

# Agenda



## Delegated Decisions - Cabinet Member for Education & Skills

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Date: Thursday, 1 November 2018

To: Councillor G Giles

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Item		Wards Affected
1	<u>European Social Fund (ESF) Bids - Inspire 2 Work (I2W) Extension</u> <i>(Pages 3 - 18)</i>	All Wards
2	<u>European Social Fund (ESF) Bids - Inspire 2 Achieve (I2A) Extension</u> <i>(Pages 19 - 34)</i>	All Wards

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# Report

## Cabinet Member for Education and Skills

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### Part 1

Date: 1 November 2018

Item No: 1

**Subject** European Social Fund (ESF) Bids – Inspire 2 Work (I2W) Extension

**Purpose** To update and seek approval from the Cabinet Member to accept an extension of the regional ESF Inspire 2 Work operation up until December 2022.

**Author** Inspire Central Lead Team Manager

**Ward** City Wide (non-Communities First areas)

**Summary** In June 2017 a Cabinet Member Report was approved supporting Newport City Council's delivery of the Inspire 2 Work operation as the Lead Beneficiary on behalf of the five Joint Beneficiaries (delivery partners) as noted below:

- Newport City Council
- Cardiff City Council
- Vale of Glamorgan Council
- Monmouthshire County Council
- Llamau

Newport City Council has successfully applied to the Welsh European Funding Office for an extension to the Inspire 2 Work regional operation up until December 2022, adding an additional 2 years and 11 months to the delivery period and £1.5m of ESF Grant. Newport City Council will remain as the Lead Beneficiary managing the delivery and performance of the operation on behalf of the Joint Beneficiaries across the South East Wales region.

As the Lead Beneficiary for the Inspire 2 Work Operation, Newport City Council will be responsible for managing the performance of the Operation and overseeing the delivery of each Joint Beneficiary. This includes:

- Managing performance of Joint Beneficiary progress towards operational targets as agreed with the Welsh European Funding Office (WEFO).
- Completion of regular monitoring and compliance checks ensuring Joint Beneficiaries adhere to WEFO guidance.
- Reporting and submission of participant outcomes and financial expenditure to WEFO Project Delivery Officers and via WEFO online.
- Collation and storage of required documentation to evidence participant outcomes and financial expenditure.
- Correspondence with WEFO to resolve queries and distribution of information to Joint Beneficiaries.

- Communication with all Joint Beneficiaries on a regular basis ensuring WEFO updates and guidance are received.
- Preparations for WEFO claim verifications and European Funding Audit Team inspections.
- Development of legal agreements between Newport City Council as the Lead Beneficiary and the individual Joint Beneficiaries.
- Creation of a regional procurement framework where appropriate and monitoring of Joint Beneficiary procurement activity.
- Ensure the operation is adequately promoted and all marketing adheres to WEFO guidelines.

### Regional Outcomes

The proposed regional outcomes for the Inspire 2 Work extension are as follows:

Participants at risk of becoming NEET (11-24) gaining qualifications upon leaving.	445
Participants at risk of becoming NEET (11-24) in education or training upon leaving.	240
Participants at Risk of becoming NEET (11-24) at reduced risk of becoming NEET upon leaving	574

The total value of the regional operation, including the extension up until December 2022, is approximately £5.8m, comprising of £2.8m ESF Grant and £3.0m of match funding across the region. The extension from February 2020 – December 2022 has provided an additional £1.5m of ESF grant and £1.6m of match funding across the region.

The operation has increased the number of participants it aims to engage by 986 to 2,041 participants, leading to the above 1259 outcomes for young people across the region.

### Newport Outcomes

The proposed Newport outcomes for the Inspire 2 Work extension are as follows:

Participants at risk of becoming NEET (11-24) gaining qualifications upon leaving.	117
Participants at risk of becoming NEET (11-24) in education or training upon leaving.	65
Participants at Risk of becoming NEET (11-24) at reduced risk of becoming NEET upon leaving	163

The total value of the Newport operation, including the extension up until December 2022 is approximately £1.9m, comprising of £0.9m ESF Grant and £1.0m of match funding. The extension from February 2020 – December 2022 has provided an additional £0.48m of ESF grant and £0.53m of match funding in Newport.

The Newport operation has increased the number of participants it aims to engage by 325 to 650 participants, leading to the above 345 outcomes for young people. The existing Inspire team within Newport Youth Service will continue to deliver the operation.

**Proposal** To accept an extension of the regional ESF Inspire 2 Work operation up until December 2022.

**Action by** Head of Regeneration Investment and Housing

**Timetable** In May 2018 the Inspire 2 Work operation submitted a re-evaluation of the approved Business Plan with updated financial and indicator profiles to the Welsh European Funding Office.

The amended Business Plan and profiles were agreed by the Inspire Strategic Board for submission to WEFO in March 2018.

On the 17th August 2018 WEFO provided confirmation that the I2W extension had been approved, on the 21<sup>st</sup> August 2018 the formal Grant Offer Letter was received by Newport City Council.

The report was prepared after consultation with:

- Strategic Director - Place
- Head of Regeneration, Investment and Housing
- CCR(Cardiff Capital Region) Board
- Local Authority Partners
- FE Colleges
- WEFO (Welsh European Funding Office)
- Welsh Government (DfES)
- Careers Wales
- Head of Law and Regulations – Monitoring Officer
- Head of Finance – Chief Finance Officer
- Head of People and Business Change

**Signed**

## **Background**

The Council's Improvement Plan, Regeneration, Investment and Housing Service Plan and Economic Growth Strategy all highlight young people not in education, employment and training (NEET) and raising qualifications and skills as priorities for development. These are the key priorities within the European Social Fund (ESF) operations that NCC are either delivering currently or developing for future delivery.

The priorities highlighted by Newport City Council are also key priorities for other Local Authorities across the region as identified by the Learning Skills and Innovation Partnership (LSKIP) South East Wales document (Attached within appendix 3)

European Social Funding across Wales is split into two distinct funding regions, West Wales and the Valleys and East Wales. Categorisation of each area is derived from GDP per capita compared to the EU average, and denotes the level of funding available.

The West Wales and the Valleys areas have access to greater levels of European Funding due to the area having higher levels of deprivation. The breakdown of Local Authority areas covered in South East Wales within the West Wales and the Valleys and East Wales regions is as below;

West Wales and the Valleys: Caerphilly, Torfaen, Blaenau Gwent, Merthyr Tydfil, Bridgend, and RCT.  
East Wales: Newport, Cardiff, Vale of Glamorgan, Monmouthshire and Llamau.

A South East Wales ESF group was established by NCC, with the purpose to identify need across the region, and develop potential proposals for funding to address this need. Through the East Wales working group, it was agreed that two proposed operations addressing NEETs and those at risk of becoming NEET would be developed to address the priorities identified by LSKIP and WEFO.

Joint Beneficiaries are responsible for providing the required match funding and the evidence proving its eligibility for use on an ESF operation. All Joint Beneficiaries will be responsible for monitoring their expenditure and ensuring the match funding is recorded appropriately and in line with WEFO guidance (this is identified in the Relationship Agreement between Joint Beneficiaries and Newport City Council as the Lead Beneficiary). Newport City Council as the Lead Beneficiary are responsible for monitoring and validation of the information supplied by the Joint Beneficiaries before it is submitted to WEFO, the Central Lead Team have been recruited for this purpose.

Joint Beneficiaries have identified eligible sources of match funding, however as discussed with WEFO the operation is unable to secure funding for the full 5 years 11 months of the operation (due to external funding being used as match that is agreed annually). The operation has been advised by WEFO to identify match funding that will be available for each successive financial year and make assumptions for the following years. Match funding sources and time scales will therefore be subject to change throughout the lifetime of the operation. If during the operation a Joint Beneficiary has to withdraw their match funding and are unable to secure an alternative source they will be required to scale back their operation accordingly, re-profiling their financial expenditure and outcomes. All Joint Beneficiaries (including NCC) are required to provide evidence approving the use of their match funding for the ESF Inspire 2 Work operation.

