

	<b>REPORT TO CABINET 15 DECEMBER 2015</b>	
	<b>Key Decision</b>	<b>No</b>
<b>Corporate Priority</b>  <b>Prosperous Inclusive and Vibrant</b>	<b>Forward Plan Ref No</b>  <b>Cabinet Portfolio Holder</b>	Cllr. Derek Bastiman  Cllr Michelle Donohue- Moncrieff

### **REPORT OF: DIRECTOR (TW) – 15/338**

**WARDS AFFECTED: Castle, Central, Eastfield, Falsgrave Park, Filey, Northstead, Northbay, Ramshill, Woodlands, Streonshalh, Whitby West Cliff**

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

### **RECOMMENDATION (S):**

Cabinet is recommended to:

- (i) Note and support the submission of the preparatory stage 1 application for a CLLD programme for the Yorkshire Coast, to include eligible areas within the Borough and the East Riding.
- (ii) Should the first stage application be approved to provide in principle approval for submission of a full application (Stage 2) to enable the programme to be implemented within eligible areas of the Borough.
- (iii) Approve the East Riding of Yorkshire Council to act as Accountable Body for the programme, with the Borough Council as Lead Delivery Partner.

### **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.

- The CLLD programme encourages partners and communities to work together and there are benefits in working collaboratively along the coast, with the East Riding, where there are similar issues faced by disadvantaged communities.
- The East Riding of Yorkshire Council acting as the Accountable Body brings benefits in terms of their extensive technical experience in running CLLD programmes (Including the Leader programmes), in addition to other European funding programmes, and a larger infrastructure to manage this type of programme.

## **HIGHLIGHTED RISKS:**

- If the Council were not to participate in this programme, this would result in the potential loss of funding 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” and “Inclusive and Vibrant” aims of the Corporate Plan and Community Strategy.

## **3. BACKGROUND AND ISSUES**

- 3.1 CLLD programmes are tailored to the characteristics and needs of local areas, they aim to empower local people to work with local partners to design and implement a development strategy for the area.
- 3.2 To qualify for the programme, areas must fall into the 20% most deprived, according to the national Indices of Multiple Deprivation (IMD). The latest IMD figures are for 2015 and these show the following Lower Super Output Areas would qualify:

<b>Ward</b>	<b>LSOA</b>	<b>Centile (2015)</b>
Woodlands	007D	0-10%
Eastfield	012B	0-10%
Eastfield	012A	0-10%
Eastfield	012C	0-10%
Castle	006B	0-10%
Castle	006A	0-10%
Castle	010A	0-10%
Northbay	006D	0-10%
Whitby West Cliff	001C	0-10%
Ramshill	010B	10-20%
Ramshill	010D	10-20%
Strenshalh	003B	10-20%
Filey	014A	10-20%
Central	008C	10-20%
Falsgrave Park	009B	10-20%
Northstead	007B	10-20%
Woodlands	007C	10-20%

- 3.3 The programme is funded via the European Social Fund (ESF) and European Regional Development Fund (ERDF). For the implementation stage match funding will be required for the programme.
- 3.4 Programmes are required to demonstrate alignment with local development needs and priorities for example, the York, North Yorkshire and East Riding Strategic Economic Plan, the European Structural and Investment Fund Implementation Plan and the Coastal Growth Strategy. This includes actions to ensure that the most deprived communities are supported to access employment, entrepreneurship and skills opportunities arising through developments in renewals and other growth sectors, and those arising from major construction projects.
- 3.5 Activity should also be additional and complimentary to the LEADER Programme, Big Lottery funded programmes and other publically funded provision.
- 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.
- 3.8 The CLLD programme requires a similar structure and process to the LEADER programme. CLLD areas are required to establish a Local Action Group (LAG), who will be responsible for identifying priorities and developing the Local Development Strategy which sets out how these can be addressed. 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. CONSULTATION**

- 4.1 Initial workshops to raise awareness of the CLLD process and to generate initial priorities and ideas for the Local Development Strategy have been held in Scarborough and Whitby 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 Detailed consultation work will take place as part of the preparatory stage, with planning workshops and feedback sessions scheduled between February and May 2016, to inform the development of the Local Development Strategy.
- 4.3 A range of organisations and representatives will be engaged with the CLLD process as part of the Local Action Group, with the aim to have a LAG established by March 2016. In addition because of the size and diversity of the area, it is anticipated that there will be a steering group within each Council area to guide the development of the programme and ensure local needs and priorities can be effectively addressed.

