

<b>TO:</b>	<b>CITY DEAL JOINT COMMITTEE</b>		
<b>DATE:</b>	<b>17<sup>th</sup> July 2015</b>		
<b>TITLE:</b>	<b>CITY DEAL GOVERNANCE AROUND EUROPEAN SOCIAL INVESTMENT FUND MONIES</b>		
<b>LEAD COUNCILLOR:</b>	<b>CLLR MUNRO</b>	<b>PORTFOLIO:</b>	
<b>SERVICE:</b>		<b>WARDS:</b>	
<b>LEAD OFFICER:</b>	<b>Grant Thornton</b>	<b>TEL:</b>	
<b>JOB TITLE:</b>	<b>HEAD OF ECONOMIC AND CULTURAL DEVELOPMENT</b>	<b>Email</b>	<a href="mailto:grant.thornton@reading.gov.uk">grant.thornton@reading.gov.uk</a>

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 In autumn 2012 the Cabinet Office invited Reading Borough Council to submit an Expression of Interest for a City Deal as part of a second wave of City Deals. Twenty cities and their wider areas were invited to compete for deals by which the Government devolved powers in exchange for responsibility for delivering growth locally. The bid was developed by a partnership between the six Berkshire Unitaries and the Thames Valley Local Enterprise Partnership (LEP) with Reading Borough Council as the lead authority.
- 1.2 An initial Expression of Interest was submitted in January 2013, which was successful. The Berkshire authorities and the LEP then entered a negotiation stage with the Cabinet Office with Ministerial meetings held in June and July 2013. Following this, the government advised that the bid was successful and a deal document was produced which set out governance arrangements between the LEP and the six Berkshire authorities to ensure the full implementation of the deal. The official launch of the Thames Valley Berkshire City Deal took place on 28 October 2013.
- 1.3 Our City Deal (known as Elevate Berkshire) focuses on developing a model to provide a joined-up service to young people and businesses in order to increase the participation of 16-24 year olds in education, training and work, to develop work-related skills and to streamline the pathway to employment for young people. This was linked directly to a broader objective of delivering economic growth locally, and to address local concerns about the number of young people Not in Employment, Education or Training (NEET).

## 2. GOVERNANCE

- 2.1 As per the City Deal agreement, the LEP Board is the delivery mechanism for the Berkshire commitments in the City Deal (inc the EUSIF programme), and its work is coordinated through the LEP Board and four task-specific groups. Therefore in

practical terms, decisions about the implementation and delivery of the City Deal will be taken through the LEP Board, and agreed by Joint Committee members on behalf of the 6 Local Authorities.

- 2.2 However, as the LEP is a company limited by guarantee, the LEP Board has no statutory status to take decisions which are legally binding on the individual local authority members. Joint Committee is the arrangement for decision making between the local authorities City Deal. In particular financial decisions required associated with the allocation of funding streams which the Government directs through the City Deal, concerning Youth Contract wage incentives, EU Structural and Investment Funds, and the Business Growth Programme, is agreed by Joint Committee
- 2.3 Decision-making in relation to the City Deal by the Berkshire Unitary Authorities is delegated by the authorities to a Joint Committee comprising one Councillor from each of the six Unitary Authorities. This Joint Committee was established under Sections 101(5) and 102(1)(b) of the Local Government Act 1972, and the Local Authorities (Arrangements for the Discharge of Functions)(England) Regulations 2012.
- 2.4 Reading Borough Council was designated as the “Accountable Body” for the purposes of the City Deal, with Bracknell Forest Borough Council fulfilling the role of “Secretariat” to this Committee. This division of responsibilities is important for the purposes of accountability. However, Reading is responsible for providing financial and legal advice both to the LEP Board and the Joint Committee on matters relating to the City Deal; in particular with regard to the European Social Investment Fund programme.
- 2.5 As part of the original deal was the commitment to seek additional monies via the European Social Investment fund (EUSIF). This report asks the six Berkshire authorities to note and formally endorse the content of the Thames Valley Berkshire City Deal (known as Elevate) European Social Investment Fund Programme - and operational delivery structure.

### **3. RECOMMENDED ACTION**

#### **FOR DECISION BY THE JOINT COMMITTEE**

- 3.1 That as part of the implementation of the governance arrangements in the City deal agreement, Joint Committee on behalf of the six Berkshire Unitary Authorities under Section 101(5) and 102(1) (b) of the Local Government Act 1972 take decisions on behalf of the six Berkshire Unitary Authorities in respect of managing and delivering the outcomes of the City Deal EUSIF programme as agreed through the LEP Board, and in this regard:
  - i) Reading Borough Council is recognised as the Accountable Body for the purposes of the City Deal EUSIF initiative, and will provide financial and legal advice to both the LEP Board and the Joint Committee in relation to the City Deal EUSIF programme;
  - iii) Bracknell Forest Borough Council be appointed to the role of Secretariat to the Joint Committee on behalf of the six unitary authorities;

- iv) That Joint Committee endorse and formally accept the Elevate Berkshire EUSIF programme (appendix1) and by committing to the proposal also commits to all aspects of EUSIF process, including compliance and risk around claw back of funding
- v) That Joint Committee formally accept the agreed EUSIF programme delivery structure and agreed match for their respective authorities (appendix2) and by committing to the structure, also commit to have shared responsibility for the EUSIF programme
- vi) That Joint Committee formally acknowledge the EUSIF briefing document and next steps and commitments needed from each authority around accepting shared responsibility for the EUSIF Programme; as well as 'notionally' agreed amounts to be received, based on successful retrospective claims, per Authority (appendix 3)
- vii) That Joint Committee note the current Risk Assessment (appendix 4)
- viii) That Reading Borough Council is the accountable body, to be delegated authority to implement any transfer of funds to the local authorities and the Local Enterprise Partnership for the EUSIF programme subject to RBC being satisfied that the projects concerned are fully developed and ready to be implemented as part of the collective EUSIF bid

## Appendix 1

# Outline Application (Logasnet Word Version) European Structural Investment Funds-Form- 2-009

**This WORD version of the application is to aid drafting only. Do not use this version to apply. Completed applications should be made on the LOGASnet version of the form.**

The Outline Application must be completed by the **Applicant** and submitted to the **Managing Authority** via the IT system.

The **Managing Authority** will use the Outline Application form to carry out its assessment of the **Applicant's** proposal with the aim of determining whether the application meets the core selection criteria to be considered for funding.

This initial assessment will include considering relevant representations from the **Local Enterprise Partnership Area European Structural & Investment Funds Committee** about the operation's contribution to the needs and opportunities identified in the local European Structural & Investment Funds strategy.

For calls which cover more than one Local Enterprise Partnership area, you only need to submit one Outline Application but must attribute expenditure and certain other details to each Local Enterprise Partnership area covered.

Please note that the **Local Enterprise Partnership Area European Structural Investment Funds Committee** will have sight of the contents of the application, together with the **Managing Authority's** assessment. Applicants should highlight if any commercially sensitive information should be withheld from the **Local Enterprise Partnership Area European Structural Investment Funds Committee** and the reasons for this.

## 1.0 Applicant

Access	Open Call		
Local Enterprise Partnership	Thames Valley Berkshire LEP		
Fund	EU SIF		
Organisation type	Local Authority		
Company/charity registration number (where applicable)	NA		
Value Added Tax number (where applicable)	200 1916 25		
For private sector applicants, what is the size of the enterprise applying for funding?	<b>Small</b>	<b>Medium</b>	<b>Large</b>
Website	www.reading.gov.uk		
Applicant address line 1	Civic Offices		
Address line 2 (optional)	Bridge Street		
Address line 3 (optional)			
Town/City	Reading		
County	Berkshire		
Postcode	RG1 2LU		
Name of contact	Grant Thornton		
Job Title	Head of Economic and Cultural Development		
Email Address	grant.thornton@reading.gov.uk		
Main Telephone Number / Ext	0118 937 2416		
Mobile Number (optional)	07870 880 791		
Alternative Email Address	zoe.hanim@reading.gov.uk		
Will the project involve Delivery Partners? If yes, please complete annex 1b for each Delivery partner.			
Yes			
If Yes, describe how the Delivery partner(s) have been identified, any financial contribution made by the Delivery Partner(s) to the project and how the Delivery Partner(s) directly support the delivery of the project's objectives and activities			
Two of the primary delivery partners will be contributing financially in the form of match funding. The remaining delivery partners will benefit directly from the ESF money.			



Project Name		"Elevate Berkshire"	
Total project value (£)		4,800,000	Total European Structural Investment Funds sought (£) 2,400,000
Of Which	European Regional Development Fund (£)	NA	
	European Social Fund (£)	2.400,000	
	Youth Employment Initiative (£)	NA	
Local Enterprise Partnership Area (s) covered		Thames Valley Berkshire	
Name of relevant European Regional Development Fund or European Social Fund Operational Programme Priority Axis		Priority axis 1 - Inclusive labour markets	
Name of European Structural Investment Funds Investment Priority		Investment Priority: 1.2 Sustainable integration into the labour market of young people	
Lead Local Enterprise Partnership Area		Thames Valley Berkshire	
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>Proposed Start Date</b> <i>i.e. date from which eligible expenditure will be incurred</i>	<b>Proposed Financial Completion Date</b> <i>i.e. date by which eligible costs will have been defrayed (European Social Fund contractual completion date)</i>	<b>Proposed Operation Practical Completion Date</b> <i>i.e. date by which all Outputs/Results will be achieved</i>	<b>Activity End Date</b> <i>i.e. the date by which all the operation's activities described in the application and Funding Agreement will be completed</i>

September 2015	January 2019	March 2020	August 2018

## 2.0 Project Details

Project Funding						
	European Regional Development Fund / European Social Fund (a) (£)	Public Match (b) (£)	Private Match (c) (£)	Total (d) (£)	Contribution rate (%) (a)/(d) x 100	Total public funding (%) (a+b)/d 100
ERDF Capital (£)						
ERDF Revenue (£)						
<b>ERDFSub Total (£)</b>						
ESF Revenue (£)	2,400,000	2,400,000		4,800,000		
YEI Revenue (£)						
<b>TOTAL (£)</b>	4,800,000					

### 3.0 The Business Case

What is the project? (100 words)

- What is it going to do?
- What will it achieve?