## **ESF Programmes**

### **Inspire 2 Work**

The operation led by NCC aims to reduce the number of 16-24 year olds who are Not in Employment, Education or Training (NEET) across the South East Wales region. Inspire 2 Work seeks to identify and address the needs of 16-24 year old NEET's, in bringing about sustainable integration into the labour market and thereby contribute to a reduction in youth unemployment.

Through a 'person centre' approach, the operation engages, supports and enables NEET 16-24 years to gain a range of skills, qualifications and meaningful work placements to feel confident and motivated to

enter into sustainable employment or further learning. The delivery model takes into account that young people have a number of barriers preventing them from entering employment or further learning and gives the support and flexibility required to enable the participant to succeed. The operation targets interventions for those who are NEET across the 16-24 age range including:-

- 16-18 year olds: Identified through the Welsh Government 5 tier model, particularly those who Tier 1 (unknowns) or 2 (unable or have complex barriers).
- 19-24 JSA Claimants (non-work programme/work programme returners)
- 16-24 year olds who are NEET as identified by providers but not picked up by Careers Wales or Job Centre Plus
- 16-24 Vulnerable groups (e.g. BME, ESOL, young carers, young parents, homeless, pregnant, care leavers, young offenders, Roma) who are furthest from the labour market

The operation has been designed to ensure that young people living in both non Communities First areas and Communities First areas have access to support and interventions which will help overcome barriers preventing them from gaining sustainable employment, reducing the number of NEETs across the South East Wales region.

The new proposed regional outcomes for Inspire 2 Work are as follows:

NEET Participants (16 -24 years of age) engaged	2041
NEET Participants (16 - 24 years of age) gaining qualifications upon leaving	445
NEET Participants (16 - 24 years of age) in education/training upon leaving	240
NEET Participants (16 - 24 years of age) entering employment upon leaving	574
Total	1259

The regional Inspire 2 Work operation total value is £5,868,971 over the 5 years 11 months and is made up of £2,827,133 ESF grant and £3,041,839 of match funding. Joint Beneficiaries have proposed to support 2041 participants, leading to 1259 outcomes across the South East Wales region as broken down in the table above. The operation is proposing a unit cost of £2875 per participant.

Participant targets and outcomes have been determined by Joint Beneficiaries through local consultation, statistical research and performance to date. The level of impact required to reduce the number of NEETS in the region has also been gathered through wider consultation, source documentation and engagement with Jobcentre Plus, Engagement and Progression Coordinators, Careers Wales and LSKIP.

## Summary of Changes

The table below shows the financial changes to the regional operation due to the extension.

Financial Expenditure	Approved Values	Change	Re-profiled values
Operation Length (months)	36 months	+35 months	71 months
Total Operation Cost (£)	£2,822,433	+£3,046,538	£5,868,971
Total Eligible Operation Cost (£)	£1,359,590	+£1,467,543	£2,827,133
Total Eligible Match Funding (£)	£1,462,843	+£1,578,995	£3,041,838
Intervention Rate	48.17%	+/-	48.17%

The table below shows the participant outcome changes to the regional operation due to the extension.

Participant Indicators	Approved Values	Change	Re-profiled values
NEET Participants (16 - 24 years of age) engaged (Total)	1055	+986	2041
NEET Participants (16 - 24 years of age) engaged (Male)	675 (63%)	+394	1069 (52%)
NEET Participants (16 - 24 years of age) engaged (Female)	380 (27%)	+592	972 (48%)
NEET Participants (16 - 24 years of age) gaining qualifications upon leaving	291 (28%)	+154	445 (22%)
NEET Participants (16 - 24 years of age) in education/training upon leaving	156 (15%)	+84	240 (12%)
NEET Participants (16 - 24 years of age) entering employment upon leaving	288 (27%)	+286	574 (28%)

The table below shows the proposed outcomes for Newport.

NEET Participants (16 -24 years of age) engaged	650
NEET Participants (16 - 24 years of age) gaining qualifications upon leaving	117
NEET Participants (16 - 24 years of age) in education/training upon leaving	65
NEET Participants (16 - 24 years of age) entering employment upon leaving	163
Total	345

Based on the funding rationale the Newport Inspire 2 Work delivery team will engage with 650 participants achieving 345 outcomes over the 5 years and 11 months as detailed in the table above. The operation in Newport will have a total value of £1,914,018.32 made up of £921,998 ESF grant and £1,049,534 of match funding.

Due to funding commitments and restraints within the Local Authority we are unable to commit match funding beyond each successive financial year of the operation. The current match funding is sourced from Families First and confirmed with Welsh Government as eligible for use up until the 31st March 2019.

The Welsh Government Flexible Funding Programme aims to align various grants provided to the Local Authorities, enabling service re-design to deliver sustainable improvements for vulnerable people across Wales, reducing unnecessary bureaucracy. The various grants included in the scope of the flexible funding programme are as below:

- Supporting People
- Flying Start
- Families First
- Legacy Fund
- Promoting Positive Engagement for Young People
- Childcare and Play (formerly Out of School Childcare)
- Homelessness Prevention
- Rent Smart Wales Enforcement (formerly Independent Living)
- St David's Day Fund
- Communities for Work Plus (formerly the Employability Grant)

As the Families First grant is included within the scope of the Flexible Funding Programme an assumption has been made for financial year 19/20 and thereafter that the necessary value of eligible match funding will be secured through an application to Newport City Council's Flexible Funding Programme Board.



If the necessary value of match funding is not secured from the Flexible Funding Programme the possible risks to the Inspire 2 Work operation are detailed below, it is important to note that none of the options shown below would have any detrimental effect to the council's core budget. The different scenarios are:-

- No change to match funding provided by the Flexible Funding Programme – Welsh Government provide the same value of grant post March 2019 allowing the operation to claim the same amount of match funding and deliver the operation as planned.
- Reduction in match funding provided by the Flexible Funding Programme – Welsh Government reduces the value of grant provided, resulting in the requirement for the operation to scale back delivery proportionally if other match funding is unavailable to cover the shortfall.
- Reduction in match funding provided by the Flexible Funding Programme – Newport City Council re-direct elements of the Flexible Funding Programme, moving resources away from Families First to other grants, resulting in the requirement for the operation to scale back delivery proportionally if other match funding is unavailable to cover the shortfall.
- Removal of match funding from Flexible Funding Programme – Welsh Government ceases award of the Families First Grant within the Flexible Funding Programme and no alternative grant is available resulting in a significant shortfall in Match Funding and delivery of the operation coming to a close earlier than planned.

The below table summarises the match funding for Newport City Council in the 18/19 financial year.

Match Funding source	Availability of Match	Value	Rationale
Families First Grant	31 <sup>st</sup> March 2019	£64,317	2 FTE x Community Youth Workers
Youth Service Core Funding	Annual	£33,264	0.25 FTE x City Youth Worker, 0.2 FTE x Youth Service Manager, 0.25 FTE x Business Support Administrator, 0.15 FTE Finance & Admin Officer
Youth Service Strategy Grant	31 <sup>st</sup> March 2019	£34,846	0.25 FTE x Youth Curriculum Tutor 1.0 FTE X Community Youth Worker
Regeneration, Investment & Housing Core Funding	Annual	£6,119	0.1 FTE x Community Regeneration Manager
FR 40 Model		£61,847	WEFO Simplified Costs Option Model
Total		£200,393	

## Bid Approval

On the 17<sup>th</sup> August 2018 Newport City Council received communication from WEFO indicating that the Inspire 2 Work extension and receipt on an additional ESF Grant of £1,467,543 had been approved. Formal approval is now pending.

## Financial Summary

Newport City Council, as the Lead Beneficiary, is responsible for submitting financial expenditure and participant outcomes achieved by the Joint Beneficiaries. We have mitigated the risk of any undesirable actions by Joint Beneficiaries through a robust Relationship Agreement; it places the responsibility of eligibility of match funding, outcomes and financial expenditure with each individual Joint Beneficiary. The costs associated with Newport City Council being Lead Beneficiary and employing the Central Lead Team will be fully recovered from ESF Grant and contributions made by the Joint Beneficiaries.

