	<b>REPORT TO CABINET 12<sup>th</sup> September 2017</b>	
	<b>Key Decision</b>	<b>No</b>
<b>Corporate Priority</b>  <b>Prosperous, People, Place</b>	<b>Forward Plan Ref No</b>  <b>Cabinet Portfolio Holder</b>	Cllr. Derek Bastiman  Cllr Sandra Turner

**REPORT OF: DIRECTOR (NE) – Reference 17/193**

**WARDS AFFECTED: Castle, Central, Eastfield, Falsgrave Park, Filey, Northstead, Northbay, Ramshill, Woodlands**

**SUBJECT: YORKSHIRE COAST COMMUNITIES COMMUNITY LED LOCAL DEVELOPMENT (CLLD) PROGRAMME**

**RECOMMENDATION (S):**

Cabinet is recommended to:

- (i) Delegate authority to the Director (LD) to enter into a partnership agreement with East Riding of Yorkshire Council for the delivery of the CLLD programme for the Yorkshire Coast in accordance with the funder requirements.
- (ii) Approve match funding of staffing resources as identified in this report to support the delivery of the CLLD programme
- (iii) Approve that the portfolio holder for Democracy and Safer and Stronger Communities represent the Council on the CLLD Local Action Group

**REASON FOR RECOMMENDATION (S):**

- The funding available through this programme will bring benefits to disadvantaged communities within the Borough and will support the delivery of the Council's economic and regeneration priorities.
- East Riding of Yorkshire Council are the Accountable body for the programme, however, conditions for the grant require a service level agreement to be entered into between the two Councils to clarify delivery

- arrangements and responsibilities of the respective Councils.
- A programme of this size requires project management for effective delivery. Management and administration costs are funded through the ESF strand of funding but will require match funding.
  - To ensure the Borough Council is represented at an appropriate level on the Local Action Group.

## **HIGHLIGHTED RISKS:**

- If the Council were not to participate in this programme, this would result in the loss of potential grant funding in excess of £4.5million for the Borough available to support economic growth and social inclusion within the Borough.

## **1. INTRODUCTION**

- 1.1 Community Led Local Development (CLLD) is a locally driven approach to development, used across Europe. It is a “bottom up” approach to development, based on a structure which enables local people to form a partnership which designs and implements an integrated development strategy for the area. CLLD programmes are funded via the European Social Fund (ESF) and the European Regional Development Fund (ERDF) and target the areas identified as within the top 20% most disadvantaged nationally.

## **2. CORPORATE OBJECTIVES AND THE COMMUNITY PLAN**

- 2.1 The CLLD programme will deliver economic and social inclusion benefits across the most disadvantaged areas of the Borough which will support delivery of the “Prosperous”, “People” and “Place” themes of the Corporate Plan.

## **3. BACKGROUND AND ISSUES**

- 3.1 In December 2015, cabinet supported the submission of a stage one application for the CLLD programme, to include eligible areas of the Borough and approved that East Riding of Yorkshire Council would act as the Accountable body for the programme.
- 3.2 Following a successful stage one submission, a full (stage 2) application was made and in July 2017 the full application for the Yorkshire Coast Communities Programme was approved (subject to the completion of final funding agreements between the funders and the Accountable Body).
- 3.3 The programme will focus on investment to support economic growth and job creation and to tackle the multiple challenges experienced by communities

characterised by high levels of deprivation. It aims to empower local people to work with local partners to design and implement a development strategy for the area to tackle the challenges identified.

- 3.4 To qualify for the programme, areas must fall into the 20% most deprived, according to the national Indices of Multiple Deprivation (IMD).
- 3.5 The programme is funded by the European Social Fund (ESF) and European Regional Development Fund (ERDF). For the implementation stage match funding will be required for the programme.
- 3.6 Key issues to be addressed through ERDF, Community Led Local Development programme include:
  - Information failures at local level which restrict small and medium enterprise (including social enterprise) competitiveness and deter new SME formation by preventing access to networks, services and support needed to strengthen economic performance or entrepreneurship.
  - Poor quality local/small scale infrastructure that is inadequate for market needs, small and medium enterprises and the needs of local communities
  - Lack of amenities, community capacity and low levels of enterprise, including social enterprise and the development of start ups
  - Poor linkages between areas of deprivation and areas of high economic growth and jobs opportunities.
- 3.7 Key issues to be addressed through the ESF Community Led Local Development programme include:
  - Barriers to labour market participation, using “bottom up” local community driven approaches.
  - Barriers may include caring responsibilities, debt, digital exclusion, drug and alcohol dependency, poor basic skills, lack of motivation and confidence, family, parenting and relationship problems, health, mental health and well being problems, homelessness, learning difficulties, offending and isolation.

## **4. CONSULTATION**

- 4.1 Initial workshops to raise awareness of the CLLD process and to generate initial priorities and ideas for the Local Development Strategy were held across the area during September 2015. These were well attended by a range of organisations, businesses and community representatives and identified some key areas for further development, potential project ideas and match funding opportunities.
- 4.2 Further consultation work took place as part of the preparatory stage, with planning workshops and feedback sessions held during 2016 to inform the development of the Local Development Strategy.

