

# LIVERPOOL CITY REGION COMBINED AUTHORITY

To: The Metro Mayor and Members of the LCR Combined Authority

Meeting: 1 November 2019

Authority/Authorities Affected: All

EXEMPT/CONFIDENTIAL ITEM: No

Key Decision

## REPORT OF THE TREASURER

### **ACCEPTANCE OF ADDITIONAL EUROPEAN SOCIAL FUND GRANT AND EXTENSION OF EXISTING PROGRAMME**

#### **1. PURPOSE OF REPORT**

1.1 This report presents the LCR Combined Authority with the opportunity to accept an additional £5,869,094 of EU funding and to extend LCR ESF Ways to Work programme to support more residents across the Liverpool City Region. The purpose of this report is to outline the necessary arrangements that the Liverpool City Region Combined Authority will need to make to accept the additional European Social Fund (ESF) grant awarded to the existing LCR ESF Ways to Work programme;

- to extend the LCR ESF Ways to Work programme;
- to increase the grants awarded to these partner agencies; and
- to extend the duration of the grant funding agreements with partner agencies.

#### **2. RECOMMENDATIONS**

2.1 It is recommended that the Liverpool City Region Combined Authority:

- (a) Formally accept the additional European Social Fund grant outlined in Table 1a below and for which the LCR Combined Authority acts as the Accountable Body;
- (b) Agree to extend the end date of the existing ESF Ways to Work programme as detailed in Table 1b below;
- (c) Agree the onward grant awards of the additional money to relevant partner agencies listed in Table 2;
- (d) Delegate authority to the LCR Combined Authority Treasurer and Monitoring Officer to sign relevant variation to grant funding agreement letters and agree

any necessary amendments to these schemes during the period of their delivery.

### 3. BACKGROUND

- 3.1 The Liverpool City Region ESF Ways to Work programme was awarded European Social Fund (ESF) and Youth Employment Initiative (YEI) funding from 2 investment priorities (1.1 – Access to employment for jobseekers and inactive people and 1.3 - Sustainable integration into the labour market of young people) in 2016. The funding helps to support unemployed and inactive residents across the City Region to improve personal resilience and progress to sustainable employment.
- 3.2 Additional ESF and YEI money was awarded in August 2018 to extend the Sustainable integration into the labour market of young people (1.3) activity of the project until June 2020.
- 3.3 The Department of Work and Pensions, who is the Managing Agent for the European Social Fund, announced in February that there was additional 1.1 ESF grant available for bidders to apply for, to support unemployed and inactive residents in the Liverpool City Region.
- 3.4 The LCR Combined Authority requested additional 1.1 ESF grant to extend the 1.1 activity of the current Ways to Work project until September 2021.
- 3.5 Approval has been granted by DWP to extend the 1.1 element of the current Ways to Work and additional 1.1 ESF grant has been awarded to help fund the costs of the extension period, as listed in table 1a.

**Table 1a: Revised Grant Allocation**

<b>Scheme Name</b>	<b>Amount of Grant Previous Awarded</b>	<b>Revised Amount of Grant Awarded, Including Approved Additional 1.1 Funding</b>
Liverpool City Region ESF Ways to Work Programme	£34,003,082	£39,872,176

**Table 1b: Revised End Date**

<b>Scheme Name</b>	<b>Current Programme End Date for 1.1</b>	<b>Revised Programme End Date for 1.1</b>
Liverpool City Region ESF Ways to Work Programme	30/06/2019	30/09/2021

The LCR Combined Authority will be required to issue partner agencies with variations to their existing grant funding agreements to confirm the extended end date and increased grant awards as detailed in Table 2.

**Table 2: Revised Grant Allocations for Delivery Partners**

<b>Partner Agency</b>	<b>Current Amount of Grant Awarded</b>	<b>Revised Amount of Grant Awarded Including Approved Priority 1.1 Funding</b>
Halton Borough Council	£2,984,975	£3,600,903
Knowsley Metropolitan Borough Council	£6,530,740	£7,613,502
Liverpool City Council	£10,880,235	£12,444,121
Sefton Metropolitan Borough Council	£4,357,555	£5,159,783
St Helens Borough Council	£3,441,086	£3,802,157
Wirral Metropolitan Borough Council	£5,808,485	£7,251,710

Accepting the additional money and extending the delivery end date will enable partners to deliver additional outputs and results to benefit more unemployed and inactive Liverpool City Region residents. This support should help to reduce the numbers of: claimant counts; economic inactive residents and workless households in the Liverpool City Region.

#### **4. RESOURCE IMPLICATIONS**

##### **4.1 Financial**

All delivery partners contribute towards the overall costs for the Programme Management costs incurred by the LCR Combined Authority. Therefore, accepting the additional grant will not result in any additional costs for the Combined Authority.

##### **4.2 Human Resources**

The Combined Authority ESIF Programmes Team will continue to oversee the delivery and compliance of the projects with support from the LCR Combined Authority's legal and finance teams.

##### **4.3 Physical Assets**

There are no impacts on physical assets arising from this report.

#### **4.4 Information Technology**

The approval to accept the additional grant and extend the two programmes will not give rise to Information Technology issues.

### **5. RISKS AND MITIGATION**

5.1 There is always a risk of clawback when dealing with European funding. This has been mitigated by putting into place back to back grant funding agreements with partner agencies and by securing experienced European grant management officers to oversee this work. The LCR Combined Authority will issue each partner agency with a variation to their current grant funding agreement to confirm the revised end date and increase in grant.

5.2 There is a risk of under delivery against these projects with consequent opportunity loss to the City Region. This will be mitigated by clear management responsibilities, with regular reporting to the LCR Combined Authority on progress.

### **6. EQUALITY AND DIVERSITY IMPLICATIONS**

6.1 Extending the programme and accepting the additional grant for the Ways to Work project will not result in any negative implications to those who have protected characteristics.

### **7. COMMUNICATION ISSUES**

7.1 Each partner agency has a responsibility to promote the LCR ESF Ways to Work project to their residents and will therefore communicate locally that the project has been extended. This will be done in line with the EU publicity guidelines and marketing material will include the Combined Authority logo.

### **8. CONCLUSION**

8.1 This report presents the LCR Combined Authority with the opportunity to accept an additional £5,869,094 of EU funding and to extend LCR ESF Ways to Work programme to support more residents across the Liverpool City Region.

JOHN FOGARTY  
Treasurer

#### Contact Officer(s):

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#### Appendices: Nil

#### Background Documents: Nil