Community Led Local Development

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GATESHEAD GOES LOCAL

Our People
Our Communities
Our Future

Gateshead Council

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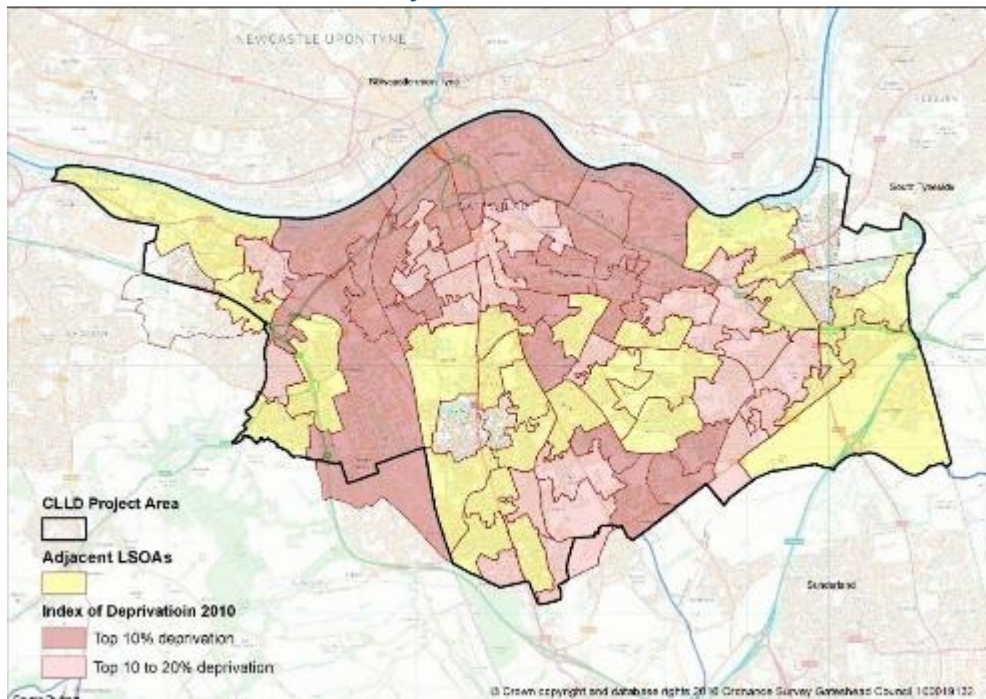**Annex D: Description of CLLD AREA**

1. The Area

The **Gateshead Goes Local** Local Development Strategy (LDS) focuses on the urban core of Gateshead. Located on the south bank of the River Tyne and sitting directly opposite Newcastle to the North, South Tyneside to the East, the City of Sunderland to the South East and rural Gateshead to the South and West, the area is home to around 114,500 people. Covering an area of approximately 3,387 hectares it enjoys good road linkages with direct access to the A1 North and South, and key A roads cross through the area in an east-west direction. The Metro light railway provides communities with direct links to Newcastle and Sunderland.

The area contains or is in close proximity to a range of key employment sites, some of which are of regional significance, such as the Town Centre, Gateshead Quays, Follingsby Park, Metro Centre and the Team Valley Trading Estate as well as others in neighbouring local authorities such as Newcastle City Centre, Nissan in Sunderland and Drum Industrial Estate in North Durham. These linkages form an integral part of the areas coherence as a functional economic area. The CLLD area also includes a number of Gateshead's key recent regeneration initiatives including BALTIC: The Centre for Contemporary Art and the Trinity Square development in the town centre.

Despite the link to these key employment sites, the area still contains communities that face significant levels of deprivation with around 61% of residents or 59% of the CLLD area population living in lower layer super output areas (LSOAs) within the 20% most deprived areas in England. **Figure 1.1** below shows in pink the 20% most deprived LSOAs within the CLLD area, with those LSOAs adjacent to these highlighted in yellow, while those not highlighted are neither. Further detail on these LSOAs is provided in **Figure 1.2**, below.

Figure 1.1 – Gateshead CLLD Area by LSOA

The CLLD area provides comprehensive coverage of eastern and central Gateshead and is focused on areas that experience high levels of disadvantaged while directly linking them to areas of opportunity through the selection of adjacent areas and their neighbours, such as:

- LSOAs covering Low Fell which sits at the heart of the area and helps create a co-terminus economic geography with ties to the Team Valley Trading Estate. While not directly adjacent to the 20% most deprived LSOAs these add considerable value to the area through the significant levels of economic activity among residents, employment opportunities in local businesses and the skilled and active citizenry within the area;
- The adjacent LSOA in the South East of the area includes Follingsby Park, currently home to a significant number of businesses. This is due to be extended through Follingsby South with 22 hectares of developable employment land with a focus on distribution and logistics[1] and part of the North East Local Enterprise Partnership's (NELEP) second Enterprise Zone[2];
- The LSOA covering Bill Quay in the North East, which includes a number of industrial employment sites and important community assets; and
- The area is also within close proximity to central Newcastle which offers extensive employment opportunities at many levels, although research suggests the river may present a barrier among some residents of CLLD area communities.

The area also includes a number of proposed development and regeneration sites where CLLD could add value by directly benefiting the local community and especially those furthest from the labour market. Focusing around central Gateshead the CLLD area therefore provides a coherent social, economic, and geographic community.

While the LDS focuses on the addressing the needs and weaknesses within Gateshead's most deprived communities, the area also brings considerable strengths and opportunities through a co-terminus delivery area which has direct links to:
- Key employment sites;
- Areas of economic opportunity;
- People and organisations with knowledge, skills and experience that can make a valuable contribution to community led approaches; and
- Strong transport infrastructure.

In addition strengthening social and economic linkages between areas of greatest need and their more advantaged neighbours will directly help to create more sustainable communities across Gateshead and develop the collective strength and impact of the area and its varied communities.

A detailed profile of the area is provided in Section 3 of this LDS while **Annex D** provides a summary overview of the LSOAs within the Gateshead CLLD area.

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[1] Gateshead Council & Newcastle City Council (2015) Planning for the Future: Core Strategy and Urban Core Plan for Gateshead and Newcastle upon Tyne 2010-2030.
[2] http://nelep.co.uk/north-east-lep-reveals-ten-locations-for-regions-second-enterprise-zone/

2. Needs and Potential

2.1 Population Profile

Key features of the CLLD area population compared to the entire Gateshead and the North East Local Enterprise Partnership (NELEP) population, include:

- An **ageing population** with a **marginally younger average age** (39.2 years) than Gateshead (40.5 years), NELEP (40.6 years) and England (39.3 years);
- **More ethnically diverse** population with 8% of the population from ethnic groups other than white English/Welsh/Scottish/Northern Irish/British or Irish, compared with 6% across Gateshead and the NELEP area;
- A **significant Jewish population** of between 4,000-5,000 people with local evidence suggesting this has increased in recent years;
- Poorer health with 9% of residents reporting bad or very bad health compared to 8% for Gateshead and NELEP and 5% for England;
- Higher proportion of people with **health conditions** that affect their activities with 23% of the population (c.25,900 people) having a long-term health condition or disability that limits their day to day activities a little or a lot. This compares to 22% across Gateshead and NELEP and 18% across England. Around 18% (c.13,300) of 16-64 year olds in the area have a limiting condition or disability;
- **Lower qualification levels** with 30% of the area's population having no qualifications compared to 28% in Gateshead, 26% across NELEP and 22% for England; and
- Higher proportion of **lone parent households** (13% of all households) than Gateshead (12%) as a whole, the NELEP area (11%) and England (11%)[3].

Poor health is a particularly acute issue within the CLLD area, with 55 out of 71 LSOAs (77%) ranked in the 20% most deprived in the country for health deprivation and disability. Measures used within this indicator include premature death, disability and illness ratio, measures of acute morbidity and sufferers of mood or anxiety conditions.

2.2 Economic Participation

2.2.1 Economically Active
Figure 2.1 shows that rates for the economically active and inactive among the 16-74 year old population are similar across the CLLD area, Gateshead and the NELEP area. However, **inactivity rates in the CLLD area are 3% higher than those found nationally**. Recent estimates for Gateshead as a whole suggest that at 78.2%, a larger proportion of the 16-64 year olds population are economically active people than the GB average of 77.8%[4].

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[3] ONS, Census 2011.
[4] Nomis – Labour Market Profile – Labour Supply Data – April 15-Mar16 0 ONS % aged 16-64

Figure 2.1: Economically Active and Inactive[5]
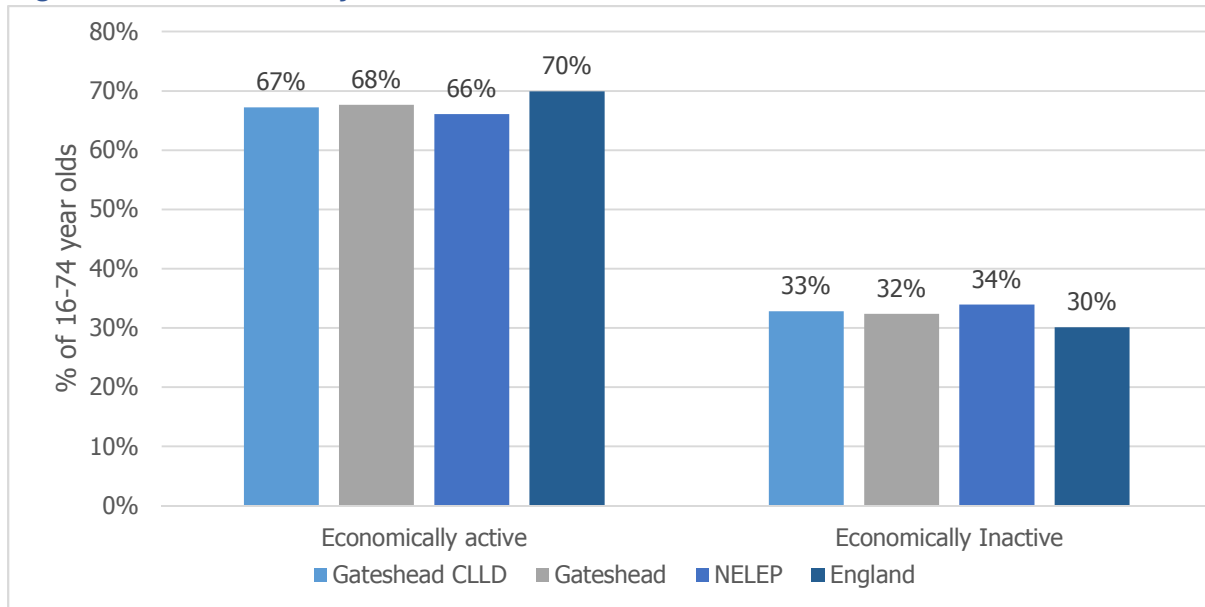
A more detailed analysis of the economically active population shows that employment levels in the CLLD area (59% of 16-74 year olds) are broadly similar to the Gateshead average (60%) and the NELEP average (58%), with all three areas below the England average (62%). This difference is largely a result of the lower levels of self-employment in the CLLD area (5%), Gateshead (6%) and NELEP (7%) when compared with England (10%).

Figure 2.2 below, shows low levels of self-employment is a particular issue for women in the CLLD area with only 3% self-employed compared with 8% of males.

Figure 2.2: Economically Inactive CLLD Area Population[6]

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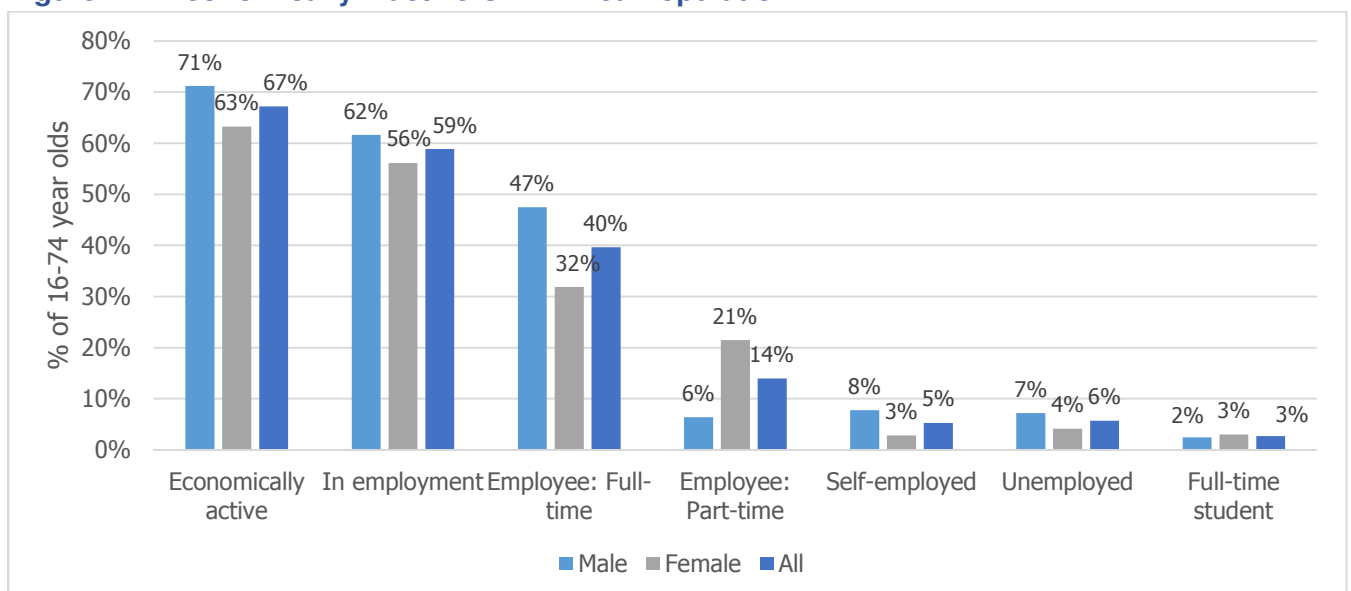
[5] ONS, Census 2011.
[6] ONS, Census 2011

Figure 2.2 also shows:
- Higher levels of economically active, employed, full-time employees and unemployed among males in the CLLD area;
- Higher levels of part-time employment among females in the area.