Elevate Berkshire aims to address the skills gap, unemployment and underemployment of Berkshire's 16-24 year old population, by maximising the impact of collective investment to further enhance growth in this important economic area.

Elevate Berkshire will be the catalyst to provide high quality, personalised advice and support to the hardest to reach young people, giving the real opportunity to undertake the right training, improve their skills, find an apprenticeship or get a job.

How will the project be delivered, to and by whom?

Briefly explain:

- The specific activities that will be undertaken as part of the project
- Who are the target beneficiaries?
- Where the project's activity will take place

City Deal has brought together businesses, the university, colleges, DWP Local and local authorities to create a collective partnership across Bracknell Forest, Reading, Slough, West Berkshire, Windsor and Maidenhead, and Wokingham. The model, agreed by Government, aligned the collective local and national investment in order to provide high quality, personalised advice and support so that every young person has the opportunity to undertake the right training, improve their skills, find an apprenticeship or get a job.

Via the existing delivery partnership (made up of the 6 Local Authorities, DWP, Colleges and a range of operational delivery partners), European Social Investment Fund money will be used to deliver a range of creative and forward thinking pan Berkshire employment and skills projects – tasked with supporting some of the most hard to reach young people across the region into a positive destination. It will allow us to intensively work with young people that have multiple barriers to employment; building on the foundations laid by Youth Contract and a collective re-engineering of existing resource and provision across the 6 Unitary Authorities.

Via a 'Hub and Spoke model' - we will deliver a number of collective projects across the Local Enterprise Partnership area that share a common set of best practice principles and methodologies but tailored to suit local circumstances and needs:-

**Princes Trust (PT) project** – as an existing partner within the Elevate Berkshire partnership, the PT will deliver Innovative projects to engage with the 'hardest to reach' / furthest from the labour market and engage with employers, creating new opportunities for young people's employment:

- **Get Started** - are short, motivating programmes (generally five - eight days in length but with 3 months support), which engage young people using sport or the arts, and use activities as a vehicle for personal development. They are run with local organisations for example - . Get Started with Football is run with Reading FC, which will explore STEM themed programmes such as Get Started with Games Design and will also run arts-based programmes such as Film, Music & Fashion. Get Started is a tool to support young people to engage with education and training and scheduled programmes will link in with other appropriate local provision to provide a holistic pathway for young people.
- **Get into** – Short sector-specific programmes run in partnership with local employers to help young unemployed people access entry level jobs. The Princes Trust will leverage existing national relationships with employers such as Waitrose, M&S and TK Maxx and utilise existing local relationships such as Royal Berkshire Hospital. The Princes Trust will also use Elevate Berkshire as a vehicle to bring in new employer partners. The Trust is currently engaging groups of tech companies, with offices locally, and will work with Elevate Berkshire to identify key local sectors and employers – to support our sector based activity.

The Trust hopes to work with around 200 young people, with multiple barriers to employment, over the three years.

**Creative Employment project** – The Creative Employment Programme is a £15m fund to support the creation of traineeships, formal apprenticeship and paid internship opportunities in England for young unemployed people aged 16-24 wishing to pursue a career in the arts and cultural sector. Working with Elevate Berkshire - Creative Employment will provide part wage grants to employers who create new apprenticeship and internship job opportunities for young unemployed people aged 16-24. Young people aged 16-24 from all backgrounds, from graduates to those with few or no qualifications will have the chance to access on-the-job training and experience to build the skills that employers want.

Via Elevate Berkshire partners – we will engage with the public and private sector business to create as many arts based opportunities as possible. We plan to use this money as match, with EUSIF money drawn down, used to further incentivize employers across the region to increase the attractiveness of taking on a young person. These opportunities would in turn be linked with the wider Elevate service to support young people throughout and beyond their initial placements to secure longer-term positive outcomes.

It is hoped that we can generate between £130,000 and £170,000 of opportunities with relevant businesses across Berkshire – for the benefit of young people across Berkshire. The project will in parallel support LEP activities around economic growth given the well evidenced major and growing contribution of the cultural sector to national economic growth and that is particularly strong in this area..

## **Elevate Berkshire – Re-engineering of existing provision to develop a new, sustainable model and pathway, for the hardest to reach young people across Berkshire**

As lead within the existing delivery partnership, Reading Borough Council (with the support of the other primary delivery partners, including the Princes Trust), will develop and implement a range of collective, pan Berkshire projects, while weaving together and coordinating local activity and exploring opportunities, from an economies of scale perspective, to re-engineer existing resource by pushing forward opportunities to co-fund, and co-deliver services / provision, that cuts across Local Authority boundaries.

Through creative new initiatives and pilot programmes we will target potential beneficiaries in the 16-24 cohort, particularly those who are NEET or at risk of becoming so. Additionally, specific activities will be undertaken to engage with and provide bespoke personalised services to specific 'hard to reach' groups of young people such as those with disabilities and special educational needs, young people from B&ME backgrounds, looked after children and those with limited skills and who are underemployed.

It is estimated that these targeted projects, delivered collectively with the support of local Elevate projects will work with around 300 hard to reach young people over the 3 years. (exact numbers will be included in any full bid)

### **Delivery Hubs**

Across the programme, locally tailored services provided by existing delivery partners will further support the delivery of collective pan Berkshire projects, as above, and directly contribute toward collective Elevate Berkshire targets, that will be set out in any full bid.

Building on the foundations of service re-engineering set down during year 1 of the Thames Valley Berkshire City Deal – existing delivery partners will use EUSIF money to deliver targeted local activity above and beyond what they are able to deliver currently and filling gaps in current provision. EUSIF will strengthen the Elevate projects locally by building the capacity of existing partners – notably across the Voluntary and Community Sector – allowing them to work intensively with young people with low skills and multiple barriers to employment. They will achieve this by:-

- Building the capacity of the multi-agency co-located hubs and the projects locally to offer a variety of employment and support services within a single venue, further simplifying the pathways for young people to positive destinations via a holistic personalised service offer;
- Utilising LMI to develop sector based projects, according to the local labour demand and supporting the employment and skills needs of local businesses;
- Building on existing relationships with Schools and Colleges to develop an Elevate Service Level Agreement for Schools to intervene more effectively earlier and provide more timely advice, guidance and opportunities for young people linked to local labour market needs, particularly targeting those young

people at risk of NEET;

- Focusing on pre-employability and upskilling with schools to not only ensure that young people can find the right level of work, but also that when they enter the labour market they are prepared to do so;
- Further developing the single access points for face to face and digital support via the hubs and Elevate Me;
- Utilising a sector based approach to work to align the local labour demand closer with the workforce. This has included trials in sectors such as the construction industry (an area of high demand in Berkshire), where clients have been offered health and safety training, CSCS cards and a guaranteed interview scheme, supplemented by free access to all job support services via Elevate funding.
- Supporting the hard to reach groups via partnership working with specialist providers.

## Strategic Fit

Why is this project considered the best solution to the needs/opportunities set out in the Call Specification?

- Please explain how the proposal fits the Call Criteria
- Explain why the proposal should be viewed as the best option (solution)

The Thames Valley City Deal (which evolved into Elevate Berkshire) has laid the foundations for a collective, pan Berkshire approach to the issue of low skills, youth unemployment and underemployment. Supported by Government the City Deal was secured through a robust evaluation process of the proposals with widespread support for the principles underpinning them. EUSIF money will allow Elevate to develop and implement additional projects and provision across the partnerships that address current gaps in capacity but remain under the Elevate umbrella of smarter working and innovation. This collective use of existing and EUSIF resources is a cost effective way of delivery which also ensures that the majority of resource is targeted at the young people who need it the most.

The whole premise of City Deal was to use the funds secured as 'pump prime' money to initiate a collective system change. The system change is allowing us to re-engineer existing resources to provide a better service to young people and to employers through collective action and collaboration to reduce complexity and to combine resources in a shared model of delivery.—As this work has progressed City Deal has evolved into the 'Elevate Berkshire' suite of services.

Going forwards, with the work done to date, Elevate Berkshire is a well-developed and practical model for achieving the aims within the call. Historically, we have seen numerous projects and providers, delivering a whole range of interventions to tackle the issue of youth unemployment –

particularly for those young people that have multiple barriers to achieving a positive destination. However, years later, we still have similar cohorts of young people facing the same problems when it comes to getting, and sustaining, a job. In the context of Berkshire's thriving economy we should be able to do much better.

Elevate has highlighted that it's the 'system' that needs changing – and numerous projects being delivered in a piecemeal way, by numerous providers all working in isolation is not an effective or cost-effective way to help hard to reach young people into work. Moreover, set against the backdrop of a leaner public sector, collective investment is the only way that Local Authorities, and others, can continue to make effective in-roads in reducing youth unemployment, especially for those young people with multiple barriers to employment.

'Elevate' is the most appropriate solution because it is the catalyst for the system change required across Berkshire with demonstrable progress and impact to date. Elevate is asking tough questions around where resources are targeted and questions the value of current service delivery delivered in a fragmented way. The solution is that collective internal and external provision, across the existing delivery partners within the Elevate family, needs to be aligned and delivered in a collective way for mutual benefit, and ultimately the benefit of young people, businesses and the local economy.. Elevate, with the engagement and support of DWP Local, is uniquely placed to combine national programmes with the landscape of distinct local needs and networks of support organisations

Looking at Social Return on Investment, analysis has highlighted the amount of resource needed to support particular cohorts of young people into a positive destination – particularly those with a disability or poor mental health, looked after children, lone parents and those who do not have English as their first language. Via a 'Supported Employment Programme', which brings together existing resource from across the partnership, EUSIF money will allow us to deliver a targeted, person centred mentoring programme to deliver hands on support for hard to reach young people.

Local Elevate projects will allow us to take a bespoke localised approach to issues and really hone in on economically inactive young people (NEETs) in a particular area whilst improving the supply of opportunities linked to improved links to local businesses and an in-depth understanding of local labour market needs. Building the capacity of local providers, and working in partnership with JCP locally, will allow us to target individual young people via outreach, in order to re-engage with them and support them in a much more person centred way around skills and employment – to narrow the gap, moving people from NEET to EET.