## Regional Operation value and Match Funding

### Regional Operation value

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
£764,941	£1,088,941	£1,117,839	£1,151,676	£1,165,604	£579,970	£5,868,971

### Regional Match Funding

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
£397,704	£566,428	£579,036	£596,215	£605,038	£297,418	£3,041,839

## Newport Operation value and Match Funding

### Newport Operation value

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
£283,134	£365,301	£373,894	£380,246	£385,884	£125,559	£1,914,018

### Newport Match Funding

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
£154,318	£200,393	£205,107	£208,591	£211,684	£69,441	£1,049,534

## Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Unavailability of Match Funding	H	L	Identification with Joint Beneficiaries of current and potential match funding sources.  Production of a legally binding relationship agreement indemnifying Newport City Council against all risk.	Work/ Skills & Performance Manager
Reduction in Match Funding value due to further austerity actions	H	M	Clean, eligible sources of Match Funding have been indicated in the I2A Business Plan to WEFO. The sources have been approved for use by WG and the authority.  Scenarios have been provided in 2.1.10,	Community Regeneration Manager

<b>Risk</b>	<b>Impact of Risk if it occurs* (H/M/L)</b>	<b>Probability of risk occurring (H/M/L)</b>	<b>What is the Council doing or what has it done to avoid the risk or reduce its effect</b>	<b>Who is responsible for dealing with the risk?</b>
			dependent on changes to match funding availability to mitigate the risk.	
Insufficient resources available to approve Business Plan applications	H	L	Working with service managers and partners to gain relevant support at the correct levels.	Work/ Skills & Performance Manager
Duplication with other ESF operations/WG Programmes	H	L	Communication with other proposed ESF operations and existing alternatively funded programmes to ensure delivery is not duplicated within the Region.  Approval of Business Plans through the CCR Regional Proofing Panel	Work/ Skills & Performance Manager
Underachievement against operation targets	H	L	Targets have been set at realistic levels based on quantifiable need that already exists within Newport.  Robust monitoring processes will highlight any early underachievement that can be addressed and resolved	Work/ Skills & Performance Manager
Non-compliance with WEFO requirements – risk of claw back	H	L	Robust management arrangements, regular reports to CM and a Relationship Agreement detailing the Joint Beneficiaries responsibilities	Work/ Skills & Performance Manager
Refusal or inability by Joint Beneficiaries to provide the required data or documentation as evidence	H	L	Relationship Agreement produced that clearly states requirements of Joint Beneficiaries	Work/ Skills & Performance Manager
Lack of communication regarding amendments to guidance provided by WEFO	H	L	Regular updates for the cabinet member, briefing on changes and updates made with in the project design, finances, and governance.  Quarterly review meetings with WEFO Project Development Officer	Community Regeneration Manager

<b>Risk</b>	<b>Impact of Risk if it occurs* (H/M/L)</b>	<b>Probability of risk occurring (H/M/L)</b>	<b>What is the Council doing or what has it done to avoid the risk or reduce its effect</b>	<b>Who is responsible for dealing with the risk?</b>
Late submission of claim information by Joint Beneficiaries	H	L	Schedule of claim dates provided for full lifetime of operation and reminder each quarter of claim deadlines	Work/ Skills & Performance Manager

## **Links to Council Policies and Priorities**

The Inspire 2 Work operation provides interventions that address the well-being objectives adopted by Newport City Council from the Wellbeing of Future Generations Act and will seek to maximise the contribution to the achievement of the seven Well-being Goals for Wales by;

- Improving the skills, educational outcomes and employment opportunities (Objective 1)
- Promoting economic growth and regeneration whilst protecting the environment (Objective 2)
- Enabling people to be healthy, independent and resilient (Objective 3)
- Building cohesive and sustainable communities (Objective 4)

The Inspire 2 Work operation will link to the above four Well-being Objectives through the below activity;

- Identify young people most at risk of disengagement
- Provide better brokerage and coordination of support
- Strengthen tracking and transitions of young people through the system
- Ensure provision meets the needs of young people
- Provide greater accountability for better outcomes for young people

## **Options Available and Considered**

Accept the additional ESF grant for the Inspire 2 Work operation and extend delivery up until December 2022.

This option will provide Newport City Council with additional resources from the European Social Fund to identify and support further young people who are NEET to gain qualifications, enter employment or further education/training.

To not accept the additional ESF Grant and continue to deliver as previously approved until January 2020.

Newport City Council will not access the available ESF Grant to increase resources and deliver interventions to NEET young people.

## **Preferred Option and Why**

The preferred option is to accept the additional ESF grant for the Inspire 2 Work operation and extend delivery up until December 2022 as this will allow us to shape delivery of our services to meet Newport City Councils corporate objectives and align with the Wellbeing of Future Generations Act.

Inspire 2 Work will also create further resources funded externally through ESF to support the NEET Strategy and reduce the number of young people aged 16 – 24 who are not in employment, education or training. As the Lead Beneficiary, Newport City Council will receive approximately £0.3 million in ESF Grant funding for the Central Lead Team over the 5 year 11 month delivery period of the operation.

## **Comments of Chief Financial Officer**

European Social Fund grant has been accessed to extend the current operation up until December 2022 which means match funding arrangements will need to continue. Joint Beneficiaries are responsible for providing the required match funding and will be responsible for monitoring their expenditure and ensuring the match funding is recorded appropriately and in line with WEFO guidance. Newport City Council as the Lead Beneficiary is responsible for monitoring and validation of the information supplied by the Joint Beneficiaries and there is a specific team in place to carry out this function.

If during the operation a Joint Beneficiary, including Newport City Council, has to withdraw their match funding and are unable to secure an alternative source they will be required to scale back their operation accordingly, re-profiling their financial expenditure and outcomes, this removes the risk of any adverse impact to the Council's revenue budget.

## **Comments of Monitoring Officer**

The proposed action is in accordance with the Council's well-being powers under Section 2 of the Local Government Act 2000 and is also consistent with the corporate plan and well-being objectives in relation to the improvement of skills and employment opportunities. The Cabinet Member has already approved the earlier ESF bid and agreed to the Council acting as Lead Beneficiary for the regional delivery partnership. This proposal is just to extend the delivery period to December 2022 and increase the funding to reflect the additional £1.5m ESF grant that has now been approved. The existing partnership agreement, which clarifies roles and responsibilities for the delivery of individual projects and the provision of match funding, will need to be extended to cover this further period and the additional funding. There will also need to be a continuation of the obligations to secure match funding over the extended period or to scale back the projects.

## **Comments of Head of People and Business Change**

This report is to update and seek approval for an extension of the regional ESF Inspire 2 Work operation up until December 2022. As required the report fully considers all five aspects of the sustainable development principle of the Well-being of Future Generations (Wales) Act 2015 (Long-Term, Prevention, Integration, Collaboration and Involvement).

From an HR perspective there are no staffing implications in respect of this report.

## **Comments of Cabinet Member**

Cabinet Member has been briefed on this report.

## **Scrutiny Committees**

N/A

## **Equalities Impact Assessment and the Equalities Act 2010**

The Equality Act 2010 contains a Public Sector Equality Duty which came into force on 06 April 2011. The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The newly created single duty aims to integrate consideration of equality and good relations into the regular business of public authorities. Compliance with the duty is a legal obligation and is intended to result in better informed decision-making and policy development and services that are more effective for users.

In exercising its functions, the Council must have due regard to the need to: eliminate unlawful discrimination, harassment, victimisation and other conduct that is prohibited by the Act; advance equality of opportunity between persons who share a protected characteristic and those who do not; and foster good relations between persons who share a protected characteristic and those who do not.

The Act is not overly prescriptive about the approach a public authority should take to ensure due regard, although it does set out that due regard to advancing equality involves: removing or minimising disadvantages suffered by people due to their protected characteristics; taking steps to meet the needs

of people from protected groups where these differ from the need of other people; and encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

### **Children and Families (Wales) Measure**

Although no targeted consultation takes place specifically aimed at children and young people, consultation on planning applications and appeals is open to all of our citizens regardless of their age. Depending on the scale of the proposed development, applications are publicised via letters to neighbouring occupiers, site notices, press notices and/or social media. People replying to consultations are not required to provide their age or any other personal data, and therefore this data is not held or recorded in any way, and responses are not separated out by age.