2.2.2 Employment

Key employment related figures for the CLLD area, include:
- c.50,000 residents in work;
- c.58,000 jobs in the area[7];
- c.34,000 residents in full-time work;
- c.12,000 residents in part-time work; and
- c.4,000 self-employed residents[8].

Industries linked to the public sector[9] are important local employers with 31% of working residents employed in these sectors. These industries are particularly important employers of female residents with 44% of working females employed in them compared with 19% of working males. **Figure 2.3** provides an overview and gender breakdown of employment by industry, ranking them in terms of size of employment of CLLD Residents (with 1 being the largest employer of local residents).

Figure 2.3: Employment by Industry[10]

Overall Ranking	Industries	% of working residents		
		Male	Female	All
1	Wholesale and retail trade; motor vehicles and motor cycles	15%	17%	16%
2	Human health and social work activities	6%	23%	14%
3	Manufacturing	16%	4%	10%
4	Education	6%	12%	9%
5	Financial, ICT and business services	8%	7%	8%
6	Public administration and defence; compulsory social security	7%	8%	8%
7	Construction	13%	2%	8%
8	Accommodation and food service activities	5%	7%	6%
9	Transport and storage	8%	2%	5%
10	Administrative and support service activities	5%	5%	5%
11	Professional, scientific and technical activities	5%	4%	5%
12	Other	4%	5%	5%
13	Mining, energy and waste	2%	1%	2%
14	Agriculture, forestry and fishing	0%	0%	0%
Total		**100%**	**100%**	**100%**

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[7] This is based on the workplace population. The workplace population includes those aged 16 to 74 whose usual place of work is in the area. This population is equivalent to the workplace population used in the 2001 Census. People who work mainly at or from home or do not have a fixed place of work are included in their area of their usual residence. The following population groups are excluded from the workplace population of an area: those living in England and Wales but working in Scotland, Northern Ireland, outside the UK or on offshore installations, those with a place of work in England and Wales but who are not usually resident in England and Wales, and short-term residents.
[8] ONS, Census 2011.
[9] This includes Public administration and defence; compulsory social security; Education and Human health and social work activities.
[10] ONS, Census 2011.

Figure 2.4, below shows the distribution of employed CLLD residents by LSOA within the CLLD area, with those areas highlighted in yellow accounting for larger proportions of total resident employment. This shows a concentration of employed residents in Low Fell, to the west of the Town Centre along the river and to the East around Pelaw.

Figure 2.4: Resident based Employment by LSOAs[11]

It is also important to consider the industrial breakdown of jobs based in the CLLD area, particularly given the presence of cultural barriers to travel among some residents in the area. **Figure 2.5** shows the distribution of employment based in the area (workplace based) alongside employment of residents living in the area. This illustrates that the following are key industries for both the presence of jobs and resident employment in the CLLD area:

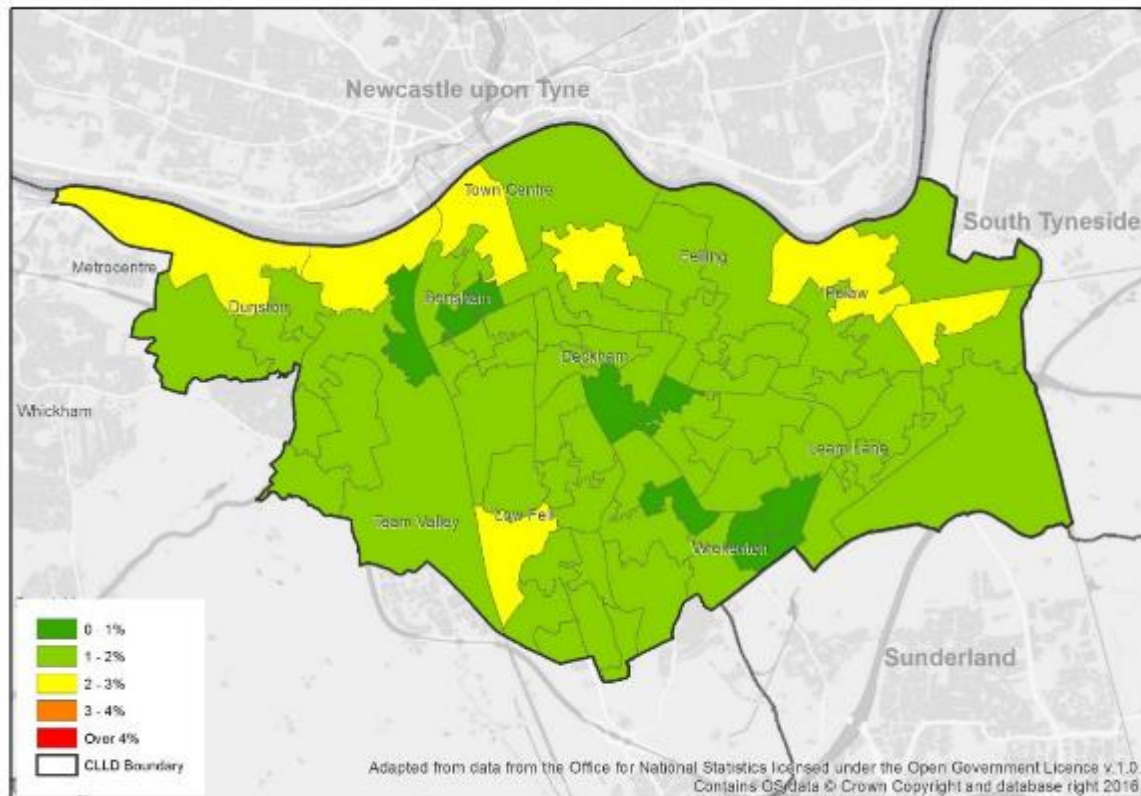- Public sector related industries, including public administration and defence, compulsory social security, education and human health and social work activities;
- Wholesale and retail trades; and
- Manufacturing.

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[11] ONS, Census 2011.

Figure 2.5: Workplace and Resident Based Employment by Industry[12]

	% of employment	
	Workplace based	**Resident based**
Agriculture, forestry and fishing	0.1%	0.1%
Mining, energy and waste	0.9%	1.6%
Manufacturing	11.4%	10.4%
Construction	8.1%	7.6%
Wholesale and retail trade; motor vehicles and motor cycles	14.0%	16.3%
Transport and storage	7.1%	5.2%
Accommodation and food service activities	4.0%	6.0%
Financial, ICT and business services	7.0%	7.7%
Professional, scientific and technical activities	4.3%	4.6%
Administrative and support service activities	5.9%	5.1%
Public administration and defence; compulsory social security	8.7%	7.7%
Education	8.3%	8.8%
Human health and social work activities	15.9%	14.3%
Other	4.4%	4.5%
Total	**100.0%**	**100.0%**

In terms of occupation three occupations accounting for the largest proportion of resident employment are:
- Professional occupations (15% of CLLD residents in employment);
- Administrative and secretarial occupations (13%);
- Elementary occupations (11%).

Figure 2.6 compares resident based employment (the jobs that people who live in the area do) and workplace based employment (the jobs that people who work in the area do) for the CLLD area.

This shows that levels of employment in many lower level occupations (such as caring, leisure and other services occupations, sales and customer service and elementary occupations) are higher among residents of the CLLD while employment in many higher level occupations (such as managers, professional occupations and associate professional occupations) is higher among those working in the area.

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[12] ONS, Census 2011.

Figure 2.6: Workplace and Resident Based Employment by Occupation[13]

Occupation	% of employment	
	Workplace based	Resident based
1 Managers, directors and senior officials	9.0%	7.6%
2 Professional occupations	16.2%	15.1%
3 Associate professional and technical occupations	11.6%	10.8%
4 Administrative and secretarial occupations	13.3%	12.9%
5 Skilled trades occupations	11.0%	11.3%
6 Caring, leisure and other service occupations	8.7%	9.4%
7 Sales and customer service occupations	7.8%	11.1%
8 Process, plant and machine operatives	9.5%	8.5%
9 Elementary occupations	12.8%	13.3%
Total	**100%**	**100%**

Figure 2.7, below shows the distribution of workplace based employment across the CLLD area by LSOA with the areas highlighted in red accounting for the highest proportions. This shows particular concentrations of employment around the Town Centre and further south in and around the Queen Elizabeth hospital.7

Figure 2.7: Workplace Based Employment by LSOA[14]
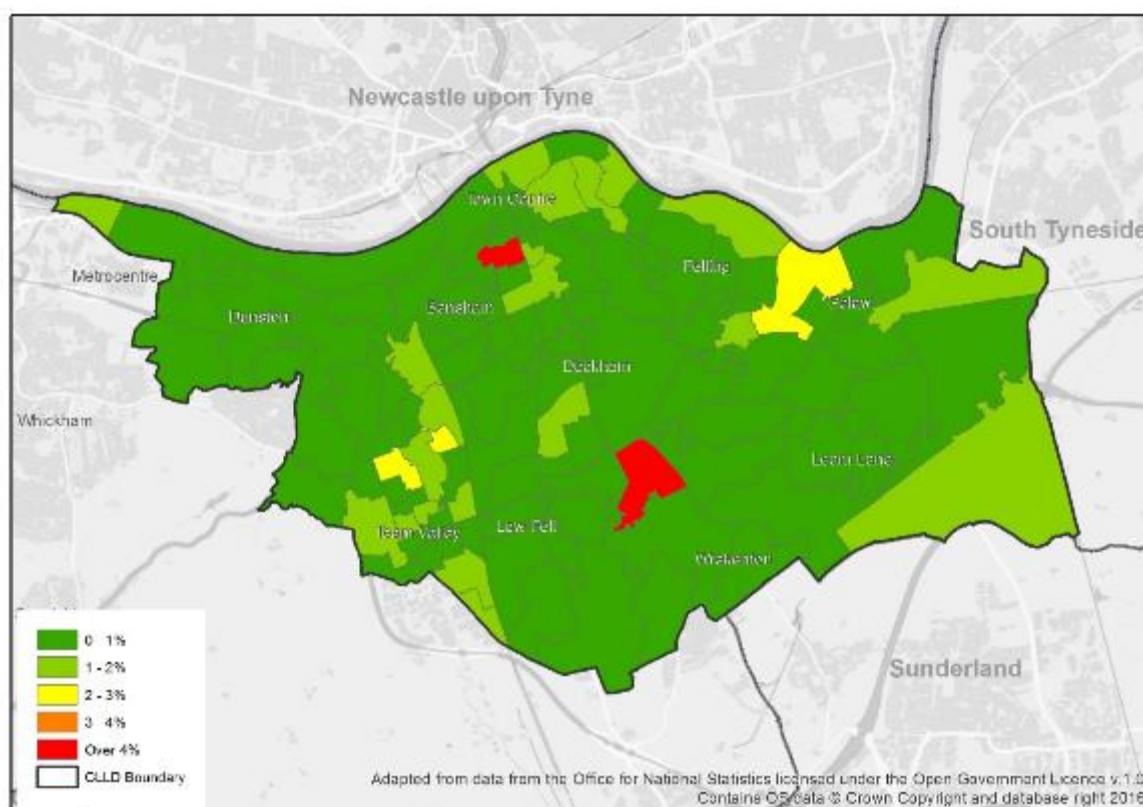
Consultation with local organisations revealed that poverty among those in work is an issue within the CLLD area. Evidence from the Annual Survey of Hours and Earning (ASHE)

[13] ONS, Census 2011.
[14] ONS, Census 2011.

shows that at around £355 per week median basic weekly pay is lower than the Gateshead average of £372, the regional average of £373 and the England average of £405[15]. This creates a disproportionate impact on low income households which also have unemployed and/or inactive members.

2.2.3 Unemployment and Economic Inactivity

Unemployment rates in the CLLD area (6% of 16-74 year olds) are higher than Gateshead (5%), NELEP (5%) and national (4%) averages[16], with slightly more than one in twenty working age residents or around 4,800 people in the CLLD area unemployed. Around 63% or around 3,000 of these are male.

Long term unemployment is a key issue within the local population with around 1,900 residents being unemployed for 2 years or more while a further 900 have never worked. This illustrates the fact that unemployment is a key challenge for certain groups within the area. Unemployment is particularly high among younger people with around 28% of unemployed residents aged under 24, while 15% are aged 50 and over[17].

Unemployment is not the only measure for analysing those of working age that are out of work. The economically inactive[18] are people who are not in employment and who have not been seeking work and/or are unable to start work. This includes those who cannot or do not work due to factors such as:
- Caring responsibilities;
- Long-term illnesses or disabilities;
- Retirement.

An analysis of economic inactivity therefore gives a truer reflection of the number of people out of work within the CLLD area. Overall there are approximately 27,900 economically inactive people in the CLLD area, of which around 16,400 are retired or are non-working students. **Excluding these latter groups leaves around 11,500 people who are out of work and could be potential beneficiaries of support to move them towards or into employment, with 5,800 of these long term sick or disabled**[19]. A summary overview of the out of work population is provided in **Figure 2.8**.

