

East Wales ESF: 2016 Annual Implementation Report

Annex 1: Citizen's Summary

Overview

Wales benefits from around €2.4bn of EU Funds through the four Structural Funds programmes 2014-2020. This includes around €200m under the East Wales European Social Fund (ESF) Programme to help deliver economic growth by promoting high levels of sustainable employment, developing a skilled and responsive Welsh workforce now and for the future.

This Programme is split into four priority areas:

Priority 1: Tackling Poverty through Sustainable Employment

Priority 2: Skills for Growth

Priority 3: Youth Employment and Attainment

Priority 4: Technical Assistance

This is the second Annual Implementation Report for the East Wales ESF Programme, covering the reporting year of 2016.

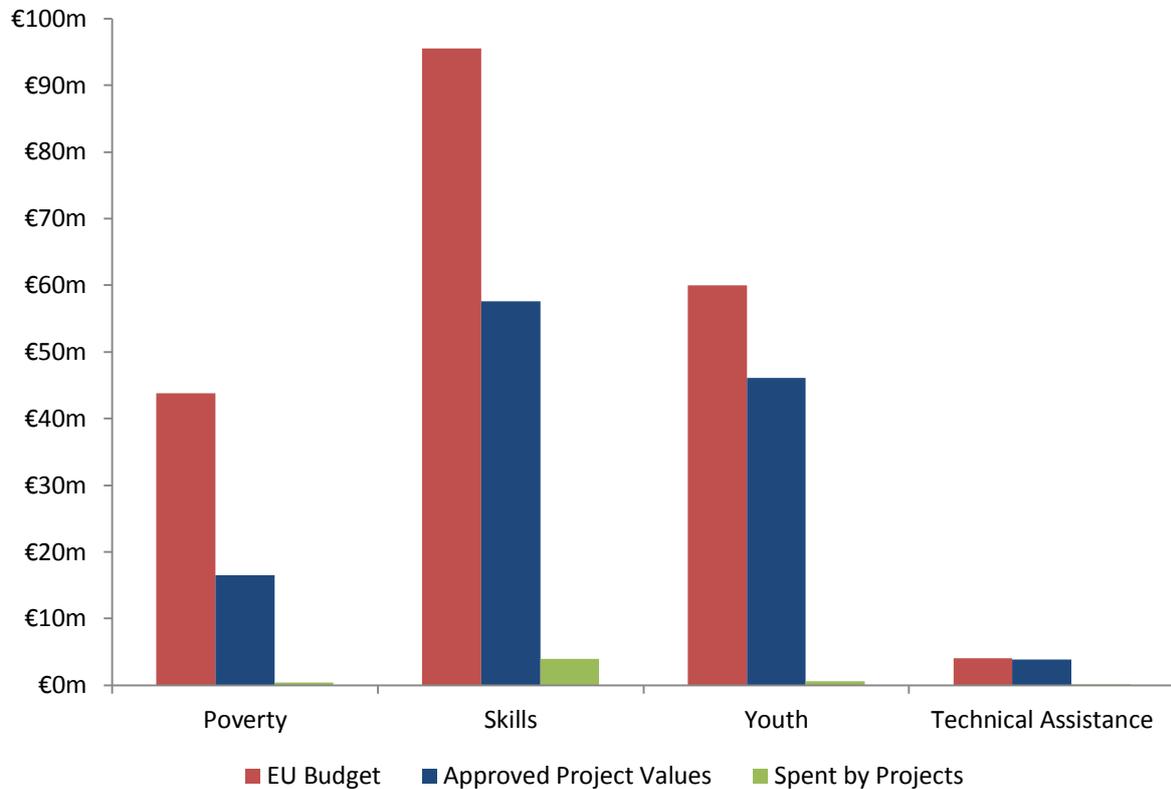
Key achievements in 2016

- By the end of 2016, €273m of EU funds invested in 19 projects to support employment and raise skills, driving a total investment of €487m in East Wales.
- WEFO achieved its 60% commitment target across all Programmes to help ensure all EU funds are maximised before the UK leaves the EU.
- Over 15,000 people have been supported.
- WEFO designated as the Managing and Certifying Authority for the 2014-2020 Structural Funds.

Financial progress

The following chart shows, at Priority level, the total allocation of EU funds, how much has been invested in projects, and how much has been spent by projects.

Chart 1: EU Funds: Budget, Approved and Spent



Projects approved up to the end of 2016

Descriptions of projects approved within each Programme Priority and case studies are available on the Welsh Government website at www.gov.wales/eu-funding

Priority 1: Tackling Poverty through Sustainable Employment

By the end 2016, 37% of this Priority's allocation had been committed to five projects. Progress continued during 2016 with the approval of extensions to existing projects, and the first approval of funds to specifically target BME people who are unemployed and economically inactive. Commitment levels, as a proportion of the funding available, while lower than anticipated at this programme stage are not dissimilar to those of the 2007-2013 programme cycle. To help improve commitment levels within this Priority, WEFO is working with stakeholders, particularly local authorities, to further develop proposals.

Commitment levels and the generally more challenging nature of engaging harder to reach target groups and a rapidly improving labour market reflect the low number of participants assisted by end 2016. It is clear that more intensive and longer term interventions are needed for harder to reach groups.

Priority 2: Skills for Growth

By the end of 2016, 60% of the Priority's allocation had been committed to ten projects. Six projects were approved during the year, including several projects led by the Higher Education and Further Education sectors, including Upskilling@Work in South-East Wales and SEE in North Wales. Additional EU funds were awarded to the Welsh Government's Apprenticeships scheme to support an additional 6,600 participants. The Welsh Financial Services Graduate Programme project was pleased to receive a visit from the EU Financial Services Commissioner in May 2016.

Over 12,000 participants had been assisted by projects within this Priority, demonstrating good progress. The shortfall in the reporting of number of participants gaining qualifications reflects timing issues in relation to the length of courses on offer and the academic year; further outcomes are therefore expected in 2017.

Priority 3: Youth Employment

By the end of 2016, 76% of the Priority's allocation had been committed to nine projects. Building on the two 'backbone' projects approved in 2015, six projects were approved during 2016 including Local Government projects such as Inspire 2 Work and TRAC 11-24 and the Welsh Government's Healthy Working Wales (Out of Work Services; 16-24).

Significant progress has been made in the area of reducing the number of people who are NEET, with over 3,000 young people supported by the end of 2016.

Forecast data of approved projects remains high and this should enable new projects to target niche areas and specific issues.

Targeting people who are at risk of being NEET is a new and innovative area of intervention. These early intervention projects led by Local Authorities will support some of the most disadvantaged young people in education and early indications show good progress in addressing the complex needs of these young people.

Priority 4: Technical Assistance

By the end of 2016, over 81% of the Priority's allocation had been committed to five projects. This included approval of the four 'Regional Engagement Teams' (North Wales, Mid Wales and South East Wales) to help support the management and delivery of the Programme by ensuring integrated regional delivery and greater economic prioritisation of projects. The RETs also work with the Regional Skills Partnerships on regional proofing and engagement of ESF projects. Towards the end of 2016, WEFO's Technical Assistance project was also approved to help successfully manage programme implementation.