### **Wellbeing of Future Generations (Wales) Act 2015**

The “Sustainable Development Principle” – 5 Ways of Working within the Wellbeing of Future Generations (Wales) Act 2015 have been considered through the Inspire 2 Achieve operation. The below demonstrates how the operation has considered and addressed those 5 principles:

- **Long term:** The operation will aim to ensure that NEET young people are identified and supported so that they can gain qualifications and enter into employment or education/training. This will reduce the likelihood of future or continuing poverty amongst young people but will also ensure that short term needs are met without compromising the ability of future generations to meet their own needs. Additionally the operation will aim to ensure long term improvements in the young person’s health, well-being and skill level as well as instilling a work ethic that will improve aspiration levels throughout their lifetime. Consideration will be given to the seven well-being goals within the Wellbeing Act when delivering activity.
- **Prevention:** The operation will identify those young people aged 16-24 who are not in employment, education or training. It will seek to improve health and well-being, rise aspiration levels, improve skill levels and qualifications, increase engagement with society and their local community and reduce the likelihood young people engaging in crime or anti-social behaviour.
- **Integration:** The operation will ensure that delivery will align and impact on the following wellbeing objectives 1) Support regeneration and economic growth 2) Drive up skill levels for economic and social well-being 3) Provide children and young people with the best possible start in life 4) Long and healthy lives for all 5) People feel part of their community and have a sense of belonging. The operation will also ensure that delivery will align and impact on the following wellbeing goals, 1) A prosperous Wales 2) A resilient Wales 3) A healthier Wales 4) A more equal Wales 5) A Wales of cohesive communities 6) A Wales of vibrant culture and thriving Welsh language 7) A globally responsible Wales and other objectives and those of other public bodies. To sustain this and continue alignment, the delivery team are active members of strategy groups and forums such as the pre-16 group and the NEET Practitioner Forum.
- **Collaboration:** The operation has completed extensive consultation as noted below to ensure it has considered how acting in collaboration with any other person or any other part of our organisation could help meet our wellbeing objectives. Please see the above summary which notes collaboration and consultation with our external Joint Beneficiaries partners and internal council departments.
- **Involvement:** The operation has considered the importance of involving young people with an interest in achieving the wellbeing goals with continual consultation and evaluation planned, ensuring that those young people reflect the diversity of the City we serve. We value the feedback of young people participating in our programmes and have a robust mechanism for ensuring operations are, where possible, young person led. Wider consultation and evaluation protocols are embedded within our organisation to drive change and improve services across the city. Please see consultation section below for further information on involvement of key stakeholders and organisations working with young people.

## **Crime and Disorder Act 1998**

Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

## **Consultation**

The operation has been developed by partners across 10 local authorities, using the Youth Engagement and Progression Framework and the gaps it has identified as the basis for need, as set out below from Youth Engagement and Progression Framework 2015:

- Identifying young people most at risk of disengagement.
- Better brokerage and coordination of support.
- Stronger tracking and transitions of young people through the system.
- Ensuring provision meets the needs of young people.
- Strengthening employability skills and opportunities for employment.
- Greater accountability for better outcomes for young people.

The operation has been designed to work in conjunction with other programmes and Welsh Government back bone projects and will not duplicate but compliment and add value, filling gaps in provision where there is a specific need. This includes the alignment of other operations such as:

Communities 4 Work – The operation will predominantly work outside Communities First and Communities 4 Work areas, focussing our activity on areas and participants that would not have the benefit of these programmes.

Traineeships – The operation will work with Work Based Learning providers to ensure young people have an exit route from the provision that supports their search for employment. This provides an alternative to further training and education and will bridge the gap between the engagement phase of traineeship and the employment offered through Jobs Growth Wales ensuring young people have been prepared appropriately.

Jobs Growth Wales – The operation can dovetail into alternative ESF provisions such as Jobs Growth Wales by providing the preparation and qualifications required to successfully start and complete a Jobs Growth Wales placement if direct employment is not suitable.

Inspire 2 Work has engaged in detailed discussion with partners, including our equivalent Inspire 2 Work WWV partners, as below:

- Newport City Council has engaged specifically with Migration Officers to discuss concerns around engaging the Roma population in training and employment opportunities.
- Cardiff and Vale College have been engaged in discussions around being a co-financing beneficiary or procurement partner. Their need, along with the strong links already in place between the college and Vale of Glamorgan Council determined their preference to be engaged through procurement opportunities and existing partnership arrangements.
- Coleg Gwent cover both East Wales and West Wales and the Valleys, and therefore have been engaged both through the SE Wales HE/FE network, and through local discussion with regards to progression routes. It was important to ensure a consistent approach to this partnership arrangement across both Inspire 2 Work operations, and also the complimentary Inspire 2 Achieve operation.
- Lead officers have attended events held by the South East Wales Regional Learning Partnership (LSkip), and the Lead Beneficiary sits on both P1 and P3 ESF Support Groups. Inspire 2 Work has engaged in the P3 Support Group along with other operational partners across the South East Region to enable further collaboration. The Support Groups enable the operation to engage with other local, regional, and national Operations (in development and delivery stages) that deliver in South East Wales to ensure complementarity, and to avoid duplication.

- The operation has considered Priority Axis 2 operations and the support for participants who are exiting the operation into employment but may require further training and qualifications to sustain employment.
- Local Authority partners have engaged with Communities First within their areas to discuss the Communities 4 Work operation that is specifically targeted to 16-24 year olds and how it can work in partnership with Inspire 2 Work.
- The proposal has been designed to work in conjunction with other programmes and Welsh Government back bone projects and will not duplicate but compliment and add value, filling gaps in provision where there is a specific need.

The following partners have been consulted, with their level of engagement set out below:

<b>Organisation</b>	<b>Involvement</b>
Newport City Council	Lead beneficiary
City of Cardiff Council	Joint Beneficiary
Monmouthshire County Council	Joint Beneficiary
Vale of Glamorgan Council	Joint Beneficiary
Llamau	Joint Beneficiary
Melin Homes	Proposed delivery partner
Monmouthshire Housing Association	Proposed delivery partner
Coleg Gwent	Interested in procured or referral opportunities
Cardiff and Vale College	Interested in procured or referral opportunities
Blaenau Gwent CBC <sup>1</sup>	Member of SWYP <sup>2</sup> group Lead Beneficiary: WWV Inspire2Work
DFES <sup>1</sup>	Member of SWYP group
DWP <sup>1</sup>	Member of SWYP group
Public Health Wales <sup>1</sup>	Member of SWYP group
South East Wales Regional Engagement Team	Member of SWYP group
South East Wales Directors of Environment & Regeneration Group	Endorsement of proposals
Learning, Skills & Innovation Partnership	Endorsement of proposals
Careers Wales <sup>1</sup>	Consulted on proposals
Communities First	Consulted on proposals
Families First	Consulted on proposals

In addition, the following engagement and consultation activity has contributed to the development of the operation:

#### Local Authority partners

- Regular scheduled meetings and communication with key individuals.
- Attendance and participation in regional meetings for Skills, Worklessness and Young People (SWYP)
- Participation at regional monthly meetings of the East Wales ESF working group.
- Discussion at regional project management/ development meetings
- Newport City Councils Young People Education, Employment and Training forum
- Vale of Glamorgan NEET's Strategy Group
- Vale of Glamorgan CYP Programme Board
- Monmouthshire Business Employment Skills and Training (BEST) Partnership
- Monmouthshire 14-19 Curriculum Network Meetings
- Monmouthshire Post 16 Steering Group

<sup>1</sup> Consultation was undertaken at a regional level, through the previously established SWYP group for the Inspire 2 Work model across the 10 Local Authorities (WWV and EW)

<sup>2</sup> Skills, Worklessness, Young People (SWYP) was a Task and Finish Group set up under SEWDER to look at opportunities for accessing EU Structural Funds across SE Wales



- Regular meetings and communications with Youth Engagement and Progression Framework Coordinators.
- Regular communications with the Inspire 2 Work WWV lead partner through meetings, email, and telephone.
- Newport City Council Work Based Learning Academy Coordinator to ensure provision of work opportunities.
- Newport City Council Local Service Board – Work Based Learning Academy

Non LA partners

- All four Local Authority Local Service Boards
- Attendance and participation in regional meetings for Skills, Worklessness and Young People
- Coleg Gwent
- Cardiff and Vale College

**Background Papers**

Please see below as appendices the following documents:

- Inspire 2 Work approved Business Plan – February 17
- Inspire 2 Work Equality Impact Assessment
- Inspire 2 Work approved Business Plan re-evaluation – August 18



BusPlan  
Inspire2Work\_EW\_0\_



EIA I2W.doc



80927 Business Plan  
Re-evaluation v5.doc

Date: 1 November 2018

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# Report

## Cabinet Member for Education and Skills

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### Part 1

Date: 1 November 2018

Item: 2

**Subject** European Social Fund (ESF) Bids - Inspire 2 Achieve (I2A) Extension

**Purpose** To update and seek approval from the Cabinet Member to accept an extension of the regional ESF Inspire 2 Achieve operation up until December 2022.