Explain how the project will deliver the objectives of the Operational Programme at local (Local Enterprise Partnership area) level and will demonstrate alignment with local growth priorities set out in the local European Structural Investment Funds Strategy.

Despite Berkshire's high performing economy, patterns of youth unemployment have mirrored national trends, and youth unemployment rose 90% between March 2008 and March 2013. NEET figures highlight the number for 18 year olds is double that of those of 16, with higher levels of 16/17 year olds going in to low skilled employment directly from school.

Current statistics show that the numbers of JCP claimants in this age cohort are low and that the

NEET count has also decreased since the beginning of 2014. However, the true picture (from the Office of National Statistics) shows that there are currently 6,400 young people across Berkshire looking for work. In contrast, Berkshire has a strong labour demand with over 5000 unfilled job centre vacancies across the region.

There is therefore a clear mismatch between the labour market and skillset of the emergent local workforce. Clearly work is needed to ensure young people are equipped to find appropriate work and enter the labour market. Elevate will work with Schools and Colleges to bridge the gap between school curriculums and college courses, and the real world of work across Berkshire.

Elevate therefore offers solutions to narrow the skills gap between NEET young people and business needs to ensure 16 to 24 year olds have the opportunity to benefit from the wider economic growth of the region. Such work aligns closely with the local growth priorities set out in the local European Structural Investment Funds Strategy. In particular, use of the website Elevate Me and its personal planning tool; mark an innovative approach to pre-employment training. The thematic objectives of promoting sustainable quality employment, labour mobility and the prevention of poverty link in closely with the aims of the Elevate project.

Elevate will provide a holistic service via a regional approach, in line with the delivery of the LEPs wider economic strategies, as opposed to a service restricted by geographical boundaries. Rather than funding additional service providers, this project will look to build on partnership working and utilise pre-existing resources more efficiently, thus providing greater value for money.

Partnership working between the existing delivery partners will allow Elevate to build on its existing capacity, with potential to jointly deliver creative and innovative projects, delivered by specialist providers, to meet the call specification.

Elevate Berkshire will also address underemployment to help young people develop the skills needed to progress and to better meet the skills needs of the local economy. Simplifying the pathway will ensure it is easier for people to find routes of poverty, whilst early intervention and pre-employability work will have the added value of reducing the risk levels for those in danger of falling in to poverty – on the premise that employment is the number one route out of poverty.

## **Support for Cross Cutting Themes**

### **Support for the sustainable development theme**

- How does the project respect the principle of sustainable development? In particular how does the project maximise positive environmental impacts or mitigate potential negative impacts having regard to the “polluter pays” principle where applicable?

Whilst the project will have little direct environmental impact, it will be seeking to better match the local economy’s labour market needs with the supply of young people coming into the jobs market. Over time this has the potential to reduce the inward migration of labour from other areas, reducing travel and congestion.

### **Support for the equality and diversity theme (for ERDF this is defined as “Equality and Anti-Discrimination”; for ESF this is defined as “Gender Equality and Equal Opportunities”**

- How will equality between men and women be taken into account and promoted in the project?

All of the services delivered under Elevate will be available to both genders – in line with the Equality Act 2010 and Public Sector Equality Duty.

Within the programme, Elevate will look to challenge gender stereotypes – and we expect to deliver some services and projects where the cohorts targeted will inherently benefit a particular gender – as outlined in section 3. For example, within the various Lone Parent projects – it will be the case that the majority of young people, who take part, are female; although the project will be open to males that are Lone Parents. We also plan to deliver projects that address cultural issues and promote further opportunities for females from B&ME backgrounds. For example, a pilot project will look to help young Asian females with careers support, studying for higher education and looking at alternatives to A Levels. This involves working closely with parents (an important route in to such communities) to highlight the benefits of taking up more vocational career paths.

Destination data from schools shows differences in performance between males and females. Current data highlights that females are out performing males in schools. This information will be used to develop a more targeted approach around early intervention for males in schools and developing better links between females and the labour demand – with a particular focus on vocational routes.

- What steps will be taken to prevent discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of the project?

As part of Elevate, existing delivery partners have signed a Memorandum of Understanding (MoU), inclusive of the Equality Act 2010 and all procurement, undertaken as part of the project if necessary, will include Equality and Diversity considerations.

To help develop a better understanding of how identity, including cultural issues, impact upon employability, we will be pro-active in getting to know who the NEET young people are – in each locality and collectively across Berkshire.

Leading on from this, we intend to look further into how issues such as health, education, income and benefits claims impact upon people acquiring, and sustaining, a job. A better understanding of additional barriers to work will allow for a more targeted approach locally, addressing barriers in a person centred way by offering tailored support.

As part of the project, Elevate will look to initiate awareness training for employers, that will provide employers with information related to cultural barriers to work that local residents may experience. This will be supplemented by work with businesses to examine the nature of their job descriptions and how these can sometimes contain unnecessary obstacles that prevent capable job seekers from finding work.

- How will accessibility for persons with disabilities be taken into account in the project?

As above, all services are available to people with disabilities – in line with the Equality Act 2010. Moreover, disability access has been considered in all co-located HUBs across the Elevate programme.

NEET figures for the region are showing a large number of SEN and therefore specific SEN projects will be delivered across Berkshire, as part of Elevate, by specialist providers.

## 4.0 Justification

### Why should the Project Receive European Structural Investment Funds Funding?

Explain why the project should receive European Structural Investment Funds. Explain how the project will provide added value above existing or planned activity.

City Deal has laid foundations to develop a collective, pan Berkshire solution to the issues set out in the call. Additional money would allow for the development of innovative solutions to address such needs above and beyond the current infrastructure – as set out in the sub-sections of section 3.

The current unit cost for engagement with young people with multiple barriers to employment is high. Elevate offers an opportunity to develop a model that provides value for money by utilising existing services more efficiently, across all 6 of the Unitary Authorities, and builds the capacity of current projects and local providers, by delivering services pan Berkshire.

Additional money will allow us to develop the Elevate brand and attract new partners into the existing partnership. Additional resource (staff) will allow us to focus intensively on hard to reach young people and further re-engineer and re-focus existing provision to those who need it most.

Additional money will in fact allow us to challenge what is currently delivered as business as usual. It will enable us to build the capacity of co-located Hubs and service models in each locality and fund resource to coordinate local activity for wider benefit. Moving forwards – it will also allow us to implement a range of pilot programmes and projects to be delivered by providers within the existing delivery partnership that fill gaps in current provision and develop more effective interventions..

European Social Investment Fund money will thus allow us to plug current gaps in provision to add value to existing Elevate projects that are positively and radically changing how we work together to deliver better outcomes.

Explain the impact for the project for each of the following:

- If the project did not receive European Structural Investment Funds
- If the level of European Structural Investment Funds was reduced
- If there was a delay in European Structural Investment Funds

Elevate has placed a great deal of emphasis on aligning existing resources better and developing a sustainable pathway and model for the long term, as opposed to a quick fix. Without the capacity building money to fund projects and services above and beyond what is business as usual - there would be a significant impact in terms of the capacity to deliver targeted outcomes for young people with multiple barriers to employment, and those with low skills.

Even a reduction in income would hinder the project's capacity to target young people with specific barriers to reaching a positive destination - such as SEN, lone parents, looked after children and

those from B&ME backgrounds. It would prove extremely difficult to build the capacity of the smaller providers who specialise in implementing positive changes with young people if we were to reduce less European funding.

The current economic climate and nature of public spending cuts has left little provision in Local Authorities to support hard to reach groups in the way they need. Local NEET data is showing that a significant number of the cohort stem from groups such as those mentioned above. Although the project has put infrastructure in place, in the form of a co-located / holistic service offer locally, to work with such groups and promote a cultural and system change, funding is still be needed to build on the existing capacity in order to deliver the desired outcomes in the call.

Elevate is about system change, as opposed to business as usual. With the current financial constraints on public spending, special measures have been taken to move towards a sustainable Berkshire model. Funding will help accelerate delivery in a coherent fashion and build capacity with regards to implementing partnership working for mutual benefit; with the likes of DWP and other existing public partners and with the private sector.

Furthermore, a reduction in funding would lessen the capacity to align the labour force with the local business skills needs, something which is crucial to ensuring residents can benefit from economic growth.

**Key dates and milestones**

Complete the schedule below with the key project milestones for the on going development and implementation of the project.

Milestone –	Forecast Date
Submit the expression of interest	22 <sup>nd</sup> May
Work with key delivery partners on preparation for a full application	May-June 2015
Scoping and developing project initiation plans for each of the projects	May 2015
Project initiation plans to be agreed by Joint Committee and steering group (consisting of key stakeholders)	July 2015
Submit funding application to the ‘Creative Employment Programme’	July 2015
Secure approval for funding from the ‘Creative Employment Programme’	September 2015
Secure approval to develop a EUSIF full bid	September 15 (assumed)
Secure full EUSIF project approval	December 15 (assumed)
Develop / draft legally binding agreements with all delivery partners	May – October 15

All legal agreements signed by delivery partners	November 15	The project has already seen a delay in receiving funding.
6 monthly meetings of the Joint Committee to monitor progress and to agree key decisions	Ongoing	
Quarterly Meetings of the Elevate Steering Group	Ongoing	
Monthly meetings of the local 'Hub' Delivery Groups	Ongoing	

When the original City Deal bid was signed by Government it was agreed that this would be matched with Cabinet Office Youth Contract underspend money from April 2014. A delay in the Operational Programming has resulted in a loss of £1.5 million match funding. Nevertheless, the project has made significant strides but had that funding come through greater progress would have been made in engaging with hard to reach groups and incentivising providers and employers, meaning we would have had an even greater impact on NEET numbers.

## 5.0 Project Schedule & Deliverables

## 6.0 Costs and Funding

Please summarise what the project budget as detailed in Annex 1a will be spent on.

Inclusive labour markets:-

- Promoting sustainable and quality employment and supporting labour mobility
- Promoting social inclusion / combating poverty and any discrimination
- Investing in education / training and vocational training for skills and lifelong learning

In order to deliver on the outcomes relating to the above themes, Elevate will use the project budget as follows:-

### "Princes Trust" – 300k project (150k SIF)

The project will fund two projects across Berkshire for mutual benefit. Delivering a pre-funded service, the Princes Trust commit to deliver, and evidence, agreed collective and local outputs that hit EUSIF and local targets and outcomes.

