

**Report of the Cabinet Member for Children,  
Education & Life Long Learning**

**Cabinet – 14 December 2017**

**Workways+ Project – European Social Fund Grant  
Extension and Additional Funding Acceptance**

<b>Purpose:</b>	To seek approval to extend the Workways+ project to 2022 and approve the increase in grant allocation from WEFO.
<b>Policy Framework:</b>	Swansea Bay City Region Economic Regeneration Strategy.
<b>Consultation:</b>	Access to Services, Finance, Legal.
<b>Recommendation(s):</b>	It is recommended that Cabinet:  1) Note the progress achieved by the project to date. 2) Authorise the Head of Financial Services, acting as the Authorising Contact for the Project, to accept the Grant Extension and Additional Funding Offer made by the Welsh European Funding Office (WEFO). 3) Note that regular reports are to be made on progress to the External Funding Panel.
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**1. Introduction**

- 1.1 Workways + is an employability project supported by the European Social Fund (ESF) within the South West region. The project focuses on a narrow target group of those who are 25+ and long term unemployed or economically inactive, with complex barriers to employment but living outside of Communities First wards. (Communities First wards are currently served by the national 'Communities 4 Work' ESF project only).
- 1.2 Approval of the project was granted on 9<sup>th</sup> February 2016, with staff recruitment undertaken throughout April and May 2016. Following staff appointments, the project started delivery during June 2016.

1.3 The team is now well established and continually working to engage new participants and maintain existing contacts with different venues, referral organisations and employers.

## 2. Project Delivery

2.1 In April 2017 WEFO were considering the WW+ programme being extended to the end of November 2020, by reviewing the figures and performance to date. However, before this reprofile could be finalised, WEFO approached the project in May 2017 to offer a delivery end date of December 2022 with an additional £10 million of funding.

2.2. After consultation with all the Regional Partners the additional funding, offered to the project by WEFO, has been accepted by the Regional Management Team in Neath Port Talbot Council. As a result, all regions within the project have reprofiled their project finances and outcomes to run until December 2022. The additional £10 million has been divided across the Regional Partners based on the profiled delivery outcomes. Due to the success of the project delivery in Swansea, we have been awarded a greater proportion of the additional grant money than any other Regional Partner.

2.3 The figures achieved to date are in the table below and the reprofiled figures can be seen in the background papers :

<b>WEFO Output</b>	<b>Original Target Nov'18</b>	<b>Revised Target Dec'22</b>	<b>Achieved October 2017</b>
Participants Engaged	917	1591	270
Entering employment including self-employment upon leaving	206	358	74
Gaining a qualification or work relevant certification	459	796	29
Completing work experience placement or volunteering opportunity	367	636	53
In employment 6 months after leaving	93	162	3
Engaged in job search upon leaving	172	2	0

2.4 Difficulties have been experienced in procuring training provision due to the absence of a regionally procured training framework, however with the revised project approval imminent from WEFO to December 2022 and the regional framework being in place by June 2018, at the latest, the gaining a qualification or work relevant certification outputs will increase, with the target being met by December 2022. Crucially the project has already achieved 21% of its employment target against the new profile, so is on track to meet the target of 358 by December 2022.

2.5 The additional budget and time will also allow for additional staff to be recruited to support the client group and increase performance of the project in certain areas, namely qualifications and work experience placements.

### **3 Project Governance**

- 3.1 Advice was sought from Swansea Council's procurement team before any training was procured for individuals on the project participants and more recently on setting up a Local Training Framework. Training is procured in line with Swansea Council's CPRs and European Funding procurement rules and regulations.
- 3.2 The Service Level Agreement (SLA) between each of the joint beneficiary authorities, acting as delivery agents, and Neath Port Talbot County Borough Council as Lead Beneficiary was signed on the 18<sup>th</sup> October 2017 and each beneficiary has a copy of the signed SLA.
- 3.3 Neath Port Talbot County Borough Council have established a Regional Management Team in their capacity as Lead Beneficiary. As Joint Beneficiary, Swansea Council is responsible for ensuring key officers provide information to the Regional Team for monitoring of project outputs and expenditure on a quarterly and monthly basis, respectively. The formal role for leading on the delivery of the project in Swansea, along with monitoring performance and expenditure, is undertaken by an External Funding Programme Officer, located in the Economic Development and External Funding service who is also be responsible for a team of Mentors and Employment Liaison Officers. The External Funding Programme Officer will be line managed by the External Funding Manager, as part of the Economic Development and External Funding service. The formal reporting of finance and output information will be collated by the External Funding Programme Officer with the support of External Funding Officers for onward transmission to the Regional Management Team.

