

# REPORT OF THE CITY DEAL AND GROWTH DEAL ADVISORY BOARD

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### BLACK COUNTRY EXECUTIVE JOINT COMMITTEE

ON

### WEDNESDAY 17 JUNE 2015

### Black Country Youth Employment Initiative (YEI) – Accountable Body Approval to accept EU Funding

Key Decision:	Yes
orward Plan:	Yes

### 1. PURPOSE OF REPORT

1.1. To present the recommendations of the Advisory Board of the Joint Committee in relation to Dudley Council accepting EU funding on behalf of the Black Country Partners for all appropriate Youth Employment Initiative (YEI) bids approved.

### 2. **RECOMMENDATIONS**

2.1 The Joint Committee grants approval for the Accountable Body (Dudley Council) to accept EU funding on behalf of the Black Country partners for all appropriate Youth Employment Initiative (YEI) bids approved by Government or its appointed agents or bodies.

### 3. REPORT DETAIL

3.1 In April 2014 the Government announced an allocation of additional EU funding support to create Youth Employment Initiative (YEI) programmes in a number of Local Enterprise Partnership (LEP) areas that demonstrated high levels of need amongst its Young people, this included the Black Country. These programmes are designed to specifically tackle youth employment from ages 16 to 29. The Department for Work and Pensions (DWP) is responsible for the 'Call for Proposals' and the allocation, based on the current exchange rate, is £51m (£17m YEI. £17m EU funding, £17m match funding provided by the applicants). The timeframe for spending these EU resources includes the 2018 period, creating the opportunity for a three year programme.

- 3.2 The funding has to be targeted at getting 16-18 year-olds NEETs and 19-29 unemployed into positive outcomes such as mainstream education and training, employment, Apprenticeships and Traineeships.
- 3.3 Walsall Council agreed to co-ordinate the development of a programme throughout the Black Country, drawing in the Local Authorities of: Dudley, Sandwell, and Wolverhampton, plus Talent Match. Together these organisations have now designed a programme that fits all of the EU criteria and has identified the £17million of matching funding required to draw down the £34million available for the Black Country.
- 3.4 These organisations have now agreed the format of the bid and submitted an application on behalf of the Black Country LEP for 100% of the funding available (£34million) as part of the recent bidding round. This initial bid if accepted will then require working up into a full application as part of the more detailed process over the coming months. All partners are currently working up proposals to meet the needs of their local labour market, to become a single Black Country proposal.
- 3.5 Dudley Council has expressed interest in becoming the Accountable Body for the YEI and this proposal is supported by Sandwell, Walsall and Wolverhampton Councils as well as Talent Match. The proposal for Dudley Council to become the Accountable Body and Strategic Lead Partner for the Black Country application was agreed at the Council's Corporate Board on 28 April 2015, subject to approval by the Cabinet Members for Children's Services, Regeneration and Leader of the Council, and this approval is being sought concurrently with the recommendations in this report.
- 3.6 Acting in their role as Accountable Body, Dudley Council will require permission to accept EU funding on behalf of Black Country Partners for all appropriate YEI bids approved by Government or its appointed agents or bodies. It will then enter into the necessary agreements and contracts to enable delivery.

## 4. FINANCIAL IMPLICATIONS

- 4.1 The total funding available for YEI in the Black Country is £51m if the EU funding of £17m can be matched by partners. Talent Match has committed £9m of match funding and the four Black Country Councils need to and are now working on finding the balance of £2m of match funding each over three years of the programme. Dudley Council will find this from core funding for staff currently working with the YEI cohort and local employers.
- 4.2 There is a maximum Management Fee of 10% from the total project value to cover the costs of the Lead Accountable Body which is subject to external audit. Accountable body status will require significant input from a number of teams in all Directorates. This support will be identified and if staffing is not available from current resources the Management Fee will be used to fund additional staffing required or pay replacement costs for staff deployed. Direct delivery costs for would be funded via ESF

### 5. LEGAL IMPLICATIONS

5.1 The appropriate Grant Agreements will be prepared by the Accountable Body (Dudley Council) and will include all conditions passed onto the LEP by Government, together with all terms, conditions, performance measures and sanctions as required by the approvals/conditions received from Government or approved by the LEP Board or the Joint Committee.

### 6. RISK MANAGEMENT

6.1 Risk is being managed through the application of Dudley Council's corporate Risk Assurance Protocols to the emerging YEI programme and its ability to deliver the required spending profiles and outcomes as required or agreed with Government and set into place by the LEP Board or the Joint Committee.

#### 7. EQUALITY IMPLICATIONS

7.1 None at the time of drafting.

### Background papers

None.

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