Levels of long-term sick or disabled residents is particularly important as the pressures of welfare reform will mean that those that are or have been economically inactive are moved towards looking for work due to income pressures and changes in the type of benefits received. In addition it is these groups that are often furthest from the labour market and require the greatest support to move them towards it and as result are often failed by mainstream and other provision and as such should be one of the priorities for CLLD. Clearly not all of these people will be capable of support but this figure illustrates the scale of people who are not engaged in the labour market within the CLLD area.

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[15] ONS, ASHE 2015.
[16] Based on the ILO definition of unemployment used in the Census which is anybody who is not in employment by the above definition, has actively sought work in the last 4 weeks and is available to start work in the next 2 weeks, or has found a job and is waiting to start in the next 2 weeks, is considered to be unemployed.
[17] ONS, Census 2011.
[18] These are people that are not in employment who have not been seeking work within the last 4 weeks and/or unable to start work within the next 2 weeks. Reasons for this can include caring responsibilities, disability or long-term illness, retirement and other reasons.
[19] ONS, Census 2011.

Figure 2.8: Economic Inactivity and Unemployment Estimates[20]

		Estimate
Unemployed		4,800
Long term unemployed (two years or more)		1,900
Unemployed and never worked		900
Economically inactive (minus reitrees and students)		11,500
Inactive: long term sick or disabled		5,800
Inactive: Looking after home or family		3,600
Inactive: Other		2,100
Total unemployed and inactive (minus retires and students)		**19,100**

Census 2011 data also suggests the potential for target based approaches to supporting those out of work with around 18% of families with dependent children in the CLLD having no working parent in the household, a factor which plays a key role in intergenerational unemployment. This compares to a national average of 12%.

Figure 2.9 below shows the distribution of workless residents in the CLLD area by LSOA, highlighting particular concentrations towards the west of the area running from Teams down to Team Valley, pockets around Bensham, Deckham and Wrekenton and a further area stretching from Town Centre to Felling.

Figure 2.9: Distribution of Worklessness[21] in the CLLD Area by LSOA[22]
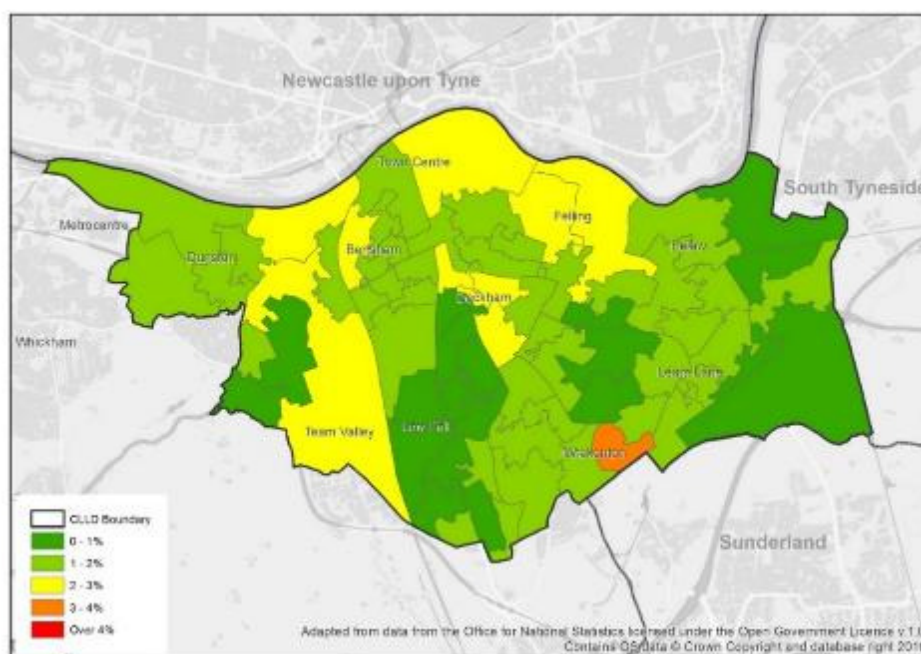
The claimant count provides another method for profiling unemployment within an area, showing how many people are receiving benefits principally for being unemployed (those

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[20] ONS, Census 2011
[21] Unemployed and economically inactive (minus retirees and students).
[22] ONS, Census 2011.

claiming Job Seeker's Allowance and those claiming Universal Credit because of being unemployed). Data from the DWP shows a claimant count of 2,280 people in the CLLD area in June 2016, with **Figure 2.10** below illustrating the distribution of these by age band.

Figure 2.10: Claimant Count[23]

Age band	Claimaint Count	
18-24		440
25-34		630
35-49		660
50+		550
Total		**2,280**

Analysis of existing and emerging provision and local consultation has identified people with physical and mental health problems and disabilities as key target groups for Gateshead CLLD. This is further highlighted by the fact that the area has high levels of health based deprivation. Recent and ongoing reforms to the welfare system mean that this group will increasingly be moved towards seeking and/or entering work, where possible. This further increases their demand for targeted support.

In particular the work related activity group among Employment and Support Allowance (ESA) claimants[24] is a group that has been identified as requiring additional support. Across Gateshead 2,150 people are in the work related activity group with a further 1,700 still to be assessed. Mental health problems are a key challenge among this group with 1,050 people or 49% of the work related activity group receiving ESA because of a mental health condition or behavioural disorder, and are more prevalent among 25 to 44 year olds.

In summary, key issues illustrated by analysis of the CLLD population and their economic participation, include:
- High proportion of people with poor health and mental health issues;
- High proportion of economically inactive people distant from the labour market;
- Mismatch between the skills of residents and the employment base;
- Danger that the future labour market will not meet the needs of the business community going forward, as outlined in the North East's Strategic Economic Plan, More and Better Jobs[25].

2.3 Local Business Base

As highlighted in Section 1 of this LDS, the Gateshead CLLD area includes and is in close proximity to a number of key employment sites of regional significance. As well as the key employment sites highlighted earlier the area includes key public sector employment sites like the Queen Elizabeth Hospital, Gateshead Civic Centre and Gateshead College.

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[23] DWP, Claimant Count, 2016.
[24] Those within this group have been identified as having a disability or health condition that limits their ability to work, but that things can be done to improve their chances of working in the future.
[25] http://nelep.co.uk/whatwedo/strategic-economic-plan/

Estimates from the Inter-Departmental Business Register 2015 suggest that there are approximately **2,755 enterprises**[26] and around **3,695 workplaces** or local units[27] in the Gateshead CLLD area[28]. Key features of the local enterprise and workplace bases includes:

- Micro (0 to 9 employees) and small businesses (10 to 49 employees) dominant, particularly in terms of enterprises;
- Higher levels of medium (50 to 249 employees) and large (250+ employees) than regional and national averages;
- Retail & wholesale; professional, scientific & technical industries; and construction the top 3 industries in terms of the number of enterprises and local units;
- VCSE organisations[29] accounting for a larger proportion of enterprises and workplaces than regional and national averages;
- Sole proprietors accounting for a lower proportion of enterprises and local units than regional averages[30], further demonstrating the enterprise gap shown earlier through the lower levels of self-employment among the CLLD population and among females in particular.

The local business base has seen steady growth between 2012 and 2014 following a period of stagnation between 2009 and 2012, as shown in **Figure 2.11**, below.

Figure 2.11: Active Enterprises in Gateshead[31]
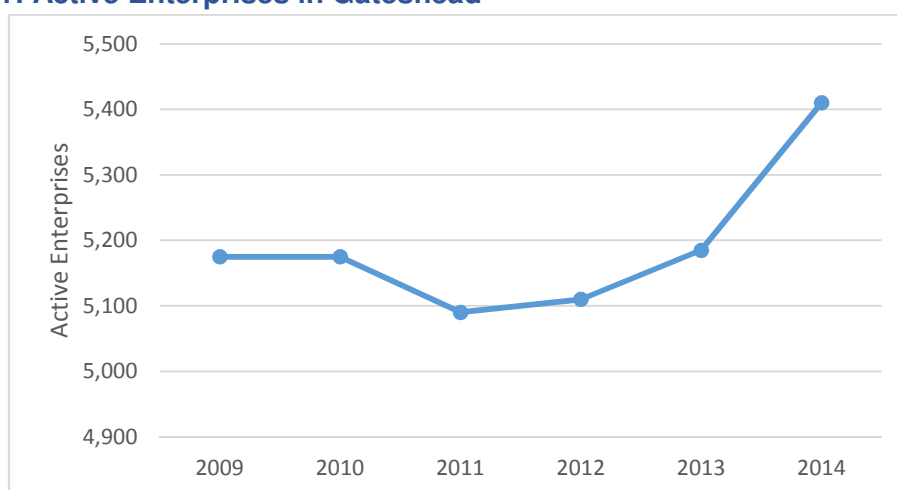
Business survival rates across Gateshead broadly reflect those for the North East and England as whole, with the largest difference when compared with national averages being the improved 2 year survival rate which is 76% across Gateshead and 74% nationally.

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[26] An enterprise can be thought of as an overall business, made up of all the individual sites or workplaces of a particular business in that area. It is comprised of is the smallest combination of legal units which has a certain degree of autonomy within an Enterprise Group.
[27] Local units are an individual site, such as a factory or shop, associated with an enterprise. Therefore it can also be described as a workplace.
[28] It should be noted that these figures will represent an overestimate as they are based on mid-layer Super Output Areas in which the CLLD area accounts for all or a majority of residents rather than LSOAs which the CLLD area is based on. MSOAs are the lowest geography at which this data is available and as such it provides the most accurate measure for the business base within the CLLD area.
[29] This is based on the classification of "non-profit bodies and mutual associations" within the Inter Departmental Business Register (IDBR).
[30] ONS, IDBR 2015.
[31] ONS, Business Demography 2014.

Figure 2.12: Business Survival Rates in Gateshead[32]
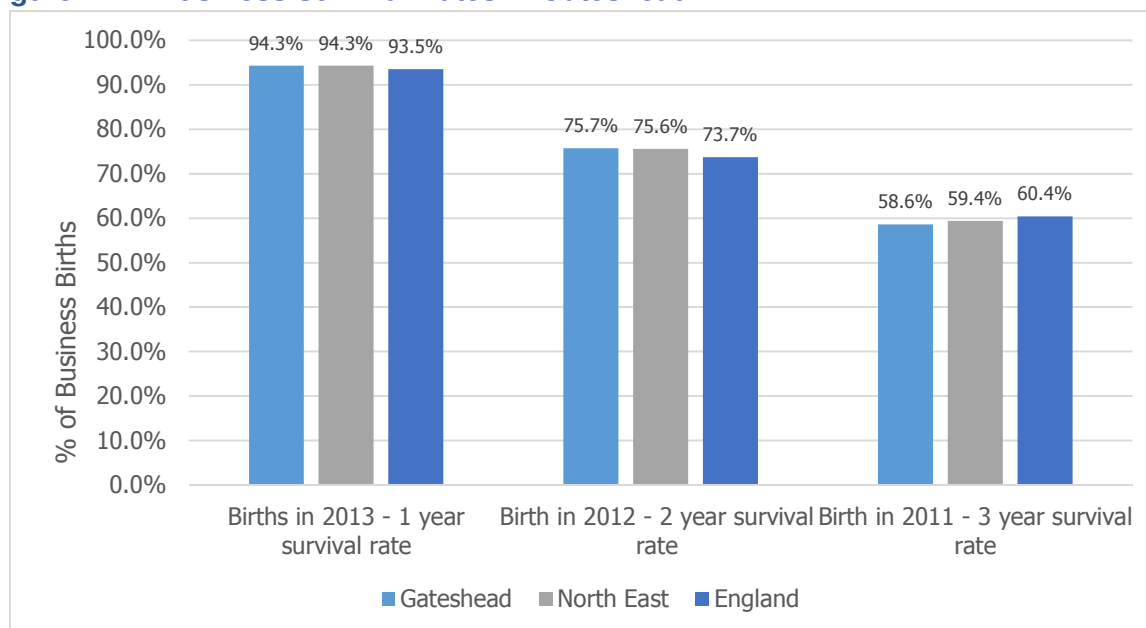
Issues from analysis of the local business base, include:
- **Relatively low levels of enterprise with self-employment rates lower than the national and regional average, particularly amongst women**; and
- Potential lack of productivity or business locating or relocating to the area due to a lack of suitably qualified or available workforce.

2.4 Local Services and Infrastructure

Much of the CLLD area has good access to public transport and good road linkages, with the Metro light rail link running through the Town Centre to serve the North East of the area and provide direct links North to Newcastle and beyond and South to Sunderland. The area also has good bus and road links with a number of key A-roads running from North to South and East to West, as well as direct access to the A1. These linkages mean that the area and its residents enjoy good access to the key employment sites within and close to the area. For example, by using public transport and/or walking:
- 99% of CLLD area residents are within 15 minutes of employment centres with 100 to 499 jobs;
- 100% are within 30 minutes of employment centres with 500 to 4,999 jobs;
- 91% are within 30 minutes and 100% within 45 minutes of employment centres with at least 5,000 jobs[33].

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[32] ONS, Business Demography 2014.
[33] Department for Transport (DfT), Journey Time Statistics 2014.

Figure 2.13: Accessibility of Employment Centres by Public Transport/Walk[34]

Indicator	% of population
Residents within **15 minutes** of employment centres with **100 to 499 jobs**	99%
Residents within **15 minutes** of employment centres with **500 to 4999 jobs**	75%
Residents within **15 minutes** of employment centres with **at least 5000 jobs** available	23%
Residents within **30 minutes** of employment centres with **100 to 499 jobs**	100%
Residents within **30 minutes** of employment centres with **500 to 4999 jobs**	100%
Residents within **30 minutes** of employment centres with at **least 5000 jobs**	91%
Residents within **45 minutes** of employment centres with **100 to 499 jobs**	100%
Residents within **45 minutes** of employment centres with **500 to 4999 jobs**	100%
Residents within **45 minutes** of employment centres with **at least 5000 jobs**	100%

However, consultation revealed a perception that there are insufficient local employment opportunities and that access to opportunities is a barrier. The evidence suggests that this is largely a perception, although the presence of the perception alone can be deemed a barrier that CLLD should seek to address.