**Author** Work, Skills and Performance Manager  
Inspire Central Lead Team Manager

**Ward** City Wide

**Summary** In April 2016 a Cabinet Member Report was approved supporting Newport City Council's delivery of the Inspire 2 Achieve operation as the Lead Beneficiary on behalf of the seven Joint Beneficiaries (delivery partners) as noted below:

- Newport City Council
- Cardiff City Council
- Vale of Glamorgan Council
- Monmouthshire County Council
- Coleg Gwent
- Cardiff and Vale College
- Careers Wales

Newport City Council has successfully applied to the Welsh European Funding Office for an extension to the Inspire 2 Achieve regional operation up until December 2022, adding an additional 3 years and 9 months to the delivery period and £2.5m of ESF Grant. Newport City Council will remain as the Lead Beneficiary managing the delivery and performance of the operation on behalf of the Joint Beneficiaries across the South East Wales region. The team will be responsible for;

- Managing performance of regional partners.
- Completion of regular monitoring and compliance checks
- Reporting and submission of participant outcomes and financial expenditure to WEFO Project Delivery Officers and via WEFO online.
- Collation and storage of required documentation
- Correspondence with WEFO regarding the regional programme
- Communication with all Joint Beneficiaries
- Preparations for WEFO claim verifications
- Development of legal agreements between Newport City Council as the Lead Beneficiary and the individual Joint Beneficiaries.
- Creation of a regional procurement framework
- Ensure the operation is adequately promoted and marketed

## South East Wales Regional Outcomes

The new proposed regional outcomes for Inspire 2 Achieve are as follows:

Participants at risk of becoming NEET (11-24) gaining qualifications upon leaving.	983
Participants at risk of becoming NEET (11-24) in education or training upon leaving.	610
Participants at Risk of becoming NEET (11-24) at reduced risk of becoming NEET upon leaving	2,593

The new total value of the operation including the extension up until December 2022 is approximately £14.7m, comprising of £6.7m ESF Grant and £8.0m of match funding across the region. The extension from March 2019 – December 2022 has provided an additional £2.5m of ESF grant and £3.0m of match funding across the region.

The operation has increased the number of participants it aims to engage by 640 to 4,535 participants, leading to the above outcomes across the region.

## Newport Outcomes

The new Inspire 2 Achieve operation will deliver the following outcomes.

Participants at risk of becoming NEET (11-24) gaining qualifications upon leaving.	180
Participants at risk of becoming NEET (11-24) in education or training upon leaving.	67
Participants at Risk of becoming NEET (11-24) at reduced risk of becoming NEET upon leaving	402

Newport City Council is proposing to engage with 750 participants, achieving 649 outcomes over the 6 years 9 months. The operation in Newport will have a total value of £1,687,589, comprising of an ESF Grant of £712,166 and match funding of £975,423. This is an increase of 73 outcomes, £245,444 ESF grant and £404,987 match funding as a direct result of the extension from March 2019 – December 2022

Newport Youth Service existing Inspire team will continue to deliver the operation in Newport.

**Proposal** To accept an extension of the regional ESF Inspire 2 Achieve operation up until December 2022.

**Action by** Head of Regeneration Investment and Housing

**Timetable** In December 2017 the Inspire 2 Achieve operation submitted a re-evaluation of the approved Business Plan with updated financial and indicator profiles to the Welsh European Funding Office.

The amended Business Plan and profiles were agreed by the Inspire Strategic Board for submission to WEFO in December 2017 and again in March 2018, following minor amendments to the financial profiles.

On the 5<sup>th</sup> July 2018 WEFO provided confirmation that the I2A extension had been approved, on the 9<sup>th</sup> July 2018 the formal Grant Offer Letter was received by Newport City Council.

The report was prepared after consultation with:

- Strategic Director - Place
- Head of Regeneration, Investment and Housing
- CCR(Cardiff Capital Region) Board
- Local Authority Partners
- FE Colleges
- WEFO (Welsh European Funding Office)
- Welsh Government (DfES)
- Careers Wales
- Head of Law and Regulations – Monitoring Officer
- Head of Finance – Chief Finance Officer
- Head of People and Business Change

**Signed**

## **Background**

The Council's Improvement Plan, Regeneration, Investment and Housing Service Plan and draft of Newport City Council Economic Growth Strategy all highlight young people not in education, employment and training (NEET) and raising qualifications and skills as priorities for development. These are the key priorities within the European Social Fund (ESF) applications that NCC are developing.

The priorities highlighted by Newport City Council are also key priorities for other Local Authorities across the region as identified by the Learning Skills and Innovation Partnership (LSKIP) South East Wales document (Attached within appendix 3)

European Social Funding across Wales is split into two distinct funding regions, convergence and competitiveness. This is derived from the regional GDP per capita compared to the EU average and gives rise to the two regions, West Wales and the Valleys and East Wales.

The convergence areas are given greater levels of European Funding due to the area having higher levels of deprivation. Breakdown of South East Wales partners within the convergence and competitiveness areas are;

- Convergence Areas: Caerphilly, Torfaen, Blaenau Gwent, Merthyr Tydfil, Bridgend, RCT and FE Colleges.
- Competitiveness Areas: Newport, Cardiff, Vale of Glamorgan, Monmouthshire and FE Colleges.

A South East Wales ESF group was established by NCC, the purpose of which was to identify need across the region and develop potential proposals for funding to address this need. Through several meetings of the working group within the Competitiveness area, it was agreed that 3 proposed projects addressing NEETs, those at risk of NEETs and unemployed individuals aged 25 plus would be developed to address the priorities identified by LSKIP.

It was also agreed that each partner will be responsible for their match funding agreements and the evidence required. All partners are responsible for reviewing their expenditure profiles and ensuring the match funding is recorded in the appropriate format (this will be identified in the Relationship Agreement between Joint Beneficiaries and the NCC as the Lead Beneficiary). Newport City Council as the Lead Beneficiary through the Central Lead Team will be responsible for monitoring and checking information before it is submitted to WEFO.

All Joint Beneficiaries have identified sources of match funding and the necessary values required. As discussed with WEFO we are unable at this stage to secure match funding for the full 6 years 9 months of the operation. We are however able to identify the sources of match funding that is eligible up to the 31<sup>st</sup> March 2019 and make assumptions for the remaining four years. Match funding sources and time scales will therefore be subject to change throughout the lifetime of the operation dependent on eligible sources identified. If a Joint Beneficiary has to withdraw their match funding and are unable to secure an alternative source they will be required to scale back their operation accordingly, re-profiling outcomes and expenditure that compare to the match funding available. All Joint Beneficiaries (including NCC) are required to provide evidence confirming the match funding source has permitted use of the funding for the ESF I2A operation.

## **ESF Programmes**

### **Inspire 2 Achieve**

The operation led by NCC aims to reduce the number of young people at risk of becoming NEET across the South East Wales region. Inspire 2 Achieve will provide early interventions amongst 11-24 year olds aimed at identifying individual barriers and supportive actions as detailed in the activity section to reduce the risk of them dropping out. The makeup of the Joint Beneficiaries consisting of Local Authorities, FE Colleges and Careers Wales will enhance the ability of the operation to support participants with the transition between school and FE or further training opportunities.

