

East Wales ESF: 2015 Annual Implementation Report

Citizen's Summary

Overview

Wales is benefiting from around €2.4bn of EU Funding under the four Structural Funds Programmes for the period 2014-2020, including around €200m under the East Wales ESF Programme¹. These Programmes will deliver a coherent programme enables economic growth through promoting high levels of sustainable employment, developing a skilled and responsive Welsh workforce now and for the future.

This is the first Annual Implementation Report for the East Wales ESF Programme, covering the reporting years of 2014 and 2015. The year 2014 focussed mainly on planning and negotiating the new Operational Programmes with the European Commission. 2014 was also used to put implementation arrangements in place. The East Wales ESF Programme was approved on 04 December 2014.

Key achievements over 2014/2015 reporting years

- By the end of 2015 €55m of EU Grant has been committed to 12 operations which, together with match funding, represents €312m of investment.
- A Programme Monitoring Committee (PMC) was formally constituted on 05 December 2014 and met four times during 2015. The PMC has strategic oversight of all European Structural and Investment Funds in Wales.
- The PMC formally agreed for the Structural Fund Programmes in 2015 the:
 - assessment and selection criteria for operations
 - Monitoring and Evaluation strategy
 - Communications plan

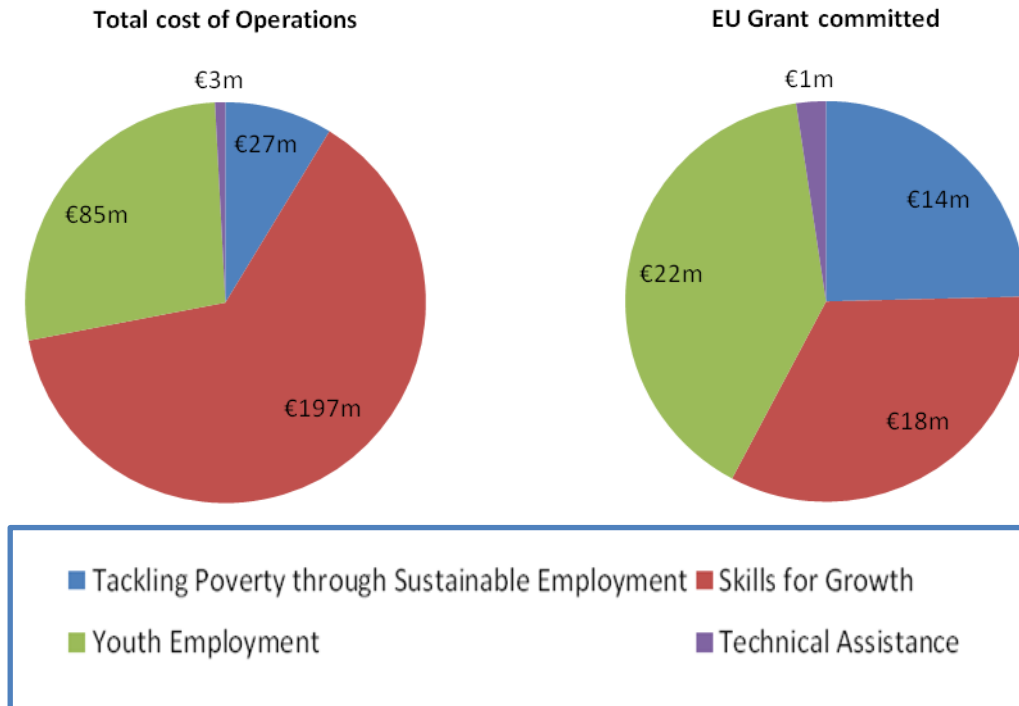
These documents and the minutes of the PMC can be found on the European Funds pages of the Welsh Government website.

- Systems have been put in place to manage the Programme and a suite of guidance has been produced and published for organisations wishing to access funds.

¹ Figures for EU Grant allocation

Financial progress

The following charts show the amount of commitment (total and EU Grant) broken down by Priority axis:



Operations approved up to the end of 2015

Descriptions of operations approved under each Programme Priority are provided below. Case studies of approved operations can be found on the Welsh Government website at www.gov.wales/eu-funding

Priority 1 – Tackling Poverty through Sustainable Employment

Four operations had been approved under this Priority axis. Implementation of the Priority is being developed around a mixed portfolio of geographically and cohort-group focused operations, with national, pan-Wales operations such as the approved Welsh Government Communities for Work initiatives and the Wales Council for Voluntary Action (WCVA)-led Active Inclusion operations. These operations are complemented by the Welsh Government-led *Parents, Childcare and Employment* operation which will target economically inactive parents outside of Communities First areas where childcare is their main barrier to sustainable employment.

Early indications show that there may be an emerging gap under the Programme for this Priority. This is likely to be driven by the lower potential intervention rates and the significantly higher values available within the portfolio, compared with the similar interventions under the West Wales and the Valleys ESF Programme. There is a

particular gap emerging in the South East with only limited interest to date in delivery. This will be proactively addressed by WEFO during 2016.

Priority 2 – Skills for Growth

Four operations had been approved under this Priority axis. The portfolio of operations for the first two Specific Objectives (lower level and intermediate/advanced level skills development) of the Priority will be implemented around the approved Welsh Government *Apprenticeship* operations. These operations introduce an explicit focus on 16-24 year olds and higher apprenticeships, responding to the opportunities emerging with the economy and the needs of business. Regional provision of essential, technical and job-specific skills, led in most cases by the FE sector, will sit alongside these Operations with a number of these at the 'Business Planning' stage. Some niche proposals relating to more specific sectors or target groups have also been brought forward, including the approved graduate training scheme in the financial services sector, which is responding to the opportunities for economic growth and high quality employment opportunities offered by that sector.

Under the third Specific Objective (improving the position of women in the workforce) the Chwarae Teg-led *Agile Nation 2* operation has been approved which will deliver skills support and mentoring for women in employment, focusing on women in growth sectors where they are under-represented in the workforce and in senior management roles, as well as working with employers to promote diversity and tackle gender disadvantage in the workforce.

Priority 3 – Youth Employment and Attainment

Three operations had been approved under this Priority axis. Under the Priority's first Specific Objective, implementation is underway with the approved Welsh Government *Jobs Growth Wales* and *Traineeship* operations. *Jobs Growth Wales* is focusing on supporting unemployed 16-24 year olds who are otherwise work-ready into work on leaving, whilst *Traineeships* is focusing on supporting 16-18 year olds who have left compulsory education, who are undecided on a post-16 learning opportunity and/or do not have the skills and aptitudes to secure employment. Further proposals, including Welsh Government pan-programme operations and Welsh Local Authority-led collaborative regional operations, were also under development during 2015.

A number of Operations were under development under the second Specific Objective of the Priority during 2015. Pan-Wales provision is being developed through a portfolio of regionally based operations led by Local Authorities, targeting young people aged 11-19 who are at highest risk of becoming NEET, with the intention to re-engage them with education and reduce their risk of becoming NEET. This is being complemented by smaller scale and niche activity to support those in

the FE and HE sector between the ages of 19 and 24 who are at highest risk of becoming NEET.

Priority 4 – Technical Assistance

One operation had been approved under this Priority axis. A number of operations are in the 'Business Planning' stage, with several also in 'Pre-Planning'. Several of these are expected to be approved by later summer 2016. Investments include the approved operation covering revenue costs for Intermediary Bodies (IB) aid schemes managed by Welsh Government and the Wales Council for Voluntary Action (WCVA), and planned investments also include a suite of four Regional Engagement operations across Wales.