The evidence shows that residents also enjoy relatively good access to key services with 39% living within 15 minutes of a town centre by public transport/walking and 97% living within 30 minutes. However, analysis of key trends and community consultation revealed an increasing demand against a backdrop of limited supply for services in a number of key areas. In particular the areas of childcare and adult care were identified as key areas in which increasing demands will be placed on local supply. As a consequence such areas may present opportunities for social enterprise development and growth areas for the creation of employment and training opportunities within the CLLD area.

The area has a relatively strong and vibrant VCSE sector, with good examples of organisations of all sizes doing valuable work to support the vulnerable and those most in need across the CLLD area. This includes organisations delivering larger scale contracts, to social enterprises developing innovative services, and community assets and organisations effectively supporting those hardest to reach towards and into employment or education with few resources. However, many local organisations have limited capacity and resources. As a consequence many organisations across the CLLD area that are capable of doing excellent work, require support to scale up their services and enhance their overall financial viability. Such support would therefore enable them to deliver the services most needed by the community, many of whom cannot pay for these services.

While businesses and potential entrepreneurs across Gateshead have access to a number of potential mainstream or European Structural and Investment Fund (ESIF) funded services, their remain gaps in provision. In particular analysis of the support infrastructure

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[34] Department for Transport (DfT), Journey Time Statistics 2014.

and community consultation revealed a lack of lower level enterprise awareness raising and support for those that are some distance from being enterprise ready; a lack of specific support to build social enterprise capacity, including specific locally tailored support around asset transfer and service transformation agendas; a lack of low level investment and business finance particularly to enable start-up or business growth among those with low levels of access to finance.

Key issues highlighted here include:
- Good transport links are available to key employment centres, however a lack of confidence, skills and available services such as childcare restrict the ability of all residents to access the employment opportunities available;
- A vibrant VCSE sector operating with limited capacity and resources; and
- Specific gaps in business and enterprise support and development provision.

2.5 SWOT Analysis

NELEP

A summary SWOT analysis for Gateshead CLLD is provided in **Figure 2.13**, below. The SWOT has been developed through analysis of the quantitative and qualitative data highlighted above with the community playing a central role in shaping, refining and finalising the analysis through the following processes:

- A questionnaire completed by 107 people representing key sectors, agencies, communities and groups, focussing on identifying key issues, priorities for action and opportunities;
- Interviews with key stakeholders from across the public, private and VCSE sectors with a specific with a focus on obtaining detail to inform and refine the SWOT;
- An initial drop-in discussion session held at a local community venue specifically focussed on the SWOT analysis;
- Meetings of the Shadow LAG, LAG and Gateshead Council project Board and feedback from these groups and the wider community on the draft SWOT and LDS.

2.13: SWOT Analysis

STRENGTHS

People
- Employment rates marginally higher than the NELEP average
- Availability of local labour to meet business need
- Improving skills levels, but still a proportion of NEET who need support to work
- Active VCSE sector with strong partnership working ethos
- History of collaborative working across the CLLD area
- Strong local services providers, in terms of employment and skills in particular

Place
- Presence of and proximity to key employment centres, including Gateshead Town Centre, Quays & Baltic, Follingsby, Team Valley, Metro Centre and Newcastle City Centre
- Presence of key cultural assets
- Local service centres acting as social and economic hubs
- Active VCSE sector with range of community facilities and local community focused service provision
- Excellent transport infrastructure and public transport
- Significant recent and future investment and regeneration activity
- Close collaboration with the HE/FE sectors

Economy
- Significant number of large and small scale employers
- Strong local employment in health & social care, wholesale and retail, manufacturing and transport and storage industries
- Strong local business networks
- Opportunity for service transformation to support business growth
- Emerging Social Enterprise sector with growth potential

WEAKNESSES

People
- Levels of economic inactivity higher than the England average, with gap largest for the proportion of working age adults inactive due to long term sickness or disability
- High levels of economic inactivity among certain marginalised communities
- High proportion of the population with no qualifications
- A lack of people focused activity in physical and cultural regeneration
- VCSE temporarily renewed and up for review
- Many families with dependent children have no working parent(s)

Place
- Low confidence and self-image
- Low levels of car/van ownership and unwillingness to travel among certain groups and communities
- Particularly high levels of health deprivation and high levels of mental health conditions and behavioural disorders among ESA claimants, including the work related activity group

Economy
- Lack of entrepreneurial culture and low levels of self-employment, particularly among females
- Lower levels of micro and small businesses than regional and national averages
- Lack of low level and low risk finance to support start-up and business growth
- Lack of social enterprise focus in the ERDF-funded business support programmes

OPPORTUNITIES

People
- Capacity to grow the business base, particularly self-employment and social enterprise
- Local groups and social enterprises keen to engage
- Rising levels of entrepreneurship
- Community asset transfer and service transformation agendas, including Achieving More Together
- Opportunities for the Grey economy to go legitimate

Place
- A good distribution of underutilised community assets with potential for growth
- Significant appetite to drive area improvement
- Town centre and area investment and development proposals, including Gateshead Quays, Southern Gateway and housing development and neighbourhoods in Bensham, Saltwell, Dunston and Teams, and Felling
- Presence of and proximity to a regional employment centre in Newcastle as well as key employment sites and industrial estates, including potential developments at Follingsby
- Opportunity to use Gateshead Fund to match CLLD investment

Economy
- Potential for growth with rising levels of business start-ups
- Supply chain opportunities through local employers and physical regeneration projects
- Numerous opportunities for social enterprise growth and development, particularly in sectors such as adult care and childcare
- Potential to address any demand for local workspace

THREATS

People
- The impact of welfare reform, including debt levels
- Significant and multiple complex barriers to engagement and employment for many target participants
- Unaddressed health and wellbeing issues
- Recent and proposed investment and physical regeneration activities not directly benefitting local communities in terms of employment and skills

Place
- Financial viability, sustainability and condition of some community assets
- The capacity of the public sector to invest
- Proposed investments and developments not coming to fruition
- The EU referendum result and devolution agenda

Economy
- Importance of the public sector and wholesale and retail to local employment
- National and local economic performance
- Capacity or willingness of the private sector to invest over the short and medium term
- Predicted jobs growth across the NELEP area outstripping availability of labour

3. Strategy and Objectives

3.1 Intervention Logic

3.1.1 Local Needs and Opportunities

As noted in **Section 1**, the Gateshead CLLD area encompasses the town centre and Gateshead Quays, which has seen major regeneration activities since the 1990s. Importantly, the area has good access to a wide range of employment sites, as illustrated in **Figure 3.1**, over.

However, it also includes some of the most deprived areas in the Borough, stretching along the southern banks of the River Tyne with additional pockets in Bensham, High Fell, Saltwell and Deckham with high levels of poor health, and low qualification levels. The area also has a relatively young population, with issues over young people not in employment, education or training, and workless families. Wellbeing issues also figure prominently among those not in work. High levels of Child poverty are clustered around Felling (40.2%), Deckham (33.8%) and High Fell (32.8%), with small pockets of significant child poverty evident in Old Fold, Springwell Estate, Sheriff Hill and North Felling, where around 5 in 10 children live in families below the poverty line[35]. Household income is therefore a factor to be addressed within the area.

It is therefore important to understand that CLLD can play an important role in helping those currently excluded from economic activity to connect with the opportunities that are developing around the area, including those individuals who are unemployed/inactive but living with someone in work, especially when household income is low.

The CLLD area includes a large Jewish community, with up to c.4-5,000[36] community members in a small area of Bensham. This community focuses on a strong educational presence, attracting international students to its five yeshivas and two seminaries, as well as a women's teacher training college, a fact which accounts for relatively low levels of economic activity within the community, linked to the fact that, due to religious observance members rarely work outside the community. Anecdotal evidence suggests that this population has increased in recent years, with in-migration from other parts of the UK due to economic (primarily housing cost) pressures and families moving to the area to study, leading to an increase in demand for employment support on community organisations, and the creation of new businesses.

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[35] ONS Data 2013 % of all Children in Poverty 2013 – Gateshead Strategic Needs Assessment 2013
[36] 2011 census figures are lower at c.3,000, but anecdotal evidence suggesting non-registration and changes over the last five years have led to a significant increase.

There is also a perception of poor transport linkages, and while the data at **Section 2.4** suggests this may be more of a perceived than actual barrier, cost may also be a consideration. **Nevertheless, this perception came out strongly over the consultation, pointing to the fact that individuals see this as a real barrier to accessing employment, suggesting that approaches may be required to challenge this view**.

CLLD will therefore be used to help:
- The unemployed and economically inactive group in the area, by removing barriers to employment (including self-employment), and encourage access to opportunities through links to development sites (see **Figure 3.1**);
- Support the growth of new and existing micro and small businesses (including social enterprises) which have the capacity to offer employment and training to people in the CLLD area;
- Support the growth of local organisations that have, or can develop, the capacity to offer support and facilities that will contribute to the economic development of the area;
- Contribute to innovation and service transformation in the locality.

Figure 3.1: Employment Linkages
Gateshead Employment Areas
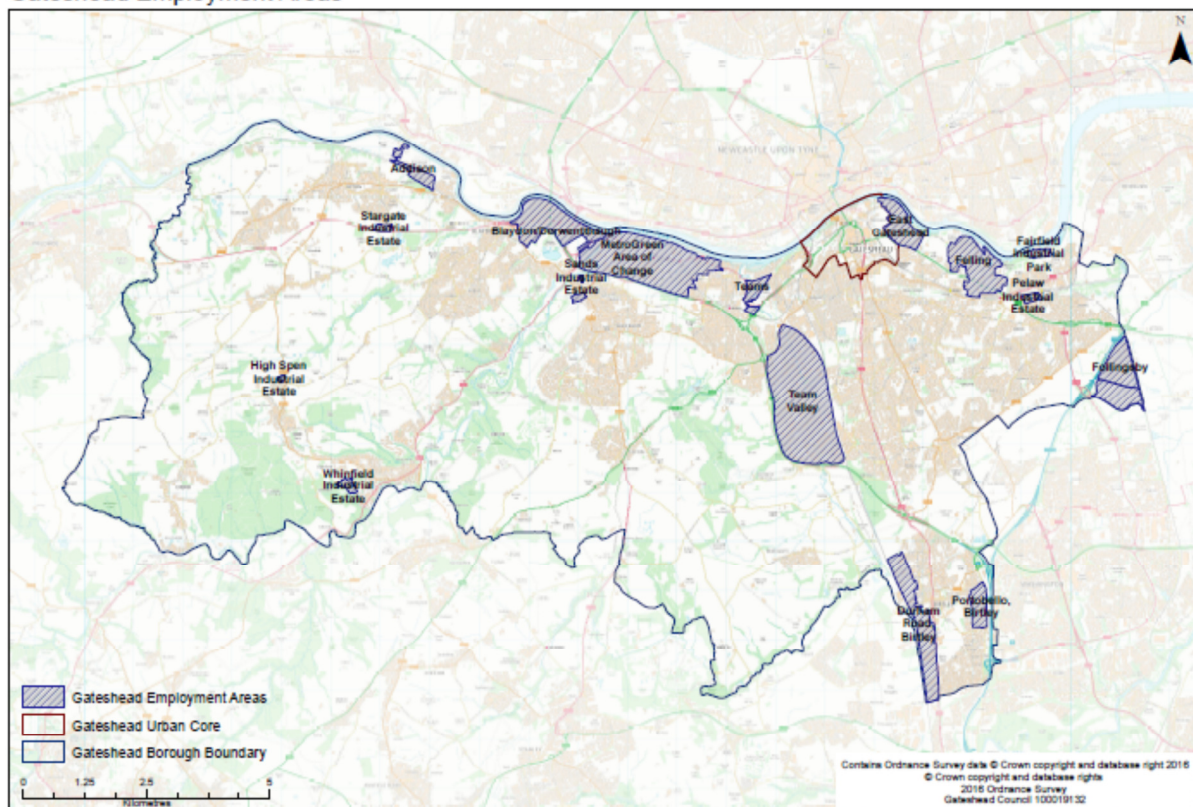
Achieving these aims will be enabled through focusing on key areas, and encouraging the development of specific activities to address these. Importantly, the support will be structured so that there is a **coherence** to interventions as a whole, for example with local employability support being located in community facilities, and business networks being used to develop training and employment for target groups.

Figure 3.2: Achieving CLLD Aims

LDS Theme	Focus	Example Activities	Action Plan - Priority Actions Addressed*
People	Delivery infrastructure, focusing on those furthest from the labour market	• Pre-vocational training • Peer to peer support for people facing additional barriers, such as health and wellbeing issues • Supporting mobility across the area into employment centres • Information, advice and guidance to help maximise personal and family incomes	1. Capacity Building 2. Pathways to Employment 3. Aspirations and Culture
Place	Physical infrastructure	• Developing underutilised space, especially in community owned facilities, • Helping to provide small workspace units in local facilities, with an emphasis on workshop, rather than office provision	1. Capacity Building 3. Aspirations and Culture 4. Workspace Infrastructure
Business	Creating an enabling environment for enterprise and innovation through community led organisations.	• Promoting self-employment as a potential route into work, for example by activities where local people are, such as childcare facilities, and inspiring communities and individuals to think about enterprise • Supporting co-operatives and social enterprise, especially in sectors that will contribute to other objectives such as social care or the provision of business loans through credit unions through specialist advice and small loans • Helping businesses to network and collaborate, for example through establishing joint training and work experience initiatives, or in accessing supply chains, for example in public sector procurement • Helping individuals to become enterprise-ready, to be able to access New Enterprise Allowance	1. Capacity Building 3. Aspirations and Culture 5. Business Creation 6. Business Growth

* - The Action Plan priorities are described in detail in Section 5, below.