The interventions will aim to address issues such as attendance, attainment, behaviour and well-being which undermine the potential for achievement. There will be a significant focus on identifying and supporting those with mental health and well-being issues ultimately aiming to reduce the number of individuals measured as being at highest risk of becoming NEET. Young people deemed at highest risk of becoming NEET will be identified through local authorities Early Identification Tools (EIT)/Vulnerability Assessment Profile (VAP) and the FE's Student Screening Tools, which will align with the indicators noted in the Youth Engagement Progression Framework (YEPP). The target groups for the operation will include:

- 11-16 year olds at most risk of becoming NEET as identified through the Local Authority EIT/VAP
- 16-18 year olds at most risk of becoming NEET as identified through the Welsh Government 5 tier model (Tier 1 "unknown", and Tier 4 "At risk of leaving EET")
- 16-24 year olds at risk of NEET as identified by providers but not picked up by Careers Wales
- 11-24 vulnerable groups (e.g. Black Minority Ethnic (BME), English for Speakers of Other Languages (ESOL), young carers, young parents, pregnant, homeless, care leavers, young offenders, Mental Health) identified through a Careers Wales tool that risk ranks all participants
- 14-24 year olds studying at college and identified through their Student Screening Tools as most at risk of becoming NEET

It is important to note that Welsh Government Department for Education and Skills have intergrated their ESF operation "Activate Your Potential" delivered by Careers Wales with our "Inspire 2 Achieve" operation. This has been agreed as a national approach by the 6 regional Lead Beneficiaries and three regional skills partnerships across Wales.

The new proposed regional outcomes for Inspire 2 Achieve are as follows:

Participants at risk of becoming NEET (11-24) gaining qualifications upon leaving.	983
Participants at risk of becoming NEET (11-24) in education or training upon leaving.	610
Participants at Risk of becoming NEET (11-24) at reduced risk of becoming NEET upon leaving	2,593

The new total operation value for the extension is approximately £14.7m to deliver for 6 years 9 months, comprising of £6.7m ESF Grant, an increase of £2.5m and £8.0m match funding, an increase of £3.0m. The operation has increased the number of participants it aims to engage by 640 to 4,535 participants, leading to the above outcomes across the region. The operation is proposing a unit cost of £3,234 per participant; this is an increase to the initial agreed unit cost with WEFO and Joint Beneficiaries.

The new operation outcomes have been produced using participant data and performance gathered from the first two years delivery of the operation. The outcomes have been agreed by both WEFO and the Joint Beneficiaries. Additionally the level of impact required to reduce the risk of NEETS in the region has been gauged through consultation, source documentation, and engagement with EPC officers and review of the Early Identification Tool/Vulnerability Assessment Profiling data.

#### Summary of Changes

The table below shows the financial changes to the regional operation due to the extension.

Financial Expenditure	Approved Values	Change	Re-profiled values
Operation Length (months)	36 months	+45 months	81 months
Total Operation Cost (£)	£9,222,639	+£5,443,235	£14,665,874
Total Eligible Operation Cost (£)	£4,213,297	+£2,486,703	£6,700,000
Total Eligible Match Funding (£)	£5,009,342	+£2,956,532	£ 7,965,874
Intervention Rate	45.68%	+/-	45.68%

The table below shows the participant outcome changes to the regional operation due to the extension.

Participant Outcomes	Approved Values	Change	Re-profiled values
Participants at Risk of becoming NEET (11-24) engaged (Total)	3895	+640	4535
Participants at Risk of becoming NEET (11-24) engaged (Male)	2308	+103	2411
Participants at Risk of becoming NEET (11-24) engaged (Female)	1587	+537	2124
Participants at Risk of becoming NEET (11-24) at reduced risk of becoming NEET upon leaving	2389	+204	2593
Participants at risk of becoming NEET (11-24) in education or training upon leaving	910	-300	610
Participants at risk of becoming NEET (11-24) gaining qualifications upon leaving	768	+215	983

#### Newport City Council Outcomes

Participants at risk of becoming NEET (11-24) gaining qualifications upon leaving.	180
Participants at risk of becoming NEET (11-24) in education or training upon leaving.	67
Participants at Risk of becoming NEET (11-24) at reduced risk of becoming NEET upon leaving	402

Newport City Council is proposing to engage with 750 participants giving a participant unit cost of £2250 and achieving 649 outcomes over the 6 years 9 months. The operation in Newport will have a total value of £1,687,589, comprising of an ESF Grant of £712,166 and match funding of £975,423.

Due to funding commitments and restraints within the Local Authority we are unable to commit match funding beyond each successive financial year of the operation. The current match funding is sourced from the Families First element of Flexible Funding and confirmed with Welsh Government as eligible for use up until the 31<sup>st</sup> March 2019.

The Welsh Government Flexible Funding Programme aims to align various grants provided to the Local Authorities, enabling service re-design to deliver sustainable improvements for vulnerable people across Wales, reducing unnecessary bureaucracy. The various grants included in the scope of the flexible funding programme are as below:

- Supporting People
- Flying Start
- Families First
- Legacy Fund
- Promoting Positive Engagement for Young People
- Childcare and Play (formerly Out of School Childcare)
- Homelessness Prevention
- Rent Smart Wales Enforcement (formerly Independent Living)
- St David's Day Fund
- Communities for Work Plus (formerly the Employability Grant)

As the Families First grant is included within the scope of the Flexible Funding Programme an assumption has been made for financial year 19/20 and thereafter that the necessary value of eligible match funding will be secured through an application to NCC's Flexible Funding Programme Board.



If the necessary value of match funding is not secured from the Flexible Funding Programme the possible risks to the I2A Operation are detailed below, it is important to note that none of the options shown below would have any detrimental effect to the council's core budget. The different scenarios are :-

- No change to match funding value from Flexible Funding Programme, with the Welsh Government continuing to provide the same value of grant post March 2019, allowing the operation to claim the same amount of Match Funding and deliver the operation as planned.
- Reduction in match funding provided by the Flexible Funding Programme – Welsh Government reduces the value of grant provided, resulting in the requirement for the operation to scale back delivery proportionally if other match funding is unavailable to cover the shortfall.
- The Council decides to re-prioritise Flexible Funding, moving resources away from Families First to the other grants included under the Flexible Fund programme. If this happens the delivery of the I2A programme would be scaled back to cover any shortfall
- Removal of match funding from Flexible Funding Programme – Welsh Government ceases award of the Families First Grant within the Flexible Funding Programme and no alternative grant is available resulting in a significant shortfall in Match Funding and delivery of the operation coming to a close earlier than planned.

The below table summarises the match funding for Newport City Council in the 18/19 financial year.

Match Funding source	Availability of Match	Value	Rationale
Families First Grant	March 31 <sup>st</sup> 2019	£37,149	2.2 FTE x Community Youth Workers
Youth Service Core Funding	Annual	£29,033	0.25 FTE x City Youth Worker, 0.2 FTE x Youth Service Manager, 0.25 FTE x Business Support Administrator
Youth Service Strategy grant	March 31 <sup>st</sup> 2019	£ 9.183	0.25 FTE X Youth Curriculum Tutor
Aspire	March 31 <sup>st</sup> 2019	£31,728	1 FTE x Community Youth Worker
Regeneration, Investment & Housing Core Funding	Annual	£6,127	0.1 FTE x Community Regeneration Manager
FR 40 Model		£50,264	WEFO Simplified Costs Option Model
Total		£163,484	

#### Bid Approval

On the 5<sup>th</sup> July 2018 Newport City Council received communication from WEFO indicating that the Inspire 2 Achieve extension and receipt on an additional ESF Grant of £2,486,703 had been approved. Formal approval is now pending.

#### Financial Summary

As the Lead Beneficiary, Newport City Council will be accountable for the eligibility, spend and outcomes delivered by the Joint Beneficiaries. However, to mitigate that risk a robust relationship agreement has been produced that legally places the responsibility on Joint Beneficiaries to ensure match funding, participant outcomes and all financial expenditure is eligible. The costs associated with the Central Lead Team will be fully recovered through the ESF Grant and from contributions by Joint Beneficiaries.