### "Creative Employment" – 200k (100k SIF)

The 100k SIF money will be used to increase the contribution to employers made via the Creative Employment programme and to link additional support from Elevate to those young people participating. This pan Berkshire project will directly contribute toward collective targets around apprenticeships and traineeships and provide sustainable and quality employment opportunities while supporting labour mobility.

### "Pan Berkshire Projects" – 500k project (250k SIF)

This money will be managed by the central 'Elevate Berkshire' team – and will be used to deliver pan Berks projects. The money will be capacity building money to deliver pan Berks projects (the themes of which cut across all 6 local Elevate projects – as below)).

Local Elevate projects will build the capacity of local providers to promote social inclusion and combat poverty and discrimination. The project will also bring together local activity, and share learning across partners.

To improve pathways and support some of the most hard to reach young people across Berkshire via the existing delivery partners, Elevate Berkshire will deliver a range of pan Berks projects over the 3 years:-

Project 1 - "Supported Employment Programme – (work pairing model and mentoring)" (60k)

Project 2 - "SEN / Disability project" (22.5k)

Project 3 – "Lone Parents project" (22.5k)

Project 4 – "B&ME project" (15k)

Project 5 – "Business in the Community" (20k)

Project 5 – "Sector Based Employment Project (inc Employment & Skills Plans with developers and for public sector procurement activity)" (20k)

Project 6 – "Skills and Employability project" (20k)

Project 7 - "Education Business Partnerships Project" (20k)

#### "Delivery Hubs" – 2.4 million (1.2 million SIF)

Local projects will use this money to build the capacity of local providers to add value, by delivering services and projects locally that are above and beyond business as usual. The money will "FILL THE GAPS" in existing resource to meet the key outcomes within the call (to be firmed up in any full bid) and to work intensively with hard to reach young people in each locality, and across Berkshire.

#### "Single Access Points" – building a sustainable, and holistic, model for the future – 1.2 million project (600k SIF).

Local projects will use this money to build the capacity of the local projects (co-located Hubs and local holistic service offers). The capacity building money will help develop a long lasting sustainable Berkshire model that builds on the foundations laid by City deal funding. The money will allow us to bring together existing internal and external services locally, and across Berkshire into collective, pan Berks projects – delivered via the delivery partners all working in partnership.

Local Elevate projects directly contribute to the delivery of the creative and forward thinking pan Berks projects and act as the vehicle to provide education / training and vocational training for skills and lifelong learning. Services delivered via the Hubs are centred on the notion of inclusive labour markets and promote sustainable and quality employment opportunities to combat poverty and discrimination.

#### "Programme Management of the SIF programme" (100k SIF)

Reading Borough Council, as the lead Authority, will quality assure / liaise with the Managing

Authority regarding claims. This money will contribute toward the resource needed to manage the programme

Comment on how the project costs have been estimated. What is the level of certainty relating to the costs you have identified? More detail will be required at the full application stage.

Project costs have been calculated on unit costs based on delivery partner experience. In discussion with existing providers within the partnership – we have benchmarked current costs of provision and resource for each project.

Hard to reach young people and those with multiple barriers to employment need a great deal of intensive support – which is costly. In response to this the programme has been structured to ensure that we can maximise the added value of EUSIF money, from an economies of scale point of view by working collectively, therefore maximising value for money.

Please advise if irrecoverable Value Added Tax will be claimed

Reading Borough Council as a Local Authority can claim back VAT from HMRC; our budgets do not account for VAT and any returns we make to the EUSIF would not contain a VAT element.

State the source of your match funding, whether it is in place and if not, when is it likely to be confirmed?

Sources of match funding have been set out in the table below. The majority of funding is confirmed however, the match from the Creative Employment Programme is unconfirmed at this stage. Should the amount of match be less than 100k – we plan to match additional Cabinet Office Youth Contract underspend money held by Reading Borough Council, the lead Authority.

Source of Match	Total cost of Projects	From Source	SIF Contribution	Confirmed or Unconfirmed
Princes Trust	300k	150k	150k	Confirmed
Creative Employment	200k	100k	100k	Unconfirmed
Central Cabinet Office Underspend	500k	250k	250k	Confirmed
Existing Resource from across the existing delivery partnership  (money that has been re-	2.4 mill	1.2 mill	1.2 mill	Confirmed

engineered as part of the Elevate Berkshire programme)					
Cabinet Office Underspend from across the existing delivery partnership	1.2 mill	600k	600k	Confirmed	
Central Cabinet Office Match	200k	100k	100k	Confirmed	
TOTAL	4.8 million	2.4 million	2.4 million		

Is the project likely to generate income?

NA

If appropriate (multi Local Enterprise Partnership Area projects) explain how the costs have been shared between areas.

N/A

## 7.0 Deliverables

Results / Outputs														
Please indicate which, and how many Results/Outputs your project will deliver.														
Local Enterprise Partnership area				% split										
Thames Valley Berkshire				100%										
Fund, Indicator type, Indicator, Annual target <i>Note: the table below is to give an indication of the fields you will be asked to complete on Logasnet . Up to 50 lines are available on the Logasnet IT system. Applicants may prefer to keep a copy of their outputs and results using a spreadsheet format for ease of use</i>														
	Fund	Indicator type	Indicator	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
01	ESF	Output	ES/0/01			100	100	100						300

02	ESF	Output	ES/0/04			200	200	200						600
03	ESF	Output	ES/0/06			300	300	300						900
04	ESF	Output	ES/0/15			20	20	20						60
05	ESF	Output	ES/0/16			15	15	15						45
06	ESF	Output	ES/0/17			60	60	60						180
07	ESF	Output	ES/0/18			15	15	15						45
08	ESF	Output	ES/0/21			100	100	100						300
09	ESF	Output	ES/R/05			40	40	40						120

Outline the project management and control systems that will be established for the project, demonstrating that the project has the appropriate capacity to meet the requirements of European Structural Investment funds.

Overarching Governance for Elevate (City Deal) has been put in place as required by Government via the creation of a formal Joint Committee of all the participating Local Authorities, with representation from and links to the LEP.

This Joint Committee will also take on the oversight and challenge role for the EUSIF delivery 9this being inseparable from and integral to City Deal delivery.

Elevate has an established Steering Group at which all the local authorities and delivery partners are represented. This Steering group meets on a quarterly basis, supplemented by additional meetings if required. This is co-ordinated by an overall project manager and associated administrative support employed by Reading Borough Council as the accountable body. This 'central' management and development resource will be supplemented to assist with meeting the additional demands required by the Management Authority in relation to the EUSIF funding. Reading Borough Council has a robust financial management system and significant experience of delivering complex ESF funded projects.

Each of the Local Authorities has established Delivery Groups to ensure effective local implementation of Elevate and, in particular, the effectiveness of local Hubs. Each local authority has a Lead Officer that is responsible for local delivery of Elevate and these are attendees at the Steering Group. This ensures that there is effective management and communication across the Elevate delivery network with the capacity to deliver both local and shared projects and to learn from and disseminate best practice for adoption across the network.

To supplement these existing arrangements legally binding agreements will be put in place between Reading Borough Council and all the Delivery Partners. These agreements will codify and cascade the requirements associated with funding conditions across the whole delivery partnership. Reading Borough Council will quality assure all claims and, if necessary, exclude non-compliant claims from delivery partners in order to ensure that the overall project remains compliant and that funding is not put at risk.

Outline how the project will gather evidence of outputs and results.

In order to capture the outcomes achieved via the Elevate project, a Common Reporting Framework will be used to track interventions and outcomes. This function will be delivered by an existing experienced partner recording destination data across all providers within the partnership.

Using existing IYSS (16-18) and YETI (19-24) systems, any young person who is engaged with by an Elevate provider will be signed-up (using a sign-up and data sharing form) to Elevate Berkshire. Their personal information will be imported into the appropriate system and the young person will be tagged as 'Elevate Active'; their sign-up sheet will be directly linked to them.

Via this system we will be able to track which providers, within the holistic model, are engaging with each young person. We will have information on their current status and be able to track the interventions with them by an Elevate provider. When a young person moves onto a new destination, the provider will be required to

collect evidence in support of this, this evidence will be directly linked to them on the appropriate system and will be available in both electronic and hard copy.

Elevate outputs will be reported monthly and set against the number of NEETs and the number of young people aged 16 to 24 who are in receipt of out-of-work benefits – broken down by cohort (LAC, SEN etc).

The progression of each young person will be tracked via Elevate projects locally. Interventionist tracking will be undertaken by specialist staff who are trained at contacting young people, gaining accurate information, recording their current status within the system and crucially – getting them to engage, or re-engage, with the Elevate service.

Please describe whether or not the necessary team is in place to carry out the project and if not what the plans are to recruit the relevant expertise?

The project currently has a central programme team in place – based at Reading Borough Council, as the ‘accountable body’. The team is supported by local project leads within each of the local Elevate projects; however additional capacity is required to coordinate the EUSIF element of the wider programme.

It is anticipated that external recruitment will take place to secure someone with the necessary experience to fulfil this role competently.

Please describe the rationale and assumptions you have made in establishing the outputs and results which will be achieved. This must link clearly to the project’s activity and objectives. Please explain your method for calculating the target levels.

The activities and projects, as set out in the relevant sections above, will directly deliver the above outcomes over the three years.

Targets were set using current NEET data (locally and across Berkshire) broken down by cohort / protected characteristic. Claimant data was also shared by JCP – and this data also contributed to the development of the above targets. These collective targets will be broken down by locality – and each local project (via their providers working in partnership) will contribute to the collective targets.

In some cases – the target numbers are small. However, we need to be mindful of the cohort size and the amount of provision and resource needed to intensively support young people with multiple barriers into positive destinations.

## **8.0 Project Management and Governance**

## 9.0 Financial Management and Control

Outline the financial management and control systems that would be used for the project, including the process for compiling and authorising European Structural Investment Funds claims for payment?

ORACLE Fusion is the financial management system used to raise purchase orders, make payments and monitor transactions/budgets. Controls: our system of segregation of duties ensures no one individual can raise and authorise an order, a Scheme of Delegation controls who can authorise claims and at what budgetary level.