3.1.2 Local Objectives and Targets

The overall aim of the LDS is to build a local response to the three primary issues of:

- **People**: Supporting people furthest from the labour market towards employment;
- **Place**: Enhancing the resources and capacity for community led responses to development; and
- **Business**: Supporting the development of new and existing businesses to increase employment opportunities in the area, and improve business resilience.

This will be achieved through the LAG taking a proactive approach to encouraging local interventions that meet the needs of the local economy, using ESIF resources to lever in additional support, resources, and activity that will contribute to addressing the challenges that the area faces, and tying into local networks, such as community facilities and organisations.

In particular, the LDS will aim to build local capacity, both in terms of the design and development of interventions and in levering in additional resources to support regeneration. The outcomes from the implementation of the LDS will include:

- Reduction of unemployment, with a particular focus on underrepresented groups including age cohorts; minority groups; disabled people;
- Increased economic activity rates with a particular focus on the underrepresented groups mentioned above;
- Increased levels of self-employment and social enterprise, with the same focus as above;
- Increased employment in local businesses;
- Increased productivity in local businesses; and
- Strengthened community resources.

In addition to delivering the ESIF outcomes, there will be a range of softer outcomes that will be achieved for community and individuals including:

- Increased confidence and wellbeing;
- Improved aspirations and community self-image;
- Improved understanding of the needs people, place and business , with local residents being empowered to making decisions;
- Positive citizenship and respecting the values of others; and
- Positive role models in communities to inspire other, particularly young people to access employment or start a business.

Importantly, the LAG itself will be an important focus for capacity building and active engagement, building on the existing networks.

The objectives arising from the ESF and ERDF interventions are therefore summarised below.

Figure 3.3: Objectives

ESF		ERDF	
Objectives	**LDS Themes Addressed**	**Objectives**	**LDS Themes Addressed**
Build local capacity to create economic interventions	Place	Promote and develop local entrepreneurship	People & Business
Support clear progress towards and into employment/self-employment, education and training access to work and training for those furthest from the labour market	People	Support the development and growth of local start-ups, micro and small businesses and social enterprises	Business
Improve local labour market participation and raise aspirations and culture	People & Place	Enhance community infrastructure and capacity for economic growth	Place
		Integration with local opportunities presented by key sectors, proximity to key employment sites, service and estates transformation agendas and other factors	People, Place & Business

Figures 3.4 and **3.5** over summarise the logic framework that informs the LDS for both ESF and ERDF interventions.

Figure 3.4: Logic Framework – ESF

Objectives
- Build local capacity to create economic interventions
- Support clear progress towards and into employment/self-employment, education and training access to work and training for those furthest from the labour market
- Improve local labour market participation and access to employment sites and regeneration activities

Impact
Increased:
- Employment
- Economic activity
- Social Value

Results & Outcomes

Results - People
- Participants in education or training
- Unemployed participants in employment or self-employment
- Inactive participants into employment or job-search on leaving

Outcomes - People
- Increased labour market participation

Outcomes - Place
- Increased local capacity and culture

Outcomes - Business
- New enterprises established
- Enhanced local workforce

Rationale
The Gateshead CLLD area faces specific issues that hold back socio-economic development, including:
- Unemployment and inactivity, particularly with people permanently out of the labour market, and mental health a key issue
- Low levels of self-employment, particularly for women

The area does, however abut a significant number of employment sites.

Assumption
Targeted investment in interventions which increase labour market participation and promote inclusion will help address these issues, and build capacity for larger scale activities through linkages to other support frameworks, such as LEP-level investment

Inputs
- LAG engagement
- Support from AB
- £1,399k ESF
- £1,399k match funding

Activities

People
- Young people (16-24)
- Women
- Older people (50+)
- Mental & physical wellbeing
- Family support
- Stimulating entrepreneurship including gender focused approaches

Place
- Linking to employment sites/regeneration projects

Business
- Enhanced local labour supply
- Collaborative opportunities (e.g. training)

Outputs

People
- Total Participants
- Female participants
- Unemployed participants, including long-term unemployed
- Inactive participants
- Participants aged 50+
- Participants from ethnic minorities
- Participants with disabilities

Externalities
Capacity of partners to invest; future of ESIF; impact of other ESF programmes, such as BBO; wider economy

Figure 3.5: Logic Framework – ERDF

Objectives
- Integration with local opportunities presented by key sectors, service and estates transformation agendas and other factors Promote and develop local entrepreneurship
- Support the development and growth of local start-ups, micro and small enterprises and social enterprises, especially in growth areas, such as social care
- Create linkages to larger scale regeneration projects

Impact
Increased:
- **Employment**
- **Business base**
- **Social Value**

Outcomes
People
- Increase in employment
- Increased in self-employment readiness

Place
- Increased local capacity
- Improved business/ enterprise assets

Business
- Business growth
- New start-ups
- Increased investment
- Development of enterprise culture
- Enhanced resilience

Rationale
The Gateshead CLLD area faces specific issues that hold back socio-economic development, including:
- Low entrepreneurship levels
- Sustainability and condition of local assets

There are, however a number of regeneration projects that provide the opportunity for supply chain linkages and networking

Assumption
Targeted investment in interventions which support the establishment and growth of local enterprises will help to address the above issues and build capacity for larger scale activities through linkages to other support frameworks, such as LEP-level investment

Inputs
- LAG engagement
- Support from AB
- £500k ERDF Revenue
- £310k ERDF Capital
- £540k match funding

Activities
People
- Community delivery
- Enterprise support services
- Start-up grant funding

Place
- Revitalising underused assets
- Enhancing business support infrastructure

Business
- Access to small-scale grant support
- Social enterprise hubs/ /diversification
- Business IAG and networking

Outputs
People
- Number of potential entrepreneurs assisted to be enterprise ready
- Female participants

Place
- Square metres of public or commercial building built or renovated in targeted areas

Business
- Number of enterprises receiving support
- Number of new enterprises supported

Externalities
Capacity of partners to invest; future of ESIF; impact of other programmes such as NELEP level ERDF funded business support; wider economy
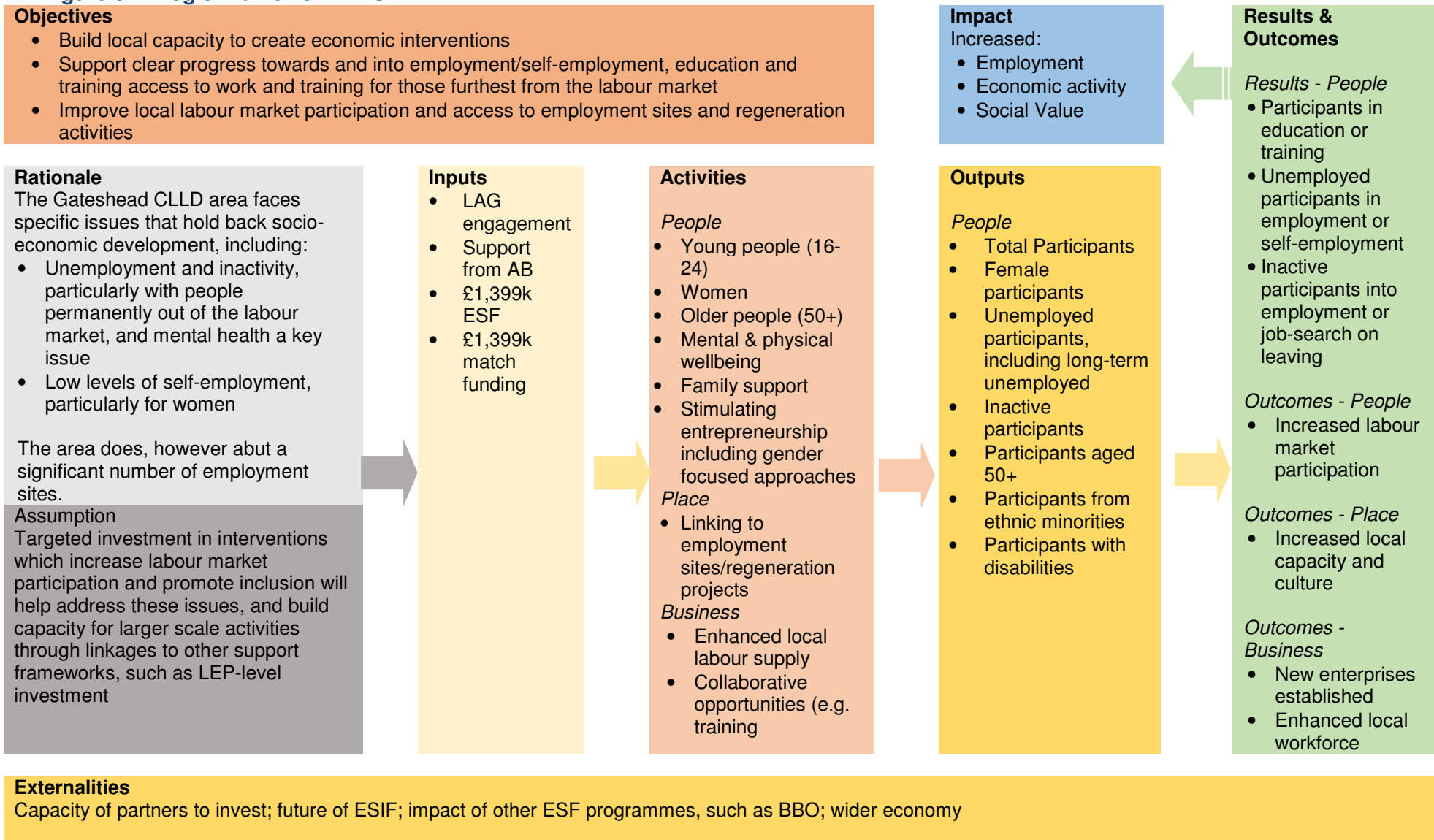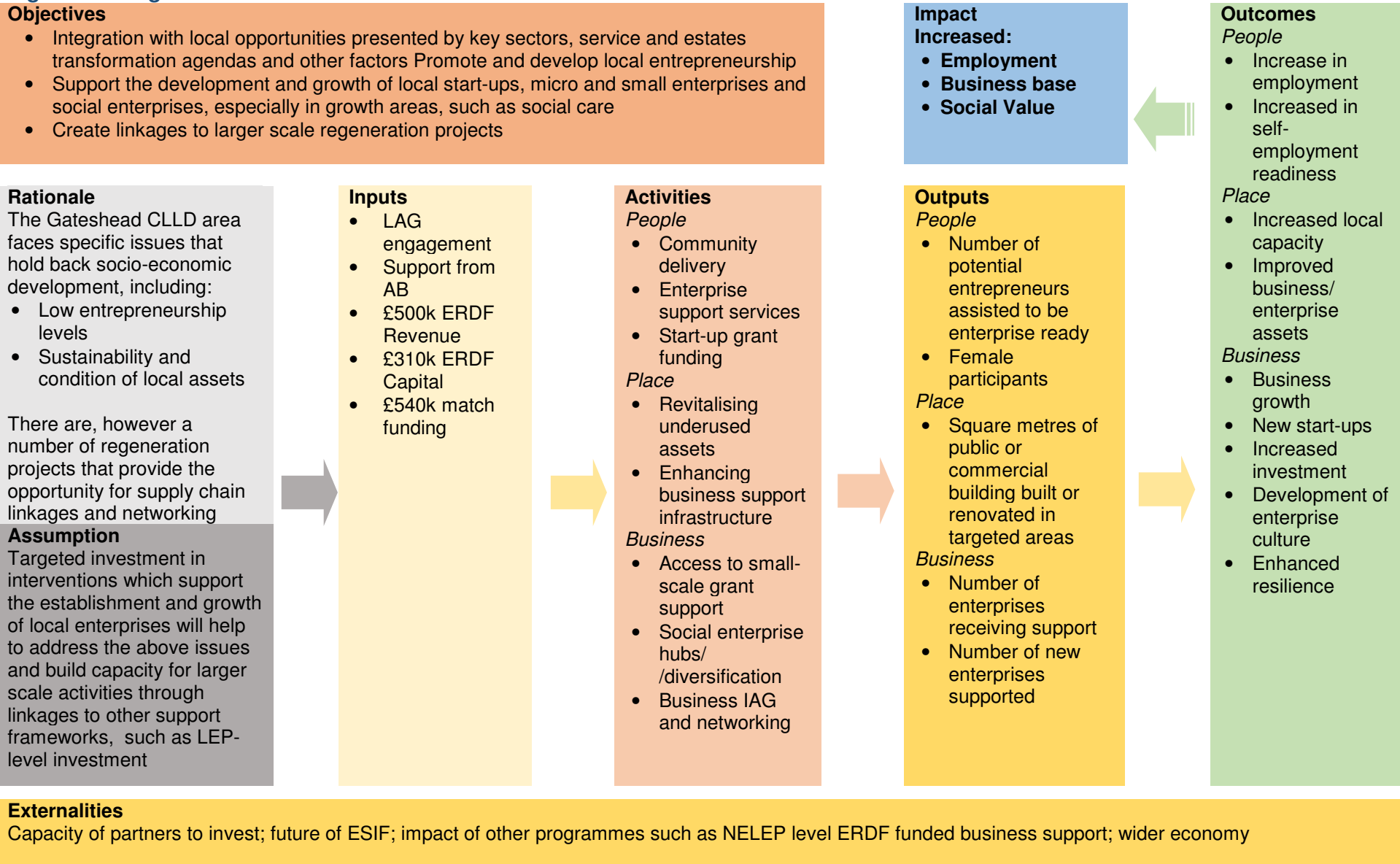
3.1.3 Actions & Funding

The focus of the LDS is to mobilise resources that will address the objectives in the most effective manner. **Figure 3.6** summarises the main ways in which the ESIF support will be targeted.