All Joint Beneficiaries have identified eligible sources of match funding, however as discussed with WEFO we are unable to confirm match funding for the remaining 3 years 9 months of the operation. WEFO has advised that we identify match funding for each successive financial year and make assumptions for the following years up to December 2022. Sources of match funding will be reviewed annually and may be subject to change each year.

#### Regional Operation Value and Match Funding

##### Regional Operation value

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
£3,019,778	£1,989,523	£2,347,430	£2,234,970	£2,232,183	£1,989,502	£852,488	£14,665,874

##### Regional Match Funding

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
£1,640,214	£1,080,004	£1,283,769	£1,219,663	£1,217,021	£1,078,721	£446,482	£7,965,874

#### Newport Operation Value and Match Funding

##### Newport Operation Value

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
£307,055	£348,738	£281,012	£227,571	£228,924	£190,471	£103,818	£1,687,589

##### Newport Match Funding

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
£175,203	£199,954	£163,484	£132,393	£133,180	£110,810	£60,398	£975,423

## Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Unavailability of Match Funding	H	L	Identification with Joint Beneficiaries of current and potential match funding sources.  Production of a legally binding relationship agreement indemnifying Newport City Council against all risk.	Work/ Skills & Performance Manager
Reduction in Match Funding value due to further austerity actions	H	M	Clean, eligible sources of Match Funding have been indicated in the I2A	Community Regeneration Manager

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
			<p>Business Plan to WEFO. The sources have been approved for use by WG and the authority.</p> <p>Scenarios have been provided in 2.1.10, dependent on changes to match funding availability to mitigate the risk.</p>	
Insufficient resources available to approve Business Plan applications	H	L	Working with service managers and partners to gain relevant support at the correct levels.	Work/ Skills & Performance Manager
Duplication with other ESF operations/WG Programmes	H	L	<p>Communication with other proposed ESF operations and existing alternatively funded programmes to ensure delivery is not duplicated within the Region.</p> <p>Approval of Business Plans through the CCR Regional Proofing Panel</p>	Work/ Skills & Performance Manager
Underachievement against operation targets	H	L	<p>Targets have been set at realistic levels based on quantifiable need that already exists within Newport.</p> <p>Robust monitoring processes will highlight any early underachievement that can be addressed and resolved</p>	Work/ Skills & Performance Manager
Non-compliance with WEFO requirements – risk of claw back	H	L	Robust management arrangements, regular reports to CM and a Relationship Agreement detailing	Work/ Skills & Performance Manager

<b>Risk</b>	<b>Impact of Risk if it occurs* (H/M/L)</b>	<b>Probability of risk occurring (H/M/L)</b>	<b>What is the Council doing or what has it done to avoid the risk or reduce its effect</b>	<b>Who is responsible for dealing with the risk?</b>
			the Joint Beneficiaries responsibilities	
Refusal or inability by Joint Beneficiaries to provide the required data or documentation as evidence	H	L	Relationship Agreement produced that clearly states requirements of Joint Beneficiaries	Work/ Skills & Performance Manager
Lack of communication regarding amendments to guidance provided by WEFO	H	L	Regular updates for the cabinet member, briefing on changes and updates made with in the project design, finances, and governance.  Quarterly review meetings with WEFO Project Development Officer	Community Regeneration Manager
Late submission of claim information by Joint Beneficiaries	H	L	Schedule of claim dates provided for full lifetime of operation and reminder each quarter of claim deadlines	Work/ Skills & Performance Manager

## **Links to Council Policies and Priorities**

The proposed Inspire 2 Achieve operation will aim to provide interventions that address the Well-being objectives adopted by Newport City Council from the Wellbeing of Future Generations Act and will seek to maximise the contribution to the achievement of the seven Well-being Goals for Wales by;

- Improving the skills, educational outcomes and employment opportunities (Objective 1)
- Promoting economic growth and regeneration whilst protecting the environment (Objective 2)
- Enabling people to be healthy, independent and resilient (Objective 3)
- Building cohesive and sustainable communities (Objective 4)

The Inspire 2 Achieve operation will link to the above four Well-being Objectives through the below activity;

- Identify young people most at risk of disengagement
- Provide better brokerage and coordination of support
- Strengthen tracking and transitions of young people through the system
- Ensure provision meets the needs of young people
- Provide greater accountability for better outcomes for young people

## **Options Available**

Accept the additional ESF grant for the Inspire 2 Achieve operation and extend delivery up until December 2022

This option will provide Newport City Council with additional resources from the European Social Fund to identify and support young people at most risk of becoming NEET for a longer duration ensuring the reduction in risk and outcomes achieved are sustained.

To not accept the additional ESF Grant and continue to deliver as previously approved until March 2019.

Newport City Council will not access the available ESF Grant to increase resources and deliver interventions to young people at most risk of becoming NEET

## **Preferred Option and Why**

Option 6.1 is the preferred option as this will provide the region and NCC as the Lead Beneficiary and a Joint Beneficiary additional funding and a longer delivery period to meet Newport City Councils corporate objectives and align with the Wellbeing of Future Generations Act.

Inspire 2 Achieve will also create further resources funded externally through ESF to support the NEET Strategy and reduce the number of young people aged 16 – 24 who are not in employment, education or training. As the Lead Beneficiary, Newport City Council will receive approximately £0.5 million in ESF Grant funding for local delivery of the operation and the Central Lead Team over the 6 year 9 month period.

## **Comments of Chief Financial Officer**

European Social Fund grant has been accessed to extend the current operation up until December 2022 which means match funding arrangements will need to continue. Joint Beneficiaries are responsible for providing the required match funding and will be responsible for monitoring their expenditure and ensuring the match funding is recorded appropriately and in line with WEFO guidance. Newport City Council as the Lead Beneficiary is responsible for monitoring and validation of the information supplied by the Joint Beneficiaries and there is a specific team in place to carry out this function.

A legal agreement is in place so that if, during the operation, a Joint Beneficiary, including Newport City Council, has to withdraw their match funding and are unable to secure an alternative source they will be required to scale back their operation accordingly, re-profiling their financial expenditure and outcomes, removing the risk of any adverse impact to the Council's revenue budget.

## **Comments of Monitoring Officer**

The Council is empowered to enter into collaborative arrangements with other local authorities in relation to the joint discharge of functions. It is understood that there is a Relationship Agreement in place between the Council as Lead beneficiary and the Joint Beneficiaries . However this will need to be amended to ensure that it contains all the necessary indemnities and obligations and other assurances necessary to protect the Council as Lead Beneficiary and all other parties (in relation to all liabilities and costs ) for the extended life of the project. The Funding terms will need to be scrutinised to ensure that the Council is able to meet all the obligations imposed by the terms and conditions and to ensure that there is sufficient flexibility in view of the uncertainty over the match funding for the entire term of the funding.

## **Staffing Implications: Comments of Head of People and Business Change**

From an HR perspective there are no staffing implications for this report.

The Inspire to Achieve programme aims to support young people who are not in education, employment or training (NEET) and to improve qualifications and skills levels. This programme endeavours to ensure the best outcomes for future generations across the city. The sustainable development principle and the well-being goals of the Well-being of Future Generations (Wales) Act 2015 have been fully considered in this report and are detailed in the section below.

## Comments of Cabinet Member

Cabinet Member has been briefed on this report.

## Scrutiny Committees

N/A

## Equalities Impact Assessment and the Equalities Act 2010

The Equality Act 2010 contains a Public Sector Equality Duty which came into force on 06 April 2011. The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The newly created single duty aims to integrate consideration of equality and good relations into the regular business of public authorities. Compliance with the duty is a legal obligation and is intended to result in better informed decision-making and policy development and services that are more effective for users.

In exercising its functions, the Council must have due regard to the need to: eliminate unlawful discrimination, harassment, victimisation and other conduct that is prohibited by the Act; advance equality of opportunity between persons who share a protected characteristic and those who do not; and foster good relations between persons who share a protected characteristic and those who do not.