European Structural Investment Funds is paid to Grant Recipients in arrears. Please explain how the project will manage its cash flow throughout the project's lifetime.

Regular budget monitoring, Accruals accounting, Grant applied based on costs realised rather than incurred

How will you ensure that only eligible and defrayed expenditure is included in a claim to the Managing Authority?

Stringent accounting techniques and controls in place.

If applicable, how will you ensure that delivery partners / financial beneficiaries engaged in the delivery of the project will comply with the requirements relating to defrayal of expenditure?

If applicable this is a Procurement issue; the assumption being this would be laid out within any contract agreements with those engaged.

Describe the system used for filing and retrieving original invoices; explain how evidence of costs incurred will be checked and verified.

Invoices are sent to Anite Information@work for scanning and access is then securely available online. The actual process of purchase orders and receipting for services incurred ensures payments are checked and verified by Accounts Payable.

Please explain how the accounting software and systems used will be capable of maintaining separate records for the project and producing detailed reports to demonstrate where the European Structural Investment Funds is being spent. If applicable, please describe how your partner's software / systems will manage project finances.

The General Ledger within our accounting system has the ability to distinguish between

expenditure on 16 different variables where required thus allowing capability to both accurately account for and monitor via detailed reports; these are Cost Centre (4), Subjective Code (4), Corporate (6) & Further (2) analysis codes. Again where applicable any relationship with partners will be dealt with via procurement and contract agreements.

### 10.0 Compliance

European Structural and Investment Funds are regularly audited and may be subject to recovery where the compliance requirements have not been met. For this reason, many applicants choose to obtain their own independent advice from a law firm or suitable organisation to assist them to structure their project in line with the compliance requirements.

<b>Procurement Law</b>
Is your organisation a “Contracting Authority” under the Public Contracts Regulations?
Yes
If not or don’t know, please set out the reason(s)/questions
NA
Confirm that you have completed Annex 1b, listing all the contracts that will need to be awarded to deliver the project but which have not been awarded prior to this application.
Yes
Describe the system that will be put in place to:  Test that the contracts listed in Annex 1a can demonstrate compliance with procurement law including, if not a Contracting Authority, compliance with European Union Treaty principles on openness, transparency and equal treatment (short of undertaking an Official Journal of the European Union process). See DCLG Procurement Guidance.  Plan the tender processes listed at Annex 2b to ensure that they comply with procurement law / European Union principles including: <ul style="list-style-type: none"> <li>• Advertising contract opportunities to the market; and</li> <li>• Evaluating bids in an open transparent and non-discriminatory manner.</li> </ul> Ensure that all relevant documents are retained with a view to providing relevant information in the event of an audit or other investigation.
As lead delivery partner, Reading Borough Council will contract with the other primary delivery partners, who will in turn follow any relevant EU procurement regulations when distributing ESF funding to other providers, within the existing Berkshire partnership. More information will be provided within the full bid application.

## State Aid Law

None of the beneficiaries (partners within the existing delivery partnership) meet the state aid test; however this will be reviewed in time for any full application, after consultation with internal legal expert.

- If you believe any potential beneficiary is outside of the scope of State Aid, please provide the reasons.

The six local authorities and Reading UK CIC can be considered exempt as they provide regulatory and public function activities due to their nature. State aid tests will be conducted on all existing delivery partners as part of the full application. This will be done with the support of legal services across the partnership.

- Applicants may wish to refer to the European Commission's "Notion of State Aid" guidance and the Department for Communities and Local Government's European Regional Development Fund guidance on State Aid Law available at <https://www.gov.uk/government/publications/european-structural-and-investment-funds-project-requirements-and-publicity-materials>

- For each beneficiary that the applicant regards as being in receipt of State Aid, explain which exemption they will be using to provide the aid in accordance with State Aid Law (for notified schemes outside the General Block Exemption Regulation the answer should include the full name of the scheme and the Commission reference number).

State aid tests will be conducted on all existing delivery partners as part of the full application. This will be done with the support of legal services across the partnership.

- Where a State Aid exemption is applied, describe the system in place to collect relevant documentation to demonstrate compliance and to meet the annual reporting requirements.

State aid documentation and compliance will be embedded within formal agreements between the lead authority (Reading Borough Council) and other primary delivery providers within the existing partnership.

## Publicity

Please explain how the project will meet the European Structural Investment Funds Publicity Requirements.

All branding for Elevate Berkshire will adhere to the branding and publicity guidelines set out in the European Structural and Investment Funds Growth Programme. This will include use of the European Social Fund logos on all printed and digital materials.

## Confidential Information

Please insert here any information that you wish to keep confidential from the Local Enterprise Partnership Area European Structural Investment Funds Committee and explain the reason why. Please note that the Managing Authority as a public body is bound by the Freedom of Information

Act and may have to disclose information if requested.

*Please note that the tables below are to give an indication of the fields you will be asked to complete on Logasnet – applicants may prefer to keep a copy of their financial tables and cost category profiles using a spreadsheet format for ease of use.*

### Annexe 1a Financial Tables

Category of Region	% split
Less Developed	
Transition	
More developed	<b>100?</b>

LEPs	% split
<b>Thames Valley Berkshire</b>	<b>100</b>

Priority Axis	% split
01	
01	

Thematic Objective/s	% split
<b>8</b>	<b>50</b>
<b>9</b>	<b>15</b>
<b>10</b>	<b>35</b>

Investment Priorities	% split
1.1	<b>60</b>
1.2	<b>20</b>
2.2	<b>20</b>

**ERDF REVENUE**

	Total	ERDF	Public	Private	Intervention Rate
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
Total					

**ERDF CAPITAL**

	Total	ERDF	Public	Private	Intervention Rate
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
Total					

**ERDF TOTAL**

	Total	ERDF	Public	Private	Intervention Rate
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
Total					

**ESF REVENUE**

	Total	ERDF	Public	Private	Intervention Rate
2014					
2015	800		800		
2016	800		800		
2017	800		800		
2018					
2019					
2020					
2021					
2022					
2023					
Total					

**ESF TOTAL**

	Total	ERDF	Public	Private	Intervention Rate
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
Total					

**YEI REVENUE**

	Total	ERDF	Public	Private	Intervention Rate
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
Total					

**YEI TOTAL**

	Total	ERDF	Public	Private	Intervention Rate

2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
Total					

**OVERALL**

Total					
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Category	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Consultancy			10,000								10,000
Marketing			3,000	3,000	3,000						9,000
Office Costs			15,000	15,000	15,000						45,000
Rent			50,000	50,000							100,000
Salaries			350,000	350,000	340,000						1,040,000
Participant Costs			320,000	320,000	320,000						960,000
Other Staff costs			80,000	60,000	60,000						200,000
Other Direct Costs			12,000	12,000	12,000						36,000
<b>TOTAL</b>			<b>840,000</b>	<b>810,000</b>	<b>750,000</b>						<b>2,400,000</b>



**Annexe 1a Financial Tables – see actual guidance doc at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/425649/Outline\\_Application\\_Guidance\\_WORD\\_Version\\_050515.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/425649/Outline_Application_Guidance_WORD_Version_050515.pdf) for appendix 1a funding table info**

**Procurement**

*Please note that this section on Logasnet needs to be repeated for each procurement (Logasnet has up to fields for up to 10 entries).*

<b>Procurement Law: procured contracts</b>		
If activities delivered through the project are subject, or are likely to be, subject to procurement, please describe how the project will comply with the European Structural & Investment Funds procurement rules.		
Are your procurement procedures documented?		
As lead delivery partner, Reading Borough Council will contract with the other primary delivery partners, who will in turn follow any relevant EU procurement regulations when distributing ESF funding to other providers, within the existing Berkshire partnership. More information will be provided within the full bid application.		
Please provide in the table below, details of any procurement already undertaken, or to be done in the future, that will be used to source works, goods or services that will be funded as part of the project. If in the future, enter the anticipated start date.		
<b>We will be working with partners to identify the service delivery partners who will deliver goods or services as part of the full bid application.</b>		
<b>Procurement ID</b>	Description of works, supplies or services procured or to be procured under the contract	
	Name of supplier	
	Reference number	
	Date of contract / purchase	
	Date procurement started / is expected to start	
	Supplies, services or works	(Drop down list)
	Total value of contract	
	Anticipated value of works, supplies or services which will be provided to the project under the contract.	
	Procurement method	
	How will / has the contract been advertised?	

	All relevant procurement records will need to be made available to demonstrate compliance in the event of an audit or other investigation. What processes will / have been established to ensure all records are held by your organisation?	
What evidence can you provide that processes me, or will meet, the public procurement requirements? Include details of how the tender opportunities were, or will be advertised.		
Any future process will be in line with public EU procurement regulation and contracting on the premise that Reading Borough Council will be the contracting authority. The lead authority will have a quality assurance and compliance framework in place for any procurement or tendering activity. Resource will be allocated centrally to monitor partners and delivery.		

## 12. Declaration & Signature

I declare that I have the authority to represent [*insert name of organisation*] in making this application.

I understand that acceptance of this Outline Application does not in any way signify that the project is eligible for European Structural Investment Funds support or that European Structural Investment Funds has been approved towards it.

On behalf of [*insert name of organisation*] and having carried out full and proper inquiry, I confirm to the Department:

- [*insert name of organisation*] has the legal authority to carry out the project; and
- That the information provided in this application is accurate.

I confirm to the Department:

- I have informed all persons in relation to whom I have provided personal information of the details of the personal information I have provided to you and of the purposes for which this information will be used and that I have the consent of the individuals concerned to pass this information to you for these purposes.
- That I shall inform the Department if, prior to any European Structural Investment Funds being legally committed to [*name of organisation*], I become aware of any further information which might reasonably be considered as material to the Department in deciding whether to fund the application.
- Match funding will be in place prior to any award of European Structural Investment Funds.
- I am aware that if the information given in this application turns out to be false or misleading Department for Communities & Local Government (DCLG, for the European Regional Development Fund) and the Department for Work and Pensions (DWP, for the European Social Fund) may demand the repayment of funding and/or terminate a funding

agreement pertaining to this Application.

I confirm that I am aware that checks can be made to the relevant authorities to verify this declaration and any person who knowingly or recklessly makes any false statement for the purpose of obtaining grant or for the purpose of assisting any person to obtain grant is liable to be prosecuted. A false or misleading statement will also mean that approval may be revoked and any grant may be withheld or recovered with interest.