Figure 3.6: Actions & Funding

Theme	ESF		ERDF Revenue		ERDF Capital	
	Activities	Priority Actions Addressed[37]	Activities	Priority Actions Addressed	Activities	Priority Actions Addressed
People	Pre vocational training, mentoring and guidance	1. Capacity Building 2. Pathways to Employment 3. Aspiration and Culture	Community delivery of activities (e.g. social enterprise)	1. Capacity Building 5. Business Creation 6. Business Growth	n/a	
	Targeting groups with specific needs (e.g. age cohorts; minority groups; disabled people)	1. Capacity Building 2. Pathways to Employment 3. Aspiration and Culture	Supporting individuals to become enterprise ready	1. Capacity Building 3. Aspiration and Culture 5. Business Creation		
	Supporting entrepreneurial culture, including a focus on women in business	1. Capacity Building 3. Aspiration and Culture 5. Business Creation				

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[37] Priorities identified in Section 5 of the LDS are: 1. Capacity Building; 2. Pathways to Employment; 3. Aspirations and Culture; 4.Workspace Infrastructure; 5. Business Creation; 6. Business Growth.

Theme	ESF		ERDF Revenue		ERDF Capital	
	Activities	Priority Actions Addressed[38]	Activities	Priority Actions Addressed	Activities	Priority Actions Addressed
Place	Physical access to employment sites (e.g. supporting effective use of public transport)	2. Pathways to Employment 3. Aspiration and Culture	Service transformation and innovation	1. Capacity Building 5. Business Creation 6. Business Growth	Extending the use of underutilised assets for enterprise (e.g. community facilities)	1. Capacity Building 4. Workspace Infrastructure
Business	Supporting the development of the labour supply through work experience and placements	1. Capacity Building 2. Pathways to Employment 3. Business growth	Business support and advice (including social enterprise)	1. Capacity Building 5. Business Creation 6. Business Growth	Developing local hubs with social enterprise focus	1. Capacity Building 4. Workspace Infrastructure
	Collaboration and networking (e.g. joint work experience/apprenticeship initiatives)	1. Capacity Building 2. Pathways to Employment 3. Business Growth	Targeting potential growth sectors (e.g. social care; environmental sustainability)	1. Capacity Building 5. Business Creation 6. Business Growth		

For the purposes of the LDS, it is important that the types of project are not made too prescriptive. However, it is equally important that the limited CLLD resources are effectively marshalled and targeted for the maximum impact. The LAG will therefore take into account the additionality factor of any intervention, as well as the extent to which the support can lead to sustainable activities and building local capacity, while taking into account acceptable risk.

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[38] Priorities identified in Section 5 of the LDS are: 1. Capacity Building; 2. Pathways to Employment; 3. Aspirations and Culture; 4.Workspace Infrastructure; 5. Business Creation; 6. Business Growth.

Robust and effective monitoring and evaluation is essential to programme management and delivery, serving to measure performance and inform ongoing development and delivery in a process of continuous improvement. The LAG has a central role in ensuring that the LDS fully meets the need of the wider community, and in adapting interventions to meet changing needs. It will therefore be essential that progress over the LDS as it evolves is subject to ongoing monitoring, in order to ensure that:

- Effectiveness and value for money is assessed;
- Emerging opportunity areas are identified;
- Any disadvantages experienced by underrepresented groups are minimised; and
- ESIF resources are targeted on activities of greatest need.

The Logic Frameworks (**Figures 3.4** and **3.5**) summarise the ways in which the ERDF and ESF components of CLLD will interlink and provide the basis for the evaluation framework for the LDS, with evidence to be collected for each component of the Logic Frameworks as well as equality monitoring data. This will provide a holistic approach to evaluation which demonstrates effectiveness in terms of outputs, results and impact and assess process related issues such as the effectiveness of application processes. Impact assessment will incorporate the collection of data from project beneficiaries to enable the quantification of the economic impact and social return on investment (SROI) of the programme. Such an approach will provide quantitative measures to demonstrate the impact of CLLD on the target community and the wider local economy.

The LAG will undertake an annual review of the CLLD programme in consultation with the wider community in order to ensure that targeting of resources remains appropriate and fit for community needs. It will also undertake an interim evaluation half way through the programme (2019) and a summative evaluation on completion. These reviews and evaluations will also involve the publishing of equality monitoring information and equality objectives. The information from these reviews will be used to inform ongoing investment of ESIF as the programme develops, and allow for sufficient flexibility to adapt to new challenges.

3.2 Objectives

The specific objectives of Gateshead CLLD have been described in **Section 3.1.2** above. In line with the overall objectives of CLLD, the LDS aims to create local ownership around defined priorities in a coherent fashion while encouraging innovation.

With a focus on **People**, **Place**, and **Business**, the LAG will direct ESIF resources with the aim of improving people's lives and developing the local economy. The overall aim of the programme will be to enable bottom up solutions to the challenges which the area faces. In particular, the LAG will seek to identify and support local initiatives that will enable practical

and innovative actions. This means that the CLLD activities will focus on the strategic objectives summarised in **Figure 3.7**.

Figure 3.7: Strategic Objectives

Theme	Activity Focus	Objectives (by 2023)	Priority Actions Addressed[39]
People	Routes into work	Reduction in economic inactivity rates, with a particular focus on underrepresented groups Increase in activities focused on people inactive/unemployed in worst 20% IMD areas Increase in numbers of self-employed, including proportion of women	2. Pathways to Employment 3. Aspirations and Culture 5. Business Creation
Place	Infrastructure	Establishing the LAG as a local focus for activity and funds leverage Creating new workspaces for micro/small enterprises Development of community facilities for economic development	1. Capacity Building 4. Workspace Infrastructure
Business	Networking & Support	Establishing new businesses Supporting new co-operatives/social enterprises Creating new networks focused on training and supply chain access	1. Capacity Building 3. Aspirations and Culture 5. Business Creation 6. Business Growth

3.3 ESI Fund Outputs and Results

Taking into account the overall objectives for the NELEP ESIF programme, the Gateshead minimum Outputs and Results to be achieved by 2023 are summarised in **Figures 3.8** to **3.10**.

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[39] Priorities identified in Section 5 of the LDS are: 1. Capacity Building; 2. Pathways to Employment; 3. Aspirations and Culture; 4.Workspace Infrastructure; 5. Business Creation; 6. Business Growth.

Figure 3.8: ESF Outputs

ID	Indicator	Target
01	All Participants	1,700
Of which:		
-	Women	850
-	Men	850
CO03	Inactive	425
CO01	Unemployed	1,190
04	Over 50 years old	321
CO16	With disabilities	490
05	Ethnic Minorities	195

Figure 3.6 summarises the projected results from the programme over the five-year period.

Figure 3.9: ESF Results

ID	Indicator	Target
CR02	Participants in education or training on leaving	323 (19%)
R1	Participants in employment (incl. self-employment) on leaving	272 (16%)
R2	Inactive participants into employment or job search on leaving	123 (29%)

The ERDF outputs are shown below. The LAG consider that the employment increase target will be the most challenging, and has therefore taken this into account when allocating resources within the Financial Plan (**Section 7**).

Figure 3.10: ERDF Outputs

ID	Output Indicator	Target
C1	Number of enterprises receiving support	100
C5	Number of new enterprises supported	75
C8	Employment increase in supported enterprises	55 FTEs
P12	Public or commercial buildings built or renovated	$186m^2$
P11	Number of potential entrepreneurs assisted to be enterprise ready	250

3.3 Consistency, Complementarity and Synergy

It is recognised that CLLD activity does not work in a vacuum. There are many other interventions that operate within the area, and which touch on similar themes. Indeed, CLLD is an integral component of the NELEP ESF Plan 2014-2020, and will therefore slot in to the range of other activities. An intention will be to target activities that will have the potential to scale up to mainstream Borough, LEP-wide and national programmes.

There are two important considerations to be taken into account in this respect:
- A recognition that the **scale** of CLLD is significantly lower than many other sources, and lends itself to small and pilot interventions; and
- The fact that the highly localised focus of CLLD provides an opportunity to **target** specific needs, creating significant impact within small areas.

Areas appropriate for CLLD will therefore be:
- Supporting highly local employability activities, with an initial focus on older age groups;
- Building local capacity to deliver enterprise and employability services;
- Addressing gaps in enterprise provision, such as:
  - Social enterprise diversification;
  - Small-scale funding gaps; and
  - Networking among micro and small businesses

CLLD will therefore be used to complement existing activities and support. The key support provision to be taken into account is summarised in **Figure 3.11** over. It is important that CLLD not only acts in a manner complementary to these resources, but also understands the timescales over which these offers exist, so that interventions can be targeted appropriately.

Other relevant local interventions in the CLLD area include:
- The Big Local programme[40], covering Teams, Derwentwater Road and Racecourse Estate, which runs for 10 years from 2011, and includes the development of sustainable community facilities and responding to local social need;
- A range of targeted family wellbeing and family interventions, such as:
  - Family Nurse Partnerships;
  - Parent Outreach Workers;
  - Family Support Officers; and
  - Children's Centres

Whilst there are clear links between this other programmes (as highlighted in **Figure 3.11**), there are also synergies with other proposed or live community led initiatives in the NELEP area including:
- LEADER, which covers parts of six wards within rural Gateshead, The North Pennine Dales LEADER programme is within close proximity of the Gateshead CLLD area. Funding supports capital development around micro and small enterprise and tourism initiatives creating jobs and enhancing employment opportunities. Increasing the employment potential of CLLD residents will help them access jobs, whilst the market for self-employment will benefit from an enhanced rural economy; and
- Other potential CLLD initiatives. For example, funding is being sought to help address deprivation along large parts of the north bank of the Tyne in Newcastle, covering Scotswood, Byker and Walker, while the Tyne Gateway initiative covers the river mouth in across North and South Tyneside. These are within close proximity of the proposed Gateshead CLLD initiative, with the potential to enhance economic performance supporting economic growth within these areas and the wider travel to work area.

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[40] BIG LOCAL GATESHEAD - Community Plan 2016-19 (January 2016)

Figure 3.11: Related Programmes

Programme	Summary
Building Better Opportunities (BBO)	Two joint ESF/Big Lottery Programme (2016-2019) focusing on: • People furthest from the labour market (award to be confirmed in Tyne & Wear) • Health Barriers to employment across Tyne & Wear (to be awarded)
NELEP Mainstream ESF	Employability and Active Inclusion activities; including Skills Funding Agency (SFA) and Department of Work and Pensions (DWP) opt-ins (2014-2020)
LA7 ESF Community Grants	Being led by Gateshead Council, Community Grants provides small grants to VCSE organisations to support unemployed or inactive people into the labour market. This is part of SFA Opt-in.
North East Mental Health Trailblazer	Covering the seven North East Combined Authorities providing additional employability support through coaches (2015-18) referred through Job Centre Plus and NHS Improving Access to Psychological Services
Talent Match[41]	A Big Lottery programme targeting young people who are furthest from the jobs market, including those who are completely outside of the benefits, work and training system and facing severe barriers to gaining the skills they need to get into work. (2014-19)
DWP and Welfare Reform	This covers a range of provision, such as Work Clubs, and a range of support provision for people with disabilities or wellbeing issues, including: Access to Work; Fit for Work; Health and Work Innovation Fund; Work and Health Programme (from 2017) Changes to the benefits system, will also impact on our target group, such as: the move from Disability Living Allowance to Personal Independence Payments; Universal Credit; and the requirement for new ESA claimants to participate in work-related activity/job search.
Education Health and Care Plans	For young people with learning difficulties, physical disabilities, or health related problems (to 25).
Work Programme (becoming WP+)	The current Work Programme is under review, with new contracts underway from 2017 onwards.
Tyneside Recovery College[42]	NHS provision providing support for those facing mental health issues, with peer supported learning

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[41] http://www.oasisaquilahousing.org/projects/talent-match
[42] https://www.ntw.nhs.uk/pic/recovery.php

Programme	Summary
FamiliesGateshead[43]	Local delivery of the Troubled Families programme, which includes an employability focus
Generation North East[44]	Connecting businesses with young (18-25) people (2015-18)
NELEP Mainstream ERDF	Business support (advice, grants and loans); Competitiveness; Innovation; Low carbon and climate change mitigation
New Enterprise Allowance	Mentoring, allowance and loans for benefits claimants
Prince's Trust Programmes[45]	Training, employability and business support for young people

3.4 Equality, Diversity and Inclusion Principles

The LAG will ensure that it complies with the requirements of the Equality Act 2010 (the Act) by having due regard to the needs of the underrepresented, such as those defined by the funder under ESF:

- Women;
- Long-term unemployed;
- Economically inactive;
- People aged 50 years and above;
- Ethnic minorities; and
- Participants who have disabilities.

The Accountable Body will also be responsible for compliance with the Public Sector Equality Duty (PSED) general and specific duties.

However, it is recognised that making statements about commitment are not necessarily the same as delivery. This applies equally to people employed within delivery organisations, as well as beneficiaries themselves.

