirmed in February 2016 following approval of required amendments. Since receipt of the contracts from both of the Managing Authorities, work has been going on to meet all of the required activities within the funding contract including:
 - Resident and stakeholder engagement
 - Establishing a **Local Action Group** made up local residents, voluntary and community sector, business and public sector representatives. (N.B. to be made up of no more than 49% public sector representatives)
 - Creation of a **Local Development Strategy**
 - Confirmation of the Accountable Body

Resident and Stakeholder Engagement

6. Consultation with residents and potential delivery partners within the defined project area has been ongoing since the stage 1 application was approved. An awareness campaign was undertaken to promote the project and gauge early interest and gather feedback. This included: open information sessions, attending existing group activities and events, a media campaign including a press release, and an electronic expression of interest form. Through this phase

nearly 200 people were briefed directly and the Local Action Group was formed as a result.

7. The next and most recent phase of the consultation has been undertaken through: direct face to face surveys, *Engaging Lunchtime* sessions, street sessions, surgery sessions, attending public events, an external and internal media campaign including press releases and an electronic survey. Over 200 people responded to the survey either electronically or face to face. The survey closes on Tuesday 9th August 2016, the attached draft 4CommunityGrowth York Local Development Strategy contains feedback on the consultation to date which will be updated after the survey closes.

Local Action Group

8. A Local Action Group has been established and has directed and supported both the consultation and engagement activities and the drafting of the Local Development Strategy. The members of the Local Action Group work well and have a good mix of complimentary skills and expertise. The Local Action Group with support from City of York Council officers has developed its own governance structure.

Local Development Strategy

9. Annex A is the first draft of the 4CommunityGrowthYork Local Development Strategy. Submission of a final version of the strategy by the 31st August 2016 is the next key milestone in the phased process to apply for ESIF Community Led Local Development funding. The draft has been developed based on:
 - The evidence and narrative within the stage 1 ESIF Community Led Local Development funding application.
 - Feedback from both Managing Authorities
 - Resident and Stakeholder Engagement
 - Data and local information from the shared Intelligence Bureau
 - Technical Assistance from L:Create through Leeds City Region Local Enterprise Partnership (LEP) and additional capacity secured from colleagues in East Riding of Yorkshire Council.

10. Drafting the Local Development Strategy is necessarily an iterative process in order to capture up to date information, allow comprehensive analysis of consultation results and promote a sense of ownership and recognition by all interested parties. In this way maximising the potential of future success at delivery phase.

The relevant guidance can be found at

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/507938/Guidance_for_Development_of_CLLD_Strategies_v2.doc.pdf

Accountable Body

11. Specific guidance for Accountable Bodies under the Community Led Local Development programme has been issued since the initial decision for the council to act as the Accountable Body for this project was taken in December 2013. This guidance can be found at <https://www.gov.uk/government/publications/european-structural-and-investment-funds-community-led-local-development>
12. The Accountable Body's primary responsibilities are in the following areas:
 - supporting the Local Action Group
 - facilitating project applications
 - project assessment and approval
 - dispersal of grant funding
 - monitoring and verification

Eligible Activities

13. The following two paragraphs contain examples of eligible activities under the two funding streams of the programme European Regional Development Funds (ERDF) and European Social Fund (ESF) in order to illustrate the scope of the programme:
14. **ERDF**
 - Facilitation and capacity building activity in targeted areas.
 - Provision of small scale community hub facilities to support Small and Medium sized enterprises.
 - Activity that seeks to promote entrepreneurship and self-employment in deprived areas.
 - Tailored business support activity, mentoring, coaching, information, advice and guidance.

- Small equipment grants
- Provision of business space
- Support for clustering, networking, cooperation or local supply chain development / collaboration.
- Investment to better connect deprived neighbourhoods and areas of need with adjacent areas of opportunity and employment growth.
- Support for embedding and applying innovation.
- Support for new forms of enterprise (including the social economy and social enterprise).
- Preparatory support, such as training actions for local stakeholders, studies of the areas concerned; costs related to the design of Community Led Local Development strategies.

15. **ESF**

- Stimulating local economies to deliver jobs and growth.
- Providing individual pathways to integration and re-entry into employment.
- Improving the integration of marginalised families and communities.
- Combating discrimination in local areas that are based on gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation.
- Reducing employment barriers linked to social and economic isolation.
- Improving low level skills amongst young people Not in Education, Employment or Training (NEET) and adults.
- Facilitating community participation and engagement, including community leadership and peer support programmes.