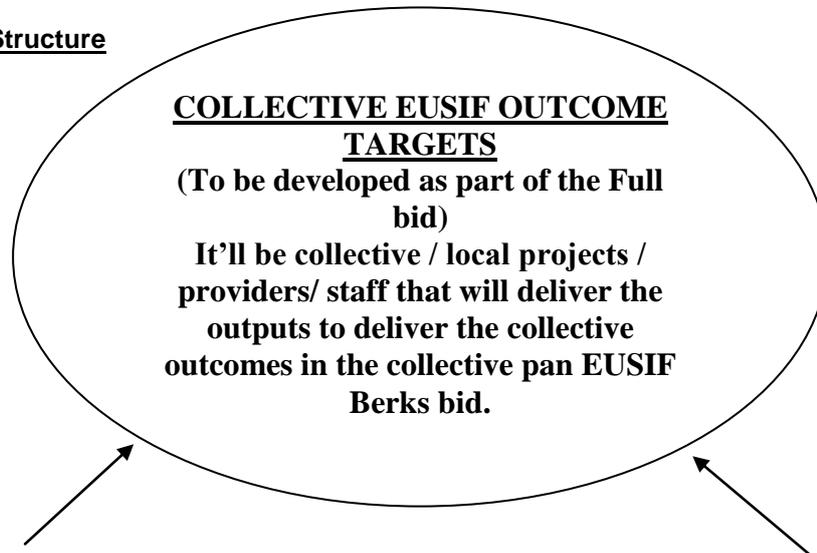
**NB I am aware that if the Applicant commences project activity, or enters any legal contracts or makes any binding commitments, including the ordering or purchasing of any equipment or services before both the formal approval of the project and the execution of the European Structural Investment Funds Funding Agreement, any related expenditure is incurred at the Applicant's own risk may not be compliant with European Structural Investment Funds funding requirements, could be ineligible for support and may render the entire project ineligible for support.**

Signed For and on behalf of the Applicant Organisation	<b>will be done electronically</b>		
Name (Print)			
Position		Date	

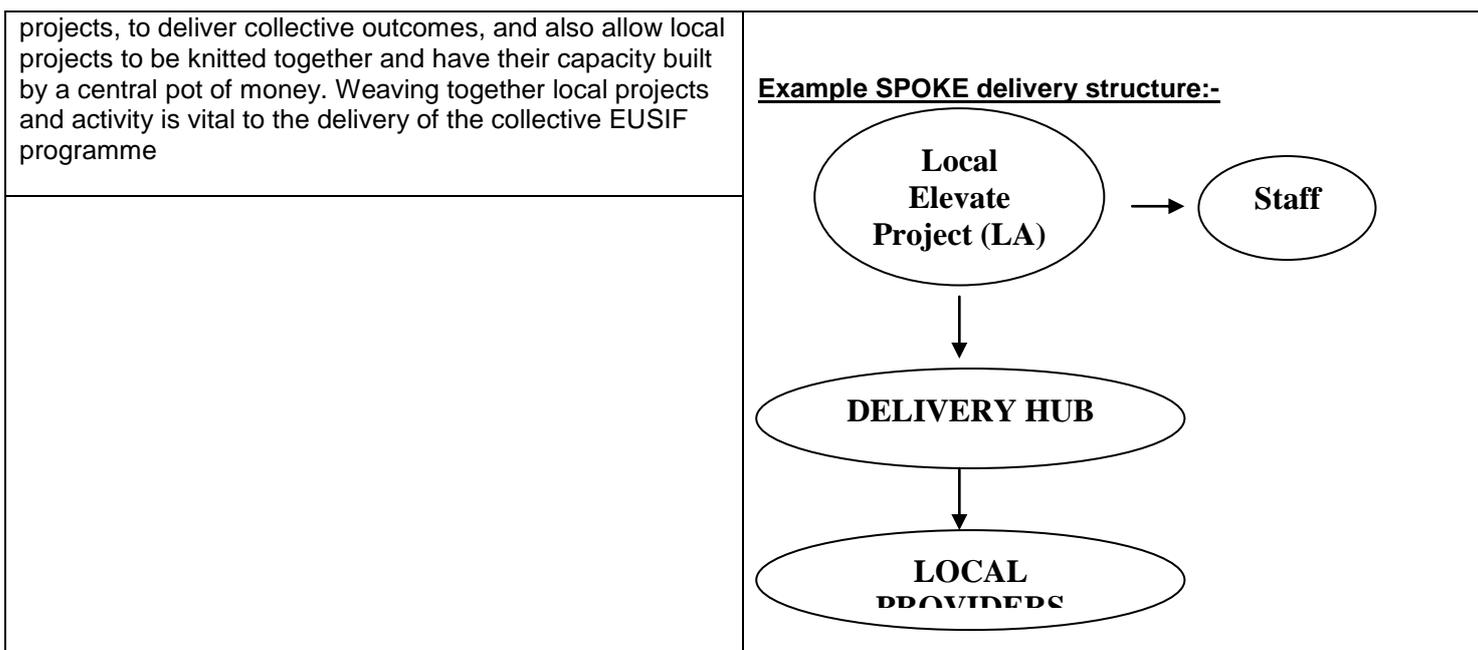
## Appendix 2

### EUSIF CALL

#### SIF Delivery Structure



<b>SPLIT OF THE '<u>NOTIONAL</u>' 2.4 MILLION OF EUSIF MONEY</b>	
<b>PAN BERKS (HUB) - £600,000</b>	<b>LOCAL Elevate Projects (SPOKE) - £1.8 million (based on a % split – as per the briefing paper)</b>
<b>Both POTS contribute to the delivery of the collective Pan Berks targets - TBA</b>	
<b>Creative Employment Project – Provisionally 100k (200k project / 100k match from central CO money)</b> SIF money will build the capacity of the Pan Berks Creative Employment programme by further incentivising relevant employers to take on young people (supported internships and apprenticeships)	The 6 SPOKES (LAs) are the <u>primary delivery partners</u> within the existing 'Elevate Berkshire' partnership. This money will allow the local projects to build the capacity of the existing offer – notably in the form of resource (staff) and money to fund the 'delivery HUBs' – as without the delivery HUBs / local offer – local spokes won't be able to deliver the projects / run the service offer, to deliver the collective outcomes within the collective EUSIF bid.  <u>'NOTIONAL' allocations</u> to each SPOKE can be found in the EUSIF briefing document.  SPOKES can use retrospectively claimed SIF money to pay for staff to deliver and manage local projects, fund the existing delivery HUBs and to build the capacity of local providers – to help deliver the collective targets
<b>Princes Trust Project – 150k SIF / 150k from PT (300k worth of projects)</b> The Princes Trust will deliver 300k worth of projects pan Berks – YP across Berks will have access to PT programmes. The projects will help 'fill gaps' in current resource and support employer engagement.	
<b>Programme Management and Compliance – EUSIF Programme – 170k (ALL SIF – matched from central CO money but no CO money post March 17 – so this SIF money will need to be banked)</b> SIF money will be spent over three years and the SIF programme has added 18 months to 2 years to the original City Deal, which was due to end in March 17. This money will fund the Programme / Project Management of the SIF programme as well as resource needed centrally to quality assure claims and manage the complex and resource intensive retrospective claims process with DWP – the managing authority.	
<b>Pan Berks projects (developed centrally – implemented centrally and locally) - 180k (ALL SIF – as above)</b> This money will support the delivery of true pan Berks	



**Match**

Source of Match	Total cost of Projects	From Source	SIF Contribution										
<b>HUB</b>													
Princes Trust	300k	150k	150k										
Creative Employment (TBC)	200k	100k	100k										
Central Cabinet Office Underspend – managed by Reading (for PM and Compliance AND Pan Berks projects)	700k	350k (this money will have been matched during 15/16 and retrospective SIF money claimed will need to be banked by RBC to pay staff costs post March 17 – total cost of project is not 700k)	350k										
	£1.2 million	600k Match	<b>TOTAL = 600k of SIF</b>										
<b>SPOKE</b>													
Existing Resource (Locally)  AND  Cabinet Office Underspend (Locally)	£3.6 million	£1.8 million (please see table for below for information on local match needed)											
		<table border="1"> <tr> <td>BFC</td> <td>£340,541.00</td> </tr> <tr> <td>RBC</td> <td>£401,801.00</td> </tr> <tr> <td>SBC</td> <td>£378,378.00</td> </tr> <tr> <td>West Berks</td> <td>£306,306.00</td> </tr> <tr> <td>Windsor</td> <td>£225,225.00</td> </tr> </table>	BFC	£340,541.00	RBC	£401,801.00	SBC	£378,378.00	West Berks	£306,306.00	Windsor	£225,225.00	
BFC	£340,541.00												
RBC	£401,801.00												
SBC	£378,378.00												
West Berks	£306,306.00												
Windsor	£225,225.00												

		and Maidenhead		
		Wokingham	£147,748.00	
	£3.6 million	£1.8 million Match		<b>TOTAL = £1.8 million SIF</b>
<b>TOTAL</b>	<b>4.8 million</b>	<b>2.4 million Match</b>		<b>TOTAL = £2.4 million SIF</b>

## Appendix 3

### **Briefing Paper - European Social Investment Fund (EUSIF) and Elevate Berkshire Background**

For the 2014 to 2020 funding period, the European Regional Development Fund (ERDF), the European Social Fund (ESF) and part of the European Agricultural Fund for Rural Development (EAFRD), will be brought together into an EU Structural and Investment Funds Growth Programme. The top priorities of this Programme are innovation, support for SMEs, low carbon, skills, employment and social inclusion.

The government has announced the breakdown of €6 billion of the Growth Programme Funds by Local Enterprise Partnership (LEP) area.

Each LEP has been asked to set out how it intends to use the Growth Programme Funds in a European Union (EU) Structural and Investment Funds strategy. In developing its strategy, the LEP will work with and reflect the interests of a broad range of economic, social and environmental partners, including businesses, civil society, rural partners and further and higher education institutions.