Specifically, the LAG will:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it;
- Remove or minimise disadvantages suffered by people due to their protected characteristics;
- Take steps to meet the needs of people with certain protected characteristics where these are different from the needs of other people;

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[43] http://www.gateshead.gov.uk/childrenstrust/FamiliesGateshead/TheTroubledFamiliesProgramme-2012-15.aspx
[44] http://generationne.co.uk/process
[45] https://www.princes-trust.org.uk/about-the-trust/where-we-work/north-england

- Encourage people with certain protected characteristics to participate in public life or in other activities where their participation is disproportionately low.

In particular, we will ensure that CLLD takes into account hidden, or invisible disabilities, including mental health issues when targeting resources on helping individuals to move towards employment.

LAG members will be briefed and trained on equality, diversity and inclusion principles and practice. This training will form part of the induction processes for LAG members. Guidance will be made available to ensure ongoing compliance.

Figure 3.12 below summarises the principles that will inform our approach to equal opportunities. Our monitoring processes will include consideration of equal opportunities in practice.

Figure 3.12: CLLD Equal Opportunities Principles

Principle	Actions
Promoting Accessibility[46]	Ensuring that there are no unreasonable barriers to enabling potential beneficiaries to accessing support within the constraints of the funding available and subject to eligibility conditions being met
Valuing Cultural Diversity	Taking into account the different cultures that exist in the area (for example by acknowledging religious obligations, such as Shabbat) and respecting diversity
Promoting Participation and Inclusive Communities	Ensuring that individuals and organisations have reasonable access to information over the potential of CLLD funds and activities utilising both established and new networks and stakeholder groups
Reducing Disadvantage and Exclusion	Focusing our resources on individuals and areas exhibiting greatest need

3.5 Environmental Sustainability

CLLD activities will take into account an overarching commitment to environmental sustainability in projects. We will seek to provide a positive contribution to the environment through specific activities funded and will minimise our negative contribution through actions aimed at reducing waste and energy use and using environmentally friendly and more sustainable products, where possible. We will ensure that every aspect of our activities is conducted in accordance with sound environmental practices, thereby contributing towards achieving a more sustainable future. In particular the projects delivered through CLLD will include a focus contribution to maintaining and enhancing the local environment while simultaneously increasing participants' understanding of their local environment and sustainable development.

We will seek to:

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[46] Accessibility can be in the form of language, age, sexual orientation, culture, religion, childcare, disability.

- Continually monitor environmental legislation development with an intention to review internal practices when possible;
- Encourage the use of sustainable resources and alternative environmentally friendly products, where possible and within financial constraints;
- Conserve the use of resources;
- Encourage recycling waste and use recyclable products; and
- Enhance beneficiary awareness of environmental issues and their impact.

Through activities focusing on diversification, we will also seek to encourage new business interventions that target the green economy, in order to maximise the benefits of moving towards **circular economy**[47] approaches that will benefit our community. This will include the investigation of potential circular economy activities that CLLD can support within the community.

3.6 Innovation

The motivating force behind CLLD is that relatively small ESIF investments from a bottom-up perspective can develop new products, services or ways of doing things in a local context, and have a multiplier effect on the changes needed in our community.

This approach requires an attitude to risk that encourages experimentation and prototyping, with the allocation of support acknowledging that not all attempts will lead to immediate success. This places the CLLD support on a spectrum that will develop initiatives, from community 'prompts', some of which will be capable of scaling up to larger interventions in the future as illustrated in **Figure 3.13**.

Figure 3.13 Innovation

To support this activity, the LAG will implement an **innovation fund** that will provide small scale grants to individuals and groups to, for example:
- Prototype activities, for example by testing a new approach to employability support on a small groups of people;
- Investigate new business areas, for example for a social enterprise; and
- Obtain initial professional advice on the costs and potential for property improvement.

The key to managing an effective Innovation Fund will be for the LAG to take a managed approach to risk, encouraging creative approaches to the development of local solutions that can be tested and scaled up where appropriate. It will also require an approach from the LAG that is not so prescriptive that it will discourage creative approaches.

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[47] http://www.wrap.org.uk/about-us/about/wrap-and-circular-economy

We envisage the scale of innovation grants to be c.£1,000-1,500, and will wish to investigate ways in which these can be 100% funded, either through the investigation of appropriate match funding, or through varying the programme intervention rates, by increasing the need for match on other funded activities. The innovation fund will be sourced from ERDF and will not exceed 1% of total CLLD expenditure.

We expect therefore to make around 5 innovation grants a year, from which 3-4 will result in further funding bids, both to CLLD and other sources.

4. Community Involvement in LDS Development

4.1 Introduction

Building on more than 20 years of LEADER funding in rural areas, CLLD seeks to take the bottom-up, community led principles of this approach to support the creation of multi-funded strategies that are tailored to community need and focussed on deprived and mainly urban communities. As a consequence, public, private and VCSE partners from across Gateshead have been empowered to identify and prioritise their needs and objectives and develop what is ultimately their LDS.

4.2 Community Involvement Activities

The Preparatory Consultants, representatives of Gateshead Council and other key local partners have facilitated a wide range of activities to secure community involvement in the LDS development process and the delivery of community influence in, and ownership of, the LDS.

The community involvement process has been delivered against a backdrop of external factors that have impacted on the ability to engage and involve the public at certain times and may also have discouraged participation from some within the community. This includes the:

- Presence of two purdah periods, firstly covering local elections in early May and the EU referendum in late June meaning that community involvement activities could not be delivered for a number of weeks; and
- Uncertainties created by the subsequent victory of the Leave vote, both of which may have discouraged participation in the process.

However, despite these challenges a multi-faceted and extensive programme of community involvement activities have been successfully delivered. Collectively these activities have ensured that individuals, organisations or representatives from across the VCSE sector and public and private partners have been involved, influenced and had ownership over each key step in the LDS development process. This includes playing key roles in each of the following:

- Defining the CLLD area;
- Influencing analysis of needs;
- Determining and delivery the LAG recruitment process;
- Shaping and prioritising SMART objectives;
- Shaping the Action Plan;
- Defining LAG governance structures; and
- Securing community ownership and sign-off of the LDS.

Figure 4.1 below provides a summary overview of the range of core community involvement activities that have been delivered, who has participated, when and how these were delivered and the role they have played in facilitating and securing involvement, influence and ownership.

Figure 4.1: Core Community Involvement Activities

What?	Who?	When?	What influenced?
Shadow Local Action Group (Steering Group) meetings. This provided Shadow LAG members with the opportunity to contribute, shape and influence the CLLD development process from its earliest stages until appointment of the LAG. This involved various meetings and workshops. The shadow LAG was supported by a Project Board involving representatives from across Gateshead Council with VCSE representation.	15 representatives from the public, private and the VCSE sector. Organisations represented, include: • Gateshead Advice Bureau • Gateshead College • Sight Service (Gateshead) • Oasis Aquila Housing • Gateshead Community Based Care • Gateshead Council • Gateshead College • Job Centre Plus	The shadow LAG met on a regular (often monthly) basis to inform the initial response to inform the CLLD development process from the initial Call for Proposals until the recruitment of the full LAG in July 2016. The Steering Group met monthly throughout.	• CLLD area; • Initial application • Community consultation and LAG recruitment processes • LAG governance • Analysis of needs • SWOT analysis • SMART objectives and prioritisation
Community questionnaire. This was an online questionnaire distributed via organisations and agencies represented on the Shadow LAG and made available via the Gateshead Council and Our Gateshead, the area's community website. Awareness of the questionnaire was also raised via a promotional postcard.	107 people or organisations responded to the survey, of which: • 30% represented the private sector; • 43% represented the VCSE sector; • 13% represented the public sector; and • 13% represented residents or other.	The questionnaire was made available following purdah for local elections and was open from mid-May until August 2016, except for a 4 week suspension during purdah ahead of the European Union referendum.	• LAG recruitment processes • Analysis of needs • SWOT analysis • SMART objectives and prioritisation • Identification of potential project ideas
Drop-in Consultations. 3 of these were promoted through the same mechanisms as the community questionnaire. These were used to provide people with the opportunity to contribute further to the LDS development process and find out more about CLLD through direct discussions with the Preparatory Stage consultants and LAG or Shadow LAG representatives, and took place at the beginning and end of the process. Another Councillor briefing event was held at the Council which provider elected members with the opportunity to contribute to the process. A banner for Gateshead CLLD and the LAG was produced for promoting them at these events.	65 people attended these consultations Participants, included representatives from across the public, private and VCSE sectors while the Councillor event was chaired by the Leader of Gateshead Council.	A Drop-in consultation was held in May 2016 to inform the initial analysis of needs and SWOT analysis with a further two drop-ins held in August 2016 to inform the prioritisation of objectives and Action Plan. The Councillor drop-in was held in July 2016.	• Analysis of needs • SWOT analysis • SMART objectives and prioritisation

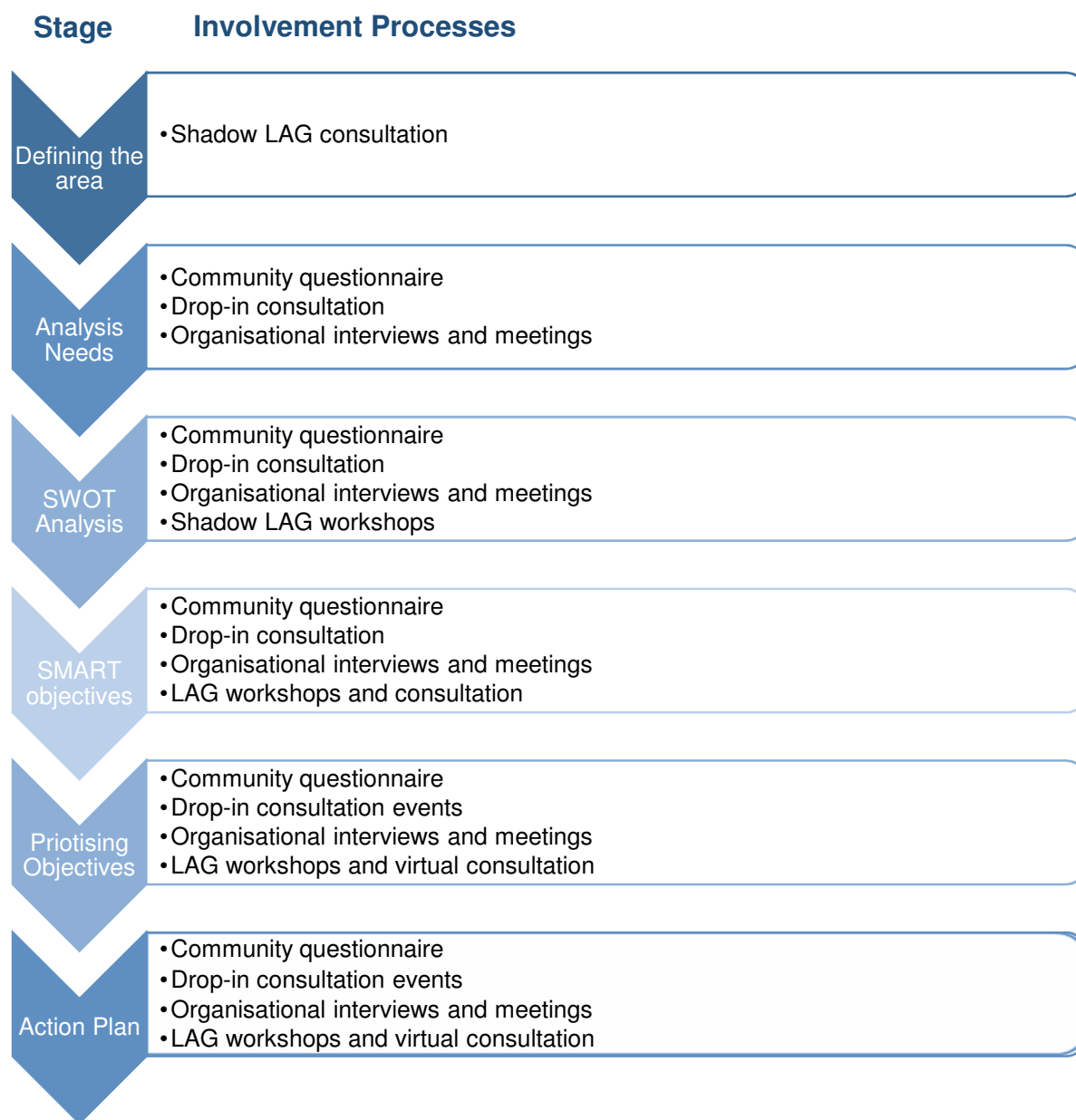| What?	Who?	When?	What influenced
Organisational interviews and meetings. This involved one to one interviews or small meetings with key representatives of agencies and organisations.	30 people were involved and influenced the LDS development process through these interviews and meetings. This included a particular focus on front-line agencies and organisations working with key potential beneficiary groups and communities in the CLLD and others delivering complementary initiatives, including activities currently being developed to ensure synergy and additionality of the LDS.	These were held from April 2016 until August 2016	- LAG recruitment processes - Analysis of needs - SWOT analysis - SMART objectives and prioritisation
LAG workshops and consultation. Following recruitment of the LAG in July 2016, they played a lead role in refining and finalising key elements of the LDS.	14 LAG members were recruited during the LDS preparation process of which: 5 are VCSE representatives; 2 are private sector representatives; 3 are public sector representatives; and 4 are individual representatives. Above may change before finalisation The LAG also has 4 supporting members who do not have voting rights but provide additional advisory capacity. These representatives are all Council Officers specialising in social inclusion, communities, public health and enterprise and the social economy.	From mid-July 2016 onwards, the LAG met to discuss and provided continual feedback on the LDS via email, telephone calls and meetings	- SWOT analysis - SMART objectives and prioritisation - Action Plan - LAG Governance
Virtual consultation via direct dissemination and online availability of the draft LDS.	The draft LDS was circulated to consultees of the above processes that provided the Preparatory Stage consultants with their contact details. The draft was also made available through Gateshead Council's consultation portal on their website.	Early August 2016	- SMART objectives and prioritisation - Action Plan

4.3 Community Influence

Figure 4.1 above illustrated the extensive programme of community involvement that was designed and delivered to ensure community ownership by providing multiple channels and opportunities for involvement and influence, in recognition of the different ways in which individuals, groups and organisations are likely to want or be able to be involved. As well as providing a conduit for community influence and involvement all of the above mechanisms were used to:

- Enhance understanding of CLLD, ERDF, ESF and other initiatives and programmes available and being planned;
- Begin generating a pipeline of potential projects, actions or initiatives to be taken forward under CLLD; and
- To extend the scope of the Shadow LAG and stimulate interest in and secure applications for the LAG.

