



COMMUNITY PLANNING PARTNERSHIP – EUROPEAN FUNDING PROPOSAL

BOARD MEETING – 30 JULY 2009

1. PURPOSE OF REPORT

- 1.1 To provide an update on the Community Planning Partnership (CPP) European Structural Fund approved bid, and receive approval and support to continue to lever ESF to deliver community regeneration through the CPP approach.

2. BACKGROUND

- 2.1 East Ayrshire CPP secured £2,828,143 European Social Fund (ESF) Priority 1: Progressing to Employment and £282,415 European Regional Development Fund (ERDF) Priority 3: Urban Regeneration to deliver a range of employability services across East Ayrshire. The project start date was 1 April 2008 and the current end date is 31 March 2010. The activities are delivered by the following delivery partners:

- East Ayrshire Council Skills Development and Employability Service
- East Ayrshire Woodlands
- Kilmarnock College
- Ayr College
- Wise Group
- Skills Development Scotland – Careers Service
- Lennox Partnership.

- 2.2 The additional activity funded through ESF and ERDF links strategically to the East Ayrshire Community Plan and the outcomes contained within the CPP Single Outcome Agreement (SOA).

- 2.3 An East Ayrshire Employability Forum has been established as the local employability partnership, which reports to the Delivering Community Regeneration strategy group. The forum has a wide membership and includes the key strategic players who deliver employability services across East Ayrshire.

3. PROGRESS

- 3.1 The East Ayrshire CPP activity was implemented in April 2008; however, confirmation of funding was not provided until June 2008. The Offer of Grant was received from the Scottish Government in February 2009.

- 3.2 As at 31 March 2009, on completion of year 1 of the 2-year approved project, 36.43% (ERDF) and 30.56% (ESF) of the approved eligible expenditure has been spent. The delay in the notification of approval for the project resulted in a reduction in expenditure in the first year.

- 3.3 Consequently, an extension of 3 months was requested to implement a flexible end date for the project to ensure financial and output related targets can be achieved. This was agreed with all partners following an assessment to re-calibrate the bid to

take account of the current economic backdrop and the delay to the notification of approval.

- 3.4 This request was made to the Scottish Government but has been refused based on the fact that no claims, at that date, had been submitted and, therefore, activity and spend to date could not be assessed. This matter will continue to be pursued.

4. CLAIMS

- 4.1 The online system has provided access to Claim 1 for East Ayrshire Council in May 2009 and this claim has been submitted. Composite claims will be submitted to bring the claim system up to date and it is anticipated that as a result of the complexity of the system it will be October 2009 before the claims from East Ayrshire CPP are completely up to date. This has been outwith our control and reflects the position for all other CPPs.

5. CPP APPROACH

- 5.1 The CPP approach was initially intended as a pilot to assess if a CPP led bid would provide a more strategic approach to the implementation of structural funds, avoiding duplication of activity across local areas and maximising impact by delivering in partnership.
- 5.2 However, in June 2008, John Swinney, MSP announced that all submitted bids would be approved resulting in this approach being delivered in 13 local authority areas in Scotland. An evaluation of this approach has been commissioned by the Scottish Government and will be concluded in November 2009.
- 5.3 An independent evaluation of the East Ayrshire CPP process and activity is currently being undertaken, with the final report to be submitted by 31 July 2009. However, feedback locally is that the CPP process is working effectively.

6. FUTURE FUNDING

- 6.1 Decisions are still to be made nationally regarding whether the CPP approach is the best route forward and should continue in the future. Guidance from the Scottish Government states that for “organisations already taking part in CPP applications, opportunities for funding of future projects remains available under the two Priorities of the Challenge Fund. However, the same activity supported by the CPP bids cannot appear within a separate future application. CPPs can also apply for Challenge Funding for complementary activities under other priorities in the Programmes”.
- 6.2 The balance of funding available in Priority 1 is approximately £25 million; the CPPs secured £40 million to deliver activities over 2 years. Challenge Fund bids are also received for this pot of funding, therefore, the amount left would be insufficient to fund all existing activities. Consequently, it has been indicated that the CPPs will have to compete for funds and not all can be successful.
- 6.3 The Scottish Government previously discouraged organisations from submitting within a CPP bid and also submitting a challenge fund bid; however given the uncertainty in respect of whether the CPP approach will be supported, this dual approach will now be accepted resulting in duplication.

7. TIMESCALES

7.1 Applications for the next round of funding must be submitted by the following dates:

| | |
|-------------------------------------|----------------|
| 1st Stage Application (summary) | 14 August 2009 |
| 2nd Stage Application | 9 October 2009 |
| PMC – Agree funding recommendations | 24 March 2010 |
| Ministerial Announcement | To be agreed |

8. CONSIDERATIONS

Flexible End Date

8.1 A flexible end date is required to ensure that financial and output related targets are achieved by all partners. The next round will be agreed at the Programme Monitoring Committee on 24 March 2010 but it would be unlikely, based on previous experience that the announcement would be made prior to our current end date of 31 March 2010.

CPP Approach

8.2 The key benefits, evident to date, are that the CPP approach provides local services delivered through the best approach for the local area and that involving colleges and the voluntary sector avoids duplication and maximises impact. In addition, an infrastructure has been developed which can respond to local and national strategies and opportunities and ensure that all employability activity across East Ayrshire is aligned to the Community Plan and the CPP Single Outcome Agreement.

The thirteen CPP cumulative outputs to date have exceeded the output targets set for the 2007-2013 programme, demonstrating that this is an effective delivery model.

Future Funding

8.3 To ensure the continued effective delivery of employability services, current partners would require to agree to either submit with the CPP or submit linked Challenge Fund bids to strengthen the CPP approach locally. The potential implications of partners submitting separate Challenge Fund bids would be that dedicated funding for the East Ayrshire area would not be secured.

8.4 Importantly, Scottish Government has stated that if Challenge Fund bids are submitted in addition to CPP bids, this could reflect that the CPP approach is not effective. It is proposed, therefore, that partners commit to proceeding as a CPP.

Evaluation

8.5 An independent evaluation of the East Ayrshire CPP approach will be completed and a community consultation undertaken to inform the first stage application for funding from 1 April 2010.

9. RECOMMENDATIONS

9.1 The Community Planning Partnership Board is requested to:

- i) agree to continue the approach adopted within East Ayrshire and submit an CPP application for continued funding from 1 April 2010;
- ii) agree that partners will not submit Challenge Fund bids in addition to being included in the CPP bid as this would result in the CPP being refused funding; and
- iii) continue to pursue the need for a three month extension to provide a flexible end date to the existing programme.

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15 July 2009