The Act is not overly prescriptive about the approach a public authority should take to ensure due regard, although it does set out that due regard to advancing equality involves: removing or minimising disadvantages suffered by people due to their protected characteristics; taking steps to meet the needs of people from protected groups where these differ from the need of other people; and encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

## Children and Families (Wales) Measure

Although no targeted consultation takes place specifically aimed at children and young people, consultation on planning applications and appeals is open to all of our citizens regardless of their age. Depending on the scale of the proposed development, applications are publicised via letters to neighbouring occupiers, site notices, press notices and/or social media. People replying to consultations are not required to provide their age or any other personal data, and therefore this data is not held or recorded in any way, and responses are not separated out by age.

## Wellbeing of Future Generations (Wales) Act 2015

The "Sustainable Development Principle" – 5 Ways of Working within the Wellbeing of Future Generations (Wales) Act 2015 have been considered through the Inspire 2 Achieve operation. The below demonstrates how the operation has considered and addressed those 5 principles:

- Long term: The operation will aim to ensure that young people most at risk of becoming NEET are identified and supported so that they will remain in education, employment or training and their risk of becoming NEET is reduced. This will reduce the likelihood of future or continuing poverty amongst young people but will also ensure that short term needs are met without compromising the ability of future generations to meet their own needs. Additionally the operation will aim to ensure long term improvements in the young person's health, well-being and skill level as well as instilling a work ethic that will improve aspiration levels throughout their lifetime. Consideration will be given to the seven well-being goals within the Wellbeing Act when delivering activity.
- Prevention: The operation will identify those young people aged 11-24 deemed most at risk of becoming NEET. It will seek to improve indicators such as attendance, attainment, behaviour and well-being.
- Integration: The operation will ensure that delivery will align and impact on the following wellbeing objectives 1) Support regeneration and economic growth 2) Drive up skill levels for economic and social well-being 3) Provide children and young people with the best possible start in life 4) Long and healthy lives for all 5) People feel part of their community and have a sense of belonging. The operation will also ensure that delivery will align and impact on the following wellbeing goals, 1) A

prosperous Wales 2) A resilient Wales 3) A healthier Wales 4) A more equal Wales 5) A Wales of cohesive communities 6) A Wales of vibrant culture and thriving Welsh language 7) A globally responsible Wales and other objectives and those of other public bodies. To sustain this and continue alignment, the delivery team are active members of strategy groups and forums such as the pre-16 group and the NEET Practitioner Forum.

- Collaboration: The operation has completed extensive consultation as noted below to ensure it has considered how acting in collaboration with any other person or any other part of our organisation could help meet our wellbeing objectives. Please see the above summary which notes collaboration and consultation with our external Joint Beneficiaries partners and internal council departments.
- Involvement: The operation has considered the importance of involving young people with an interest in achieving the wellbeing goals with continual consultation and evaluation planned, ensuring that those young people reflect the diversity of the City we serve. We value the feedback of young people participating in our programmes and have a robust mechanism for ensuring operations are, where possible, young person led. Wider consultation and evaluation protocols are embedded within our organisation to drive change and improve services across the city. Please see consultation section below for further information in involvement of key stakeholders and organisations working with young people.

### **Crime and Disorder Act 1998**

Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

### **Consultation**

The Inspire 2 Achieve operation has been developed by partners across the 10 South Wales Local Authorities, using the Youth Engagement and Progression Framework and the gaps it has identified as the basis for need. The operation has been endorsed by the Learning Skills and Innovation Partnership and the Cardiff Capital Region Board. The 10 Local Authorities have split the Operation into two, one each for convergence and competitiveness.

The Welsh Government's Youth Engagement Progression Framework outlines six key areas which need to be implemented across Wales. The Framework sets out principles to ensure that all young people across a consistent level of support to help prevent them become NEET. For those who are already NEET, the Framework helps ensure a consistent approach is delivered to support re-entry into education, employment or training. The six key areas are outlined below:

- Early identification of young people at risk of disengagement;
- Brokerage and co-ordination of support;
- Tracking and transitions of young people through the system;
- Provision aligned with the needs of young people;
- Progression into employment and employment opportunities; and
- Accountability for continuous improvement and stronger collaboration.

The operation has been designed to work in conjunction with other programmes and Welsh Government back bone projects and will not duplicate but compliment and add value, filling gaps in provision where there is a specific need. This includes alignment with other ESF Operations such as:

- Unlocking Welsh Potential (WCVA) targets 11-16 at risk NEET young people and specifically focuses on those exhibiting anti-social behaviour.
- Go Wales is a student employability project which targets at risk NEET young people who have entered HE from various backgrounds (Students with disabilities, students with addresses in bottom quintile of the WIMD etc)

- Inspire 2 Work (I2W) is a partner proposal to Inspire 2 Achieve and is intended to provide seamless support for young people who may be at risk and then become NEET or vice versa.
- Communities for Work (C4W) has a specific focus on supporting those residents within the clusters, that have become NEET. This will provide a coherent exit route for young people who have become NEET.
- Work- Based Learning Providers offer the Engagement and Traineeship Programme for young people 16 -19 years who are NEET and wish to pursue work experience opportunities and gain relevant qualifications. Supporting young people into employment or a higher level of learning.

The operation has engaged in detailed discussion with partners, including our Inspire 2 Achieve WWV partners, and has engaged with a number of stakeholders:

- Heads of local secondary schools to obtain their support and buy-in to the Operation, and to identify particular areas of need within individual schools.
- Newport City Council has engaged specifically with Migration Officers to discuss concerns around engaging the Roma population.
- Pupil Referral Service – to obtain their support and buy-in to the operation.
- Monmouthshire County Council have consulted with their special school to look at ways of engaging those at risk of NEET
- Cardiff and Vale College have engaged in discussions around being a co-financing beneficiary or procurement partner. Their need, along with the strong links already in place between the college and Vale of Glamorgan Council determined their preference to be engaged through procurement opportunities and existing arrangements.
- Coleg Gwent cover both East Wales and West Wales and the Valleys, and therefore have been engaged both through the SE Wales HE/FE network, and through local discussion. It was important to ensure a consistent approach to this partnership arrangement across both Inspire 2 Achieve operations.
- Lead officers attended an engagement event led by WCVA in partnership with the South East Wales Regional Learning Partnership (LSkIP)
- (Please see in additional information the LSKIP consultation document).
- The purpose of the event was to engage with other Operations in development in the South East region to ensure complementarity, and to avoid duplication. The event was attended by Welsh Government, WEFO, Local Authorities, 3rd sector organisations and FE/HE institutions.
- Lead officers attended an engagement event led by WEFO to engage with, and share information on operations across Wales within the Strategic Objective; the purpose of the event being to share information, avoid duplication, and look at complimentary working.
- The operations have been discussed with Welsh Government with regards to the Activate Your Potential operation, and ways to work collaboratively through a Coordinating Strategic Group have been discussed.

In addition, the following engagement and consultation activity has contributed to the development of the Operation:

#### **Local Authority partners**

- Regular scheduled meetings and communication with key individuals
- Attendance and participation in regional meetings for Skills, Worklessness and Young People
- Participation at regional monthly meetings of the East Wales ESF working group.
- Newport YEPF YPEET and supporting Operational Groups
- Vale of Glamorgan NEET's Strategy Group
- Vale of Glamorgan CYP Programme Board
- Monmouthshire 14 -19 curriculum network meetings
- Monmouthshire Post 16 Steering group Meeting
- Consultation with Heads of secondary schools



- Regular meetings and communications with Youth Engagement and Progression Framework Coordinators.
- Regular communications with the Inspire 2 Achieve WWV lead partner through meetings, email, and telephone.

### **Non LA partners**

- All four Local Authority Local Service Boards
- Presentation and discussion at the regional FE/HE Network meetings
- Attendance and participation in regional meetings for Skills, Worklessness and Young People
- Public Health
- DWP
- Coleg Gwent
- Cardiff and Vale College

### **Background Papers**

Please see below as appendices the following documents

- Inspire 2 Achieve approved Business Plan – April 16
- Inspire 2 Achieve Equality Impact Assessment
- Inspire 2 Achieve approved Business Plan re-evaluation – July 18



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80928 Business Plan  
Re-evaluation - Final.

Dated 1 November 2018

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