Despite only being in the early stages of development the LAG recognises the importance of this project offering a long term legacy in terms of structure to embed the changes that will be achieved through the programme and also to attract additional funding to ensure the opportunity to influence change over a longer time period that that proposed through the programme. The LAG see this programme as contributing to structural change, using the next 5 years to drive longer term change, for example through the ability to attract additional funding, and also put in place new approaches to the development of self-sustaining services that will make a long term difference to the people and communities in the CLLD area.

Figure 4.2, over, provides a further summary of the community involvement process illustrating the methods used to secure community involvement and ownership at a number of key stages in the LDS development process.

Figure 4.2: Community Influence Overview

Stage	Involvement Processes
Defining the area	• Shadow LAG consultation
Analysis Needs	• Community questionnaire • Drop-in consultation • Organisational interviews and meetings
SWOT Analysis	• Community questionnaire • Drop-in consultation • Organisational interviews and meetings • Shadow LAG workshops
SMART objectives	• Community questionnaire • Drop-in consultation • Organisational interviews and meetings • LAG workshops and consultation
Priotising Objectives	• Community questionnaire • Drop-in consultation events • Organisational interviews and meetings • LAG workshops and virtual consultation
Action Plan	• Community questionnaire • Drop-in consultation events • Organisational interviews and meetings • LAG workshops and virtual consultation

4.4 LAG Endorsement of the LDS

A letter from the Interim Chair of the LAG is attached as **Annex C**.

5. Action Plan

The aim of CLLD in Gateshead is to assist in creating conditions that will address the specific issues discussed in **Section 2**. The aim will be to create both economic and wider community benefits that will lead to measurable improvements in the area, and contribute towards the scaling up of innovative actions that will contribute more widely to economic development.

While the CLLD programme will help to achieve the ERDF and ESF outcomes highlighted within the proposal, the LAG also envisages that there will be significantly more benefits that will derived from the activity.

A significant increase in economic activity in the area by the creation of jobs and businesses will increase incomes – it will also provide a range of new services to meet the needs of local people and residents. Business growth including the development of social enterprises will support the long term sustainability of the community, through providing opportunities for communities and community buildings to reshape their environment of economic but also social benefit.

The benefits of this approach go much more widely. Developing the skills base to help people into work and also supporting job and business creation will help support attitudinal change, developing the skills of residents to help make decisions on the future of their area, their community, and develop civic pride – building on the already existing good community spirit that already existing in many of these communities.

A cohesive and coterminous community has been chosen by the LAG to enhance the opportunity for these areas to interact, share and learn together. The LDS will help to break down barriers that may exist and build networks and relationships to help encourage the growth in economic performance.

The North East is going through a significant period of economic and social change – this CLLD strategy has been designed to help maximise the opportunities for the deprived communities of Gateshead, supporting those most furthest from the labour market to lead fulfilling lives improving their economic sustainability in the long term, and create new business and employment opportunities.

The six **priority actions** of the LDS that will enable this are:
1. **Capacity Building**
2. **Pathways to Employment**
3. **Aspirations and Culture**
4. **Workspace Infrastructure**
5. **Business Creation**
6. **Business Growth**

These are summarised in the following figures.

1. Capacity Building	
Objectives	Building and maintaining LAG Supporting local community infrastructure Building local partnerships Delivering the LDS
Activities	Management and Administration Animation Innovation Fund
LDS Linkages	Underpinning whole approach
Other Linkages	Mainstream ESIF programmes
Target Beneficiaries	Communities, organisations and individuals in the CLLD area

Funding		
ESF	ERDF Revenue	ERDF Capital
£277,345	£37,500	£0

Indicators	Establishment of LAG Conversion of Innovation Fund grants to full projects (CLLD or other) – 66% New development partnerships established - 5
Impacts/ Results	Additional funding leverage Enhanced local capacity Improved sustainability and resilience of community organisations and assets

2. Pathways to Employment	
Objectives	To assist individuals to move towards employment, self-employment, education and training
Activities	Training and support Wellbeing and family interventions
LDS Linkages	1. Capacity Building 3. Aspirations & Culture 5. Business Creation
Other Linkages	LA7 ESF Community Grants NELEP Mainstream ESF, including SFA and DWP Opt-ins Building Better Opportunities North East Mental Health Trailblazer Talent Match Families Gateshead Generation North East
Target Beneficiaries	Unemployed and Economically inactive individuals in the CLLD area

Funding		
ESF	ERDF Revenue	ERDF Capital
£1,000,000	£0	£0

Indicators	01	All Participants	1,360
	-	Women	680
	-	Men	680
	CO03	Inactive	340
	CO01	Unemployed	952
	04	Over 50 years old	257
	CO16	With disabilities	392
	05	Ethnic Minorities	156

Impacts/ Results	Individual and community wellbeing Increased household incomes Local employment increase Increase in residents in training Raised aspirations and improved self-confidence

3. Aspirations and Culture			
Objectives	Raising personal expectations and ambitions Building community spirit		
Activities	Promotion of entrepreneurialism		
Linkages	1. Capacity Building 5. Business Creation		
Other Linkages	Overall regeneration objectives New Enterprise Allowance (NEA)		
Target Beneficiaries	Unemployed and Economically inactive individuals in the CLLD area		
Funding			
ESF		ERDF Revenue	ERDF Capital
£71,655		£0	£0

Indicators	01	All Participants	204
	Of which:		
	-	Women	102
	-	Men	102
	CO03	Inactive	51
	CO01	Unemployed	143
	04	Over 50 years old	38
	CO16	With disabilities	59
	05	Ethnic Minorities	23
Impacts/ Results	Social Capital New enterprises established Local economic growth Raised aspirations and improved self-confidence		

4. Workspace Infrastructure			
Objectives	Development of under-utilised assets to provide employment space		
Activities	Property improvement, including improved services		
Linkages	1. Capacity Building 3. Aspirations and Culture 5. Business Creation 6. Business Growth		
Other	NELEP Mainstream ERDF		
Target Beneficiaries	Organisations (including community organisations) with improvable space New and existing businesses		
Funding			
ESF		ERDF Revenue	ERDF Capital
£0		£0	£300,000
Indicators	P12	Public or commercial buildings built or renovated	186m^2
Impacts/ Results	Improved infrastructure Enhanced financial viability of local assets Enhanced local business networks		

5. Business Creation			
Objectives	Supporting individuals to consider setting up a business/social enterprise		
Activities	Pre NEA support Promotional activity Information advice and guidance		
Linkages	1. Capacity Building		
Other	NEA Princes Trust North East Enterprise Agencies Ltd (NEEAL) ERDF Business Start-up		
Target Beneficiaries	Individuals with the potential to become self-employed/start a business		

Funding		
ESF	ERDF Revenue	ERDF Capital
£50,000	£243,740	£0

Indicators	P11	Number of potential entrepreneurs assisted to be enterprise ready	250
	C5	Number of new enterprises supported	75
	01	All Participants	136
	Of which:		
	-	Women	68
	-	Men	68
	CO03	Inactive	34
	CO01	Unemployed	95
	04	Over 50 years old	26
	CO16	With disabilities	39
	05	Ethnic Minorities	16

Impacts/ Results	Increased local business base Increased diversity within the local economy Employment and GVA growth Local economic growth

6. Business Growth			
Objectives	Supporting existing businesses to grow and innovate		
Activities	Small grants Information advice and guidance Networking and partnership support (incl. creating new training opportunities)		
Linkages	1. Capacity Building 3. Aspirations and Culture 4. Workspace Infrastructure		
Other	NELEP Mainstream ERDF		
Target Beneficiaries	Micro and small businesses (including social enterprises) in the CLLD area		

Funding		
ESF	ERDF Revenue	ERDF Capital
£0	£193,750	£50,000

Indicators	C1	Number of enterprises receiving support	100
	C8	Employment increase in supported enterprises	55 FTE

Impacts	Employment and GVA growth New products or services created Increased business collaboration Local economic growth

CLLD Action Plan Part 1: Summary

Types of Activity	Total Expenditure	ESIF Funding			ESIF Outputs			
		ESF (a)	ERDF (b)	Total (a+b)	ESF		ERDF	
					Ref	Total	Ref	Total
1. Capacity Building	£592,190	£277,345	£37,500	£314,845	-	-	-	-
2. Pathways to Employment	£2,000,000	£1,000,000	£0	£1,000,000	01	1,360	-	-
					CO03	340	-	-
					CO01	952	-	-
					04	257	-	-
					CO16	392	-	-
					05	156	-	-
3. Aspirations and Culture	£143,310	£71,655	£0	£71,655	01	204	-	-
					CO03	51	-	-
					CO01	143	-	-
					04	38	-	-
					CO16	59	-	-
					05	23	-	-
4. Workspace Infrastructure	£500,000	£0	£300,000	£300,000	-	-	P12	186m^2
5. Business Creation	£506,250	£50,000	£243,750	£261,250	01	136	P11	250
					CO03	34	C5	75
					CO01	95	-	-
					04	26	-	-
					CO16	39	-	-
					05	16	-	-
6. Business Growth	£406,250	£0	£243,750	£261,250	-	-	C1	100
							C8	55
TOTAL	**£4,148,000**	**£1,399,000**	**£810,000**	**£2,209,000**				

CLLD Action Plan Part 2: ESIF Outputs (all falling into More Developed Region)

ESF Outputs and Results	Number to be delivered in						
	2017	2018	2019	2020	2021	2022	Total
Output							
Number of participants	170	340	340	340	340	170	1,700
Number of participants that are women	85	170	170	170	170	85	850
Number of participants that are men	85	170	170	170	170	85	850
Participants that are unemployed including long-term unemployed	119	238	238	238	238	119	1,190
Participants that are inactive	43	85	85	85	85	42	425
Participants that are aged over 50	32	64	64	65	64	32	321
Participants that are from ethnic minorities	19	38	40	40	40	18	195
Participants that have disabilities	49	98	98	98	98	49	490
Results							
Participants in education or training on leaving	16	61	61	61	62	62	323
Unemployed participants in employment, including self-employment on leaving	14	50	52	52	52	52	272
Inactive participants into employment or job search on leaving	6	23	23	23	24	24	123

ERDF Outputs		Number to be delivered in						
		2017	2018	2019	2020	2021	2022	Total
C1	Number of enterprises receiving support	10	20	20	20	20	10	100
C5	Number of new enterprises receiving support	7	15	15	15	15	8	75
C8	Employment increase in supported enterprises	0	5	10	13	13	14	55
P11	Number of potential entrepreneurs assisted to be enterprise ready	25	50	50	50	50	25	250
P12	Square metres public or commercial building built or renovated in target areas	0	0	62	62	62	0	186

CLLD Action Plan Part 3: Financial Summary (all More Developed Region)

Expenditure	2017	2018	2019	2020	2021	2022	Total
(a) LAG Management & Administration	£66,563	£99,844	£110,938	£110,938	£110,938	£55,469	£554,690
(b) LDS Project Expenditure	£431,197	£646,796	£718,662	£718,662	£718,662	£359,331	£3,593,310
Total LDS Expenditure	£497,760	£746,640	£829,600	£829,600	£829,600	£414,800	£4,148,000
Funding							
(a) ESF	£211,410	£262,909	£278,009	£267,913	£270,456	£108,303	£1,399,000
(b) ERDF	£167,880	£251,820	£279,800	£279,800	£279,800	£139,900	£1,399,000
(c) ESIF Total	£97,200	£145,800	£162,000	£162,000	£162,000	£81,000	£810,000
(d) Public Sector Funding	£196,922	£295,384	£328,204	£328,204	£328,204	£164,102	£1,641,020
(e) Private Sector Funding	£35,758	£53,636	£59,596	£59,596	£59,596	£29,798	£297,980
(f) Total match funding	£232,680	£349,020	£387,800	£387,800	£387,800	£193,900	£1,939,000
Funding Total	£497,760	£746,640	£829,600	£829,600	£829,600	£414,800	£4,148,000

6. Management, Monitoring and Evaluation

6.1 Summary of the Local Action Group

A 'shadow' LAG has been operating to inform the development of the CLLD process. This incorporated a range of local interests, including the public sector, but primarily from the VCSE sector. This group was used to guide the Stage 1 process and to work towards the creation of the LAG in the current stage.

As the LAG was put together, it was agreed that it be constituted as an unincorporated association, with membership of the LAG executive being subject to formal application. In addition to the LAG executive, all local bodies will be encouraged to register as LAG supports. Those who register in this way will:

- Receive regular updates on CLLD activities;
- Be invited to an annual conference, at which progress will be reviewed and the membership of the LAG executive confirmed and renewed as required; and
- Underpin the CLLD communications strategy.

The LAG executive