Indicative Timeframe

16. The indicative timetable is as follows:

Dates	Action/Activity
31 st August 2016	Submission of the Local Development Strategy
October 2016	Consideration of the Local Development Strategy

October / November 2016	Approval of Local Development Strategy and invitation to submit Stage 2 bid
February 2017	Stage 2 bid submission
Anticipated April 2017	Stage 2 Approval and delivery begins

Options

17. The principal options open to the Executive Member are:
- A. To note and endorse the contents of the draft 4Community Growth Local Action Plan (Annex 1) and to confirm willingness for City of York Council to act as Accountable Body for the project.
 - B. To note, make comment and endorse the contents of the draft 4Community Growth Local Action Plan (Annex 1) and to confirm willingness for City of York Council to act as Accountable Body for the project.
 - C. To reject endorsement of the Local Development 4Community Growth Local Action Plan (Annex 1) and the opportunity for City of York Council to act as Accountable Body for the project.

Analysis

18. The report reaffirms the Councils' commitment to the 4Community Growth York bid for ESIF Funding under the Community Led Local Development and role as Accountable Body for the project.

Council Plan

19. A bid for European Structural and Investment Funds under the Community Led Local Development Programme supports all three of the key priorities within the Council Plan 2015-19. It meets the following objectives:
- Invest in external partnerships that support the local economy and lead to direct outcomes for residents.
 - Use evidence base for decision making.
 - For York residents to live and thrive in a city which allows them to contribute fully to their communities and neighbourhoods.
 - Listen and consider the opinions of all children and adults.

- Reduce the attainment gap between the highest and lowest achievers.
- Residents feel that their views have been listened to.
- Help local businesses to achieve their potential.
- Promote financial inclusion.
- A city where local businesses can thrive
- Residents have the opportunity to get good quality and well paid jobs.
- Everyone is supported to achieve their full potential
- Dedicated support for local businesses

Implications

20. **Financial:** The Accountable Body can claim project management costs which must be 50% match funded. The maximum claim allowed for these costs is 25% of the total agreed public sector funding. If the maximum percentage is claimed this would equate to a range of £258,000 - £322,500. CYC has committed to a staff post at Grade 10 for the duration of the delivery phase of the project as contribution to the match funding requirement.
21. **Equalities:** The Project has at its heart combating discrimination and social and economic isolation. The project is currently led from within the Communities and Equalities Team.
22. **Legal:** The Council's Legal Services have been consulted with regard to supporting the 4CommunityGrowth Local Action Group develop its governance structures and regarding State Aid regulations to ensure compliance at submission.
23. There are no HR, Crime and Disorder, Information Technology, Property, or Other implications arising from this report.

Risk Management

24. In compliance with the Council's risk management strategy the main risks that have been associated with the proposal contained within this project are:
 - Reputational risk as the 4CommunityGrowthYork project is high profile and in the public domain.

- Missed potential of significant funding which could make a real and sustainable difference in York's most disadvantaged communities.
- Potential claw back from the funder if any activity is deemed ineligible or the conditions of the funding change

25. Measured in terms of impact and likelihood, the risk score all risks has been assessed at less than 16, This means that at this point the risks need only to be monitored as they do not provide a real threat to the achievement of the objectives of this report.

Contact Details

Author:		Chief Officer responsible:			
Mora Scaife Neighbourhood Manager CLLD		Charlie Croft Assistant Director (Communities, Culture and the Public Realm)			
		Report Approved	✓	Date	5/8/16
Specialist Implications Officers: David Gladders Accountant					
Wards Affected: Westfield, Guildhall, Clifton, Heworth and Hull Road				All	
For further information please contact the author of the report					

Background Papers:

File of consultation feedback held by Mora Scaife, Neighbourhood Manger CLLD

Annexes:

Annex A Draft: 4CommunityGrowthYork Local Development Strategy

Abbreviations

CYC – City of York Council

ESIF – European Structural and Investment Fund

ESF – European Social Fund

ERDF – European Structural and Investment Fund
LEP – (Leeds City Region) Local Enterprise Partnership
NEET - Not in Education, Employment or Training