## **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, specifically Bridlington and Withernsea. Whilst the programme will enable 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 therefore it is recommended that the East Riding of Yorkshire Council is the Accountable Body for the programme, with the Borough Council as Lead Delivery Partner.
- 5.3 The CLLD application process is split into two stages, stage 1 provides a small amount of funding to support the preparatory stage. Stage 2 is a full application for implementation. A stage 1 bid was submitted on 24<sup>th</sup> November 2015 for the preparatory stage and this requires specific outcomes to be achieved including:
- A functioning Local Action Group for a targeted area
  - A draft Community led Local Development Strategy to be submitted
  - Identification of a proposed Accountable Body able to apply for Stage 2 and lead the implementation of the agreed CLLD Strategy.
- 5.4 For the preparatory stages this will require the input of staff from the Regeneration Service and Customers and Communities Unit to support the development of the Local Action group and the Local Development Strategy, utilising existing skills, knowledge and networks to ensure the programme meets the needs of communities within the Borough. There are no other direct financial implications for the Council arising from the preparatory stage.
- 5.5 In the event that the stage 1 bid is successful and the required outcomes achieved, in principle approvals are sought to enable work to be undertaken to submit a stage 2 bid, based on the Local Development Strategy developed during the preparatory stage.
- 5.6 In terms of the value of the programme (stage 2) in the Borough, this would be between a range of £1.065 million and £5.5million, depending on the levels of match funding which could be secured. These are indicative figures and may fluctuate as the detail of the programme is developed.
- 5.7 For the minimum pot of around £1.065million, this would be made up of £0.36million of ERDF activity and £0.72million of ESF activity. At the required intervention rates this would require £0.144m match for ERDF (60% intervention) and £0.36million for ESF (50% intervention), giving a total match requirement of around £0.504million.
- 5.8 Match funding could come from a variety of sources, including partners involved in developing specific projects and other funding streams, for example, the Big Local programme, other Lottery funded programmes and the

Coastal Communities Fund. In practice match funding will be identified as part of the development of projects and programmes. However, to “derisk” and provide confidence that the minimum programme value can be achieved, the respective Local Authorities will be required to underwrite a substantial proportion of the required public match.

- 5.9 For the Borough, 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 £270, 000 uncommitted within this programme and this would be used to underwrite over half of the minimum match funding required for the programme within the Borough.

## **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. In terms of the value of the programme (stage 2) in the Borough, this would be between a range of £1.065 million and £5.5million, depending on the levels of match funding which could be secured. These are indicative figures and may fluctuate as the detail of the programme is developed.

- 6.3.2 The 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 It is proposed that 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 programme will require the support of existing staff resources from the Regeneration Service and the Customers and Communities Unit.

## **6.8 Risk**

6.8.1 The risks are identified within the risk matrix attached.

Equalities and Diversity

## **7. ACTION PLAN**

7.1 Key milestones are shown in the table below:

Preliminary Workshops held in Whitby, Scarborough, Bridlington and Withernsea	September 2015
CLLD stage 1 preparatory application submitted	24 November 2015
ESIF Panel (decision on stage 1 application) by YNYER LEP	January 2016
Staff recruitment (ERYC)	February 2016
CLLD planning workshops	February/March 2016
LAG established	February/March 2016
Development of Local Development Strategy	February – June 2016
Community Feedback	May 2016
Final Local Development Strategy agreed	June 2016
Submission of Implementation Stage 2 application	July 2016



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