- 4.3 The CLLD programme requires a similar structure and process to the LEADER programme, with areas required to establish a Local Action Group (LAG), responsible for decision making for the programme. Local Action groups are made up of business representatives, members of the community, local organisations and public sector bodies, although require a majority (51%) of non public sector organisations.
- 4.4 A number of workshop style, meetings were held to encourage appropriate nominations and a shadow LAG Board has been in place since May 2016. This group currently comprises around 50 individuals representing the voluntary and community sector, the public sector, private sector and 2 independent members. An Executive group, comprising of 17 members, has recently been elected.

## 5. ASSESSMENT

- 5.1 The programme will be known as the Yorkshire Coast Communities CLLD and will apply to qualifying areas within the Borough and the East Riding. Whilst there are separate allocations for the Borough and East Riding enabling specific local issues to be identified and tackled, there are also benefits in working jointly across a larger area, with common issues in terms of economic deprivation and social isolation within coastal communities.
- 5.2 The East Riding of Yorkshire Council have substantial technical expertise and experience of CLLD programmes, including having been the Accountable body for the LEADER programmes, in addition to experience of other European Funding programmes. It is considered beneficial to share technical expertise and resources to manage the programme effectively and for this reason it has been previously agreed that the East Riding of Yorkshire Council is the Accountable Body for the programme, with the Borough Council as a Delivery Partner.
- 5.3 The total maximum value of the grant funding available is shown in the table below:

Category of Area	ESF	Grant rate	ERDF	Grant Rate
Scarborough (more developed)	£3,127,179	50%	£1,425,445	60%
Bridlington (transitional)	£1,093,415	60%	£1,312,880	70%
<b>TOTAL</b>	<b>£4,220,594</b>		<b>£2,738,325</b>	

- 5.4 Match funding is required at 50% (ESF) and 40% (ERDF) and could come from a variety of sources, for example, the Big Local programme, other Lottery

funded programmes, the Coastal Communities Fund and a wide range of other potential sources. Projects will be required to identify match funding as part of their development.

5.5 In addition, provision was made as part of the capital programme 2012/13 (Neighbourhoods and Communities Programme) for a five year programme to support the Council's Regeneration and Neighbourhood Renewal priorities by providing match funding for schemes, as a lever to further significant external investment. There is currently £275,000 uncommitted within this programme and this will be used to match fund eligible schemes within the Borough where other sources of match funding are not available.

5.6 Whilst grant funding is available for programme management costs, these do require match funding at the ESF intervention rate (50%). The majority of the management resources will be employed by ERYC, however, given the larger programme value within the Borough some match funding of management costs is required. As part of the final submission, the following staff match funding costs have been agreed with the Accountable Body.

- Customers, Communities and Partnerships Manager (5% of FTE)
- Economic Development Manager (5% of FTE)
- Senior Regeneration and Support Officer (40% of FTE)
- Employment and Skills Manager (100% of FTE of which 50% will be grant funded through the programme and 50% as SBC match)

## **6. IMPLICATIONS**

### **6.1 Policy**

6.1.1 The content of this report is in accordance with the Council's policy framework.

### **6.2 Legal**

6.2.1 There are no legal implications arising from this report.

### **6.3 Financial**

6.3.1 The CLLD programme will bring significant external funding into the Borough, with a potential total programme value of over £8.5million over the five year programme (grant and match funding) with a potential grant funding value for the Borough of over £4.5million

6.3.2 The project match funding requirements would create no new financial implications for the Council, and can be met through the provision within the Neighbourhoods and Communities programme which has already been approved. Any additional financial implications for the Council, as a result of specific schemes, would be the subject of further approvals.

6.3.3 The staffing match (or equivalent) identified in paragraph 5.6 above will be required for the 5 years of the programme but can be accommodated within existing service structures and budgets.

6.3.4 The East Riding of Yorkshire Council is the Accountable Body for the programme and therefore the financial implications for the Council are minimised.

#### **6.4 Crime and Disorder**

6.4.1 No direct implications.

#### **6.5 Environmental**

6.5.1 No Implications.

#### **6.6 Planning**

6.6.1 No implications.

#### **6.7 Staffing**

6.7.1 The staffing match (or equivalent) identified in paragraph 5.6 above will be required for the 5 years of the programme but can be accommodated within existing service budgets

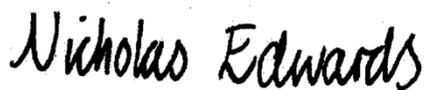
#### **6.8 Risk**

6.7.1 The risks are identified within the risk matrix attached.

### **7. Action Plan**

7.1 Key milestones are shown in the table below:

Funding and Service Level Agreement agreed	October 2017
Programme launched and official call for projects	October 2017
Implementation and delivery of programme	Until March 2022



**Nick Edwards**  
**Director**

Author: Jo Ireland, Customers, Communities and Partnerships Manager  
David Kelly: Economic Development Manager