#### **Growth Programme Funds and Elevate Berkshire (City Deal)**

From the beginning of the City Deal programme (1<sup>st</sup> April 2014), the intention was to match £2.4 million of Youth Contract underspend (given by the Cabinet Office Growth team) with £2.4 million of EUSIF money (employment priority axis) – totaling a 4.8 million pan Berkshire programme (plus 300k of BIT time)

However, due to a challenge by two other City Deals the implementation of the EUSIF programme was delayed until May 2015. In practice, this meant that Cabinet Office money spent from 1<sup>st</sup> April 14 until the 22<sup>nd</sup> May 15 was not eligible to be matched. By May 15, City Deal (now known as Elevate Berkshire), had spent £1.4 million. The result was that the programme now had to find £1.4 million of 'new' eligible match.

In April 15, the Thames Valley Berkshire Local Enterprise Partnership (LEP), facilitated a call, on behalf of the Department of Work and Pensions (DWP) as the Managing Authority, to seek expressions of interest to deliver the employment priority axis and on the 22<sup>nd</sup> May, Reading Borough Council submitted a bid, as accountable body for the original City Deal, on behalf of the other 5 Berkshire Authorities that form the Elevate Berkshire delivery partnership. (Please see Appendix 1).

It was agreed that Elevate Berkshire would stick to the original plan to seek the full funding of 2.4 million – even though the programme would need to find an additional 1.4 million of new match. It was also agreed that should we be successful in securing EU funding – that any money would be spent over 3 years.

## **EUSIF Process – Initial expression of interest and agreed delivery structure**

The EUSIF call stipulated that any IEI must be to deliver a pan Berkshire programme. Therefore, and in line with the ethos of Elevate Berkshire around collaborative working, the IEI was developed in discussion with the Elevate Berkshire Steering Group – made up of Project Managers from each local project; that together form the Elevate Berkshire network.

The crux of the IEI was around how the existing Elevate delivery partnership would deliver a pan berks programme, focusing on reducing youth unemployment for some of the hardest to reach young people across the region. This was the main outcome of the EUSIF call (with a particular focus on skills, and particular groups / cohorts of young people inc SEN, LAC, B&ME and young people with an offending background).

There were a number of considerations to take into account when structuring the programme. The main complication was around how to ensure money went back to local projects, while ensuring that local activity would deliver the collective targets. The additional consideration here – is that EUSIF money is claimed retrospectively, based on being able to evidence successful claims.

Three approaches were considered – and each had pro's and con's in terms of risk. As will all EU programmes, there is always an element of risk and the aim was to deliver a pan Berks programme that allowed local and collective delivery, while at the same time mitigating the risk of an unsuccessful claim. Broadly:-

1. The £2.4 million is kept centrally and used to deliver pan Berks projects. The money would be used to pay providers, across the existing partnership, to work collaboratively to hit agreed collective targets – plugging gaps in local provision. Although there were a no' of pros with this approach – it didn't allow spokes to receive funding directly to fund things like existing delivery HUBs
2. The £2.4 million is split between the 6 projects (on a unit costs basis). Although this would mean that spokes receive money directly, the structure would make it difficult to tell a collective story – as per the call.
3. The £2.4 million is split between a local and collective delivery structure. Although more risky than option 1 above, it allows for spokes to receive a percentage of the funding directly to continue to resource local delivery and existing delivery HUBs.

It was agreed that we would structure the bid, as per option 3. (Please see appendix 2 for the agreed delivery structure and 'provisional/as yet to be confirmed' project dates).

A Risk Assessment has also been produced – looking at the impact on local delivery of not receiving funding and if we do secure EUSIF money, also looks at risks associated with the claims process and how to mitigate the risk of retrospective claw back.

At the beginning of 2014, when we assumed that we would be matching Cabinet money and EUSIF money 'like for like', notional allocations were given to each Local Authority with regard to the amount of EUSIF money they might receive – based on a successful bid and successful claims.

As the landscape has changed significantly since the beginning of 2014 – we have had to re-look at the way any EUSIF money would be administered. It was decided the only fair way to way to disperse this money was to apply the original percentage calculation applied to the original £2.4 million, to the agreed £1.8 million – as per the delivery document in appendix 2. The table below sets out each spokes notional amount of £1.8 million (on the premise that each spoke hits their individual targets / and can evidence these outcomes successfully).

Discrepancy with the notional amounts is due in part to the amount of Cabinet Office money given but also, that a unit cost approach was taken – based on numbers of young people who are NEET in each locality.

<b>Spoke</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Original 'notional' allocation</b>	<b>% of original 2.4 million</b>	<b>% and amount of the 'notional' 1.8 million (over 3 years) – based on successful retrospective claims.</b>
<b>BFC</b>	£142,300.00	£199,800.00	£112,300.00	£454,400.00	18.9%	<b>£340,541.00</b>
<b>RBC</b>	£166,000.00	£205,000.00	£166,000.00	£537,000.00	22.3%	<b>£401,801.00</b>
<b>SBC</b>	£140,000.00	£241,300.00	£110,000.00	£491,300.00	21.0%	<b>£378,378.00</b>
<b>West Berks</b>	£130,000.00	£186,500.00	£100,000.00	£416,500.00	17.0%	<b>£306,306.00</b>
<b>Windsor and Maidenhead</b>	£131,700.00	£167,000.00	£0.00	£298,700.00	12.5%	<b>£225,225.00</b>
<b>Wokingham</b>	£93,300.00	£104,700.00	£0.00	£198,000.00	8.2%	<b>£147,748.00</b>

### **Next steps and considerations (inc risk)**

There is still a significant amount of unknowns with the EUSIF programme. Although our expression of interest was accepted on the 9<sup>th</sup> June - we still have little information on what will be expected of us, as part of a full bid, and we still require information on procurement and state aid considerations going forwards. We also haven't been given any timescales from the LEP, who are managing the programme on behalf of the Local Authority, around a full bid.

The key consideration at this stage is how to develop a more formal, contractual relationship between Reading Borough Council (RBC), as the lead for the EUSIF bid, and the other partners that form part of the existing delivery partnership. This will be discussed in more detail as things become clearer however, formal agreements will need to be in place between RBC and the other Local Authorities – with a focus on compliance.

### **Going forwards – preparation for a full bid**

In preparation for a full bid, spokes need to set out where their match funding will come from. As per the delivery structure document – spokes need to ensure they have eligible match that marries with the notional amounts they have been awarded. Match will be a mixture of Youth Contract underspend and existing resource. The risk assessment provides further information for spokes.

The central Elevate team is working with local spokes to firm up activity that will be delivered during year 2 and 3. Each spoke has been provided with a project and performance template and have been asked to map out activity and projects that will be funded using Cabinet Office money and re-engineered existing provision. They have also been tasked with setting out how the capacity of the local projects will be built by EUSIF money (notional) that will achieve the outputs below.

In order to meet the requirements within the ‘call, we are required, within the full bid, to set out a collective pan Berkshire programme that will deliver the key outcomes on behalf of the Managing Authority. The key outcomes of the call have been set out below:–

This call aims to support additional provision that complements existing government programmes to tackle youth unemployment and reduce the number of young people who are NEET, including those who are regularly moving between unemployment and short-term work.

#### Key activities include,

- Integrated information, advice and guidance, based on good local labour market intelligence, and making innovative use of technology;
- Employment brokerage between employers and individuals, including using technology to improve the matching process;
- Intensive caseworker support for those in most need e.g. care leavers, young offenders, and including targeted interventions for lone parents;
- Innovative approaches for lone parents and other priority groups.

More information can be found here - <https://www.gov.uk/european-structural-investment-funds/access-to-employment-call-for-thames-valley-and-berkshire>

Although the above outcomes chime with the outcomes in the original City Deal, we will need to develop outputs for each of the named cohorts of young people in the full bid. Moreover, we will need to strengthen the work on other areas mentioned in the call and set targets accordingly intensive support and innovative projects. Spokes have therefore been asked to analyse data they are collecting to ascertain a baseline for each of the relevant cohorts of young people. An understanding of who the unemployed are, locally and collectively, is a vital part of the full bid process, as is agreeing what local, and collective, activity, will be delivered to meet local and collective targets for both the Cabinet office and EUSIF.

### **Summary**

In summary, there are still a significant amount of unknowns with the EUSIF programme. We are still waiting for feedback on our successful expression of interest and need further clarification on the process, and timescales, of a full bid. Moreover, there are still uncertainties in relation to outcomes and outputs and the local and collective projects that will form the full EUSIF programme. As covered above, and as covered in the accompanying risk assessment, we still require information regarding the eligibility criteria for evidencing claims and processes around state aid and procurement.

On-going conversations will be had via the Elevate Berkshire Steering Group and now we're at the full stage, the Programme Manager will keep the City Deal Joint Committee abreast of any developments with regard to the wider programme. At the meeting of the next Joint Committee group, it will be proposed that the programme starts once contracts are in place.