### **4. Equality and engagement implications**

- 4.1 Every European programme is subject to a full Equality Impact Assessment, which are available for public consultation as programme development progresses. See Appendix for the EIA screening form. Projects and business plans developed for submission to the programme must detail how they will address equality issues as a cross-cutting theme. The level of integration of equality into project design is part of the formal development and assessment process for every business plan and project seeking European funding. These cross-cutting themes are included within the Business Plan and cover:
- equal opportunities and gender mainstreaming;
  - Welsh language;
  - sustainable development; and
  - tackling poverty
- 4.2 The Business Plan (Further Strategic Criterion – Cross-Cutting Themes) addresses the specific ways in which these themes will be addressed throughout implementation of the project.

- 4.3 In line with the Equality Act 2010 and Public Sector Equality Duty for Wales, the City and County of Swansea will ensure that the project adheres to the City and County of Swansea Strategic Equality Plan 2016-2020 and Neath Port Talbot County Borough Council Strategic Equality Plan 2015-2019, meeting the higher requirements of each local authority's standard procedures.

## **5. Financial Implications**

- 5.1 Approval of the project was expected by 31<sup>st</sup> December 2015, with a 3 year project duration, and a start date of 1<sup>st</sup> January 2016. Cabinet approved the project on 3<sup>rd</sup> December 2015 with WEFO approval being granted on 9<sup>th</sup> February 2016. The project started delivery during June 2016.

- 5.2 A number of issues were taken into consideration then the business plan was developed, based on experience from the current programming round:

- The use of 15% flat rate for overhead costs removed the need for an audit trail for certain internal transactions and has also met part of the match funding requirement for the programme.
- The programme is smaller in scale given that staffing resources will be more limited than the previous programme. The 15% flat rate overhead will also reduce administrative burden particularly in relation to audit. The team is proportionate to the scale of the programme based on experience from the previous round.
- Redundancy costs are included to cover for the duration of the programme.
- Procurement advice is and will be sought as required and will build on good practice established via previous EU programmes.
- Internal match funding requirement being kept low using internal staff time and flat rate overhead.
- Document retention and storage arrangements are now following the central archiving arrangement led by the Economic Development and External Funding service, as agreed at Executive Board in June 2014.

- 5.3 Projected Budget

- Total Project Cost: £4,991,129.00
- Total ESF Grant: £3,975,504.00 (79.65%)
- Total Match Funding: £1,015,625.00 (20.35%)

- 5.4 With match funding comprised of:

- Staff in-kind match: £580,839.63
- Flat rate overhead contribution (part of 15% flat rate overhead allocation): £435,131.36

- 5.5 Neath Port Talbot County Borough Council assumed full responsibility for the European Grant when they signed the offer letter with WEFO. The SLA means that in the event of a breach of the terms of the offer letter, the Authority will be required to repay grant accordingly. The same controls are applied to delivery of Swansea's element of the Workways project as would be applied to direct delivery to WEFO.

5.6 No other costs to be incurred and appropriate management arrangements will be implemented to ensure successful grant compliance and audit.

## **6. Legal Implications**

6.1 Documentation prepared to support implementation of current collaborative arrangements will need to be reviewed against updated WEFO and related Welsh Government guidance, taking into account lessons learned from current implementation arrangements.

6.2 Generally the terms attached to EU Grant Funding are legally binding and should be formally recorded in an appropriate document/contract with external delivery partners as required.

6.3 Procurement rules (both EU and the Council's) will have to be fully complied with in all respects, whether in relation to inter-authority services or the procurement of services from external delivery agents.

6.4 The Council will have to comply with all Conditions attached to the offer letters from Welsh European Funding Office.

6.5 Any documentation entered into as referred to in this Report will have to contain any necessary clauses required by the Head of Legal Democratic Services and Business Intelligence and the Head of Financial Services to protect the Council's interests so far as they are able.

### **Background Papers:**

Cabinet Report and Approval – 3 December 2015

Workways+ Business Plan

C80896 - NPT - Reprofiled Outputs Version 1D

Swansea - ext to Dec 2022 - June 2017 - draft v2

Workways SLA Agreement (Signed Original with Legal)

**Appendices:** EIA Screening Form