## Appendix 4

### Elevate Berkshire – Risk Assessment for EUSIF programme (as of June 12<sup>th</sup> 2015)

N.B – Please see Appendix 1 for further information. It must also be noted that risks are high – as there are currently a large number of unknowns with regard to the process of the EUSIF Programme. Once we have clarity on this – the RA will be reviewed and we envisage risk will be reduced

Risk ref no	RISKS	Inherent risk <i>Risks are assessed on the basis that there are no controls in place, or on the basis that any existing controls are not operating effectively – the worst case scenario if the risk were to occur</i>			Mitigation	Residual risk <i>Controls in place should already be helping to minimise the likelihood or impact of the identified risks. Therefore, the identified risks are then re-assessed in light of the existing and proposed controls.</i>			Change since last review	Risk owner
		Impact	L'hood	Score		Impact	L'hood	Score		
1	<p><b>EUSIF - £2.4 million funding bid is unsuccessful – risk is around impact on original City Deal targets and continuation of local projects</b></p> <p>-Failure to acquire the funding would, in some cases, impact on the</p>	3	3	9	<p>The City Deal programme was scoped as a £4.8 million project based on funding via 2 pots of money, £2.4 million of Cabinet Office funding under the Berkshire City deal, supplemented by an additional fund of the same notional amount from EUSIF</p> <p>The funding available via EUSIF is committed to the Thames Valley Region but can only be accessed after submitting an initial expression of</p>	3	2	6		All

	<p>delivery of local projects. (e.g spokes may be unable to pay the rent on their hubs, needed for the face to face delivery of services)</p> <p>-Failure to acquire the funding would also reduce the project's potential to build the capacity of the existing programme and project work discussed around working with hard to reach groups</p>				<p>interest, followed by a full application</p> <p>The former has been submitted, and accepted, and work is ongoing to clarify details around the funding split, projects for match funding and resource to deliver the project moving forward with regard to a full bid</p> <p>ESF funding was always a <b>'notional' allocation'</b> due to the reliance on a successful bidding process to access the finances. EUSIF money was not factored into the delivery aspect of the original City Deal programme – and was always seen as a notional pot of capacity building money – it wasn't central to the delivery of City Deal Berkshire (or local projects)</p>					
2	<p><b>Sources of match funding are withdrawn / are no longer applicable (e.g. a provider's contract is reduced or internal savings impact upon the match)</b></p> <p>-Potential sources of funding are dependent on spending via internal or commissioned services (e.g. commissioned</p>	4	4	16	<p>-That spokes identify other sources of match funding as a contingency plan</p> <p>-That spokes are clear as to how much of the existing resource they intend to match fund (not all may be applicable as the total amount for some contracts / existing resource is not solely revenue)</p> <p>-That spokes monitor their internal service/provider's contracts closely to identify any reductions in funding as soon as possible.</p>	3	3	9	<p>-spending and match funding would need to be re-profiled – as would the delivery programme, should We have less money to deliver, due to a reduction in match funding</p>	All

	<p>providers such as Adviza or internal services as in SBC case)</p> <p>-with public spending cuts set to continue, questions remain around the sustainability of utilising such existing services/contracts as match</p>				<p>-Spokes remain in contact with relevant service and transformation leads, discussing the programme with them and agreeing existing resource to be matched.</p>				
3	<p><b>Individual spokes fail to hit their target outcomes – that form part of the overarching collective EUSIF programme targets</b></p> <p>-Where less than 100% of EUSIF is secured. Money will be distributed on a unit cost basis – possibly impacting on the amount of additional activity that can be delivered</p> <p>-There is a risk that splitting collective targets between 6</p>	2	3	6	<p>-Spokes to begin providing the central Elevate team with NEET / unemployment data – disaggregated by protected characteristic and cohort (with a focus on LAC / YOT / SEN / Lone Parents and M&amp;ME)</p>	2	3	6	All

	<p>partners, and their delivery providers, may make achieving targets, and evidencing them, a difficult process</p> <p>-Providers double count YP / look to use internal LA match as match for themselves when bidding for additional money</p> <p>-Provider fails to deliver targets</p>								
4	<p><b>Spokes must evidence their claims locally. Should they fail to do so – it may impact on the ability of the wider delivery partnership to draw down funding</b></p> <p>-Failure to comply with the guidelines locally could result in sanctions</p> <p>-As liable party, RBC could face financial penalties and would therefore need to have arrangements in place</p>	2	3	6	<p>-All spokes to check they have capacity and the resource to monitor these locally/make arrangements to address these resource issues.</p> <p>-RBC embed responsibility for evidencing the claims locally in to contracts with the main delivery partners</p> <p>-Confirm plans to provide the necessary resource to ensure the ESF procedures can be adhered to</p> <p>-Ensure appropriate funding is set aside for this</p> <p>-RBC to begin formulating contracts with main delivery partners that embeds responsibility for claims</p>	2	3	6	All

	to mitigate these risks				locally within them				
5	<p><b>Provider withdraws / organisation ceases to exist</b></p> <p>-With further public cuts set to commence, there is a risk that some organisations may dissolve. Should providers dissolve this would leave gaps in the service delivery for the project and hinder the delivery of the outcomes</p> <p>-spokes would then need to identify and commission alternative providers to continue with the service delivery, or look to deliver services internally</p>	2	3	6	<p>-Spokes to specify how they intend to mitigate such risks by identifying a list of alternative providers / potential in-house models</p> <p>-Spokes consider how they could ensure outcomes are Not lost if organisations / providers capacity is reduced</p>	2	3	6	All
6	<p><b>Provider fails to deliver targets</b></p> <p>-Providers commissioned via the funding will be used to</p>	2	3	6	-Providers commissioned via the funding will be used to support the primary delivery partners in reaching the target outcomes for EUSIF (formally)	2	3	6	All

	support the primary delivery partners in reaching the target outcomes								
7	<p><b>Evidencing EUSIF claims (risk around money we have drawn down – from successful claims – being retrospectively claimed back by the EUSIF)</b></p> <p>-EUSIF attempt to claw back the funding:- Spokes do not have enough resource to administer the necessary compliance</p> <p>Spokes fail to adhere the guidelines/document the relevant paperwork</p> <p>The potential workload attached to the claims (BES team, finance and procurement)</p> <p>-In addition all paper evidence will need to be securely stored for a</p>	2	4	8	<p>-That partners scope resource requirements and ensure they have capacity to capture the relevant paperwork</p> <p>-that contracts are formed between Reading Borough Council and the five local authorities/Reading UK CIC, within which the responsibility for quality assurance will be embedded.</p> <p>-Procurement guidelines will need reviewing further, but implications may be that all procurement will need to be evidenced, even to the extent that spokes that spend ESF funding locally on work such as marketing may need to evidence this</p> <p>-Spokes confirm plans to provide the necessary resource to ensure the ESF procedures can be adhered to</p>	2	4	8	All

<p>period of time not yet determined (potentially up to 15 years)</p> <p>-Providers don't provide the necessary evidence to support the claims process</p> <p>-That eligibility (evidence criteria) has still not been determined (by the EUSIF)</p>									
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**APPENDIX 1**

<b>1.0 Likelihood</b>	Almost Certain (Above 95%)	5	10	15	20	25
	Highly Likely (Above 75%)	4	8	12	16	20
	Likely (Above 40%)	3	6	9	12	15
	Possible (above 10%)	2	4	6	8	10

	Rare (Less than 10%)	1	2	3	4	5
		Negligible	Slight	Moderate	Critical	Catastrophic
<b>2.0 Impact</b>						

- Political
- E-risks
- Regulatory
- Financial/Fraud
- Opportunities
- Reputation
- Management
- Assets
- New Projects/Partnerships
- Customers/Citizens/Clients
- Environment

**TYPES  
OF  
RISKS**

**Likelihood**

Description	<i>3.0 Example Detail</i>
<b>Almost certain (above 95%)</b>	Has <b>happened</b> in the past <b>6 months</b> ; or Is <b>expected</b> to happen in the next <b>6 months</b> More than <b>95% probability</b>
<b>Highly Likely (above 75%)</b>	Has <b>happened</b> in the past <b>6 months to 2.5 years</b> Is <b>expected</b> to happen in the next <b>6 months to 2.5 years</b> Between <b>75% to 95% probability</b>
<b>Likely</b>	Has <b>happened</b> in the past <b>2.5 to 6 years</b>

<b>(above 40%)</b>	Is <b>expected</b> to happen in the next <b>2.5 to 6 years</b> Between <b>40% to 75% probability</b>
<b>Possible (above 10%)</b>	Has <b>happened</b> in the past <b>6 to 10 years</b> Is <b>expected</b> to happen in the next <b>6 to 10 years</b> Between <b>10% to 40% probability</b>
<b>Rare (less than 10%)</b>	Has <b>happened</b> in the past <b>10 years or more</b> ; or Is <b>expected</b> to happen after <b>10 years or more</b> Between <b>1% to 10% probability</b>

## Impact

Description	4.0 Impact Type	5.0 Example Detail
<b>6.0 Catastrophic</b>	H&S	Death or life threatening
	Service Delivery	Loss of service for more than 5 days Impacts on vulnerable groups Affect the whole council
	Reputation	Negative sustained <u>national</u> publicity, resignation or removal of CE, Director or elected member.
	Environmental	Major damage, long term contamination to local area
	Legal	Legal action almost certain and difficult to defend, Catastrophic breach of duty resulting in imprisonment
	Financial	Financial impact not manageable within existing funds and requiring Member approval for virement or additional funds i.e. in excess of £1,000,000 Or >15% of monthly budget
<b>Critical</b>	H&S	Extensive, permanent/long term injury or long term sick
	Service Delivery	Loss of service 3 to 5 days Possible impact to small numbers of vulnerable people, definite impacts on property or non-vulnerable groups Affects most directorates
	Reputation	Negative <u>national</u> publicity

	Environmental	Serious damage, medium term contamination to local area
	Legal	Legal action expected, Significant breach of duty resulting in fines/disciplinary action
	Financial	Financial impact manageable within existing Directorate budget but requiring Director and Head of Finance approval for virement or additional funds i.e. between £500,000 and £1,000,000 Or >10% of monthly budget
<b>Moderate</b>	H&S	Injury, lost time, Short term sick absence
	Service Delivery	Loss of service 2 to 3 days Impacts to non vulnerable groups, Affects a single directorate
	Reputation	Negative sustained <u>local</u> publicity, High proportion of negative customer complaints
	Environmental	Moderate impact, to short term contamination to local area
	Legal	Legal action possible Moderate breach of duty resulting in disciplinary action
	Financial	Financial impact manageable within existing Directorate budget but requiring Director and Head of Finance approval for virement or additional funds i.e. between £250,000 and £500,000 Or >5% of monthly budget
<b>Slight</b>	H&S	Injury – no lost time
	Service Delivery	Loss of Service 1 to 2 days Impacts to non vulnerable groups Affects 1 or a few services of the council
	Reputation	Negative <u>local</u> publicity
	Environmental	Minor impact, short term contamination
	Legal	Legal action unlikely Minor breach of duty resulting in disciplinary action
	Financial	Financial impact manageable within existing service budget but requiring service manager approval for virement or additional funds i.e. between £50,000 and £250,000 Or >2% of monthly budget
<b>Negligible</b>	H&S	Incident – no lost time

	Service Delivery	Brief disruption, less than 1 day Impacts to non vulnerable groups Affects a project
	Reputation	Minor adverse local publicity
	Environmental	Local incident would be dealt with immediately with minimal impact
	Legal	Legal action unlikely Localised service level deviation from duties
	Financial	Possible financial impact manageable within service budget i.e. less than £50,000 Or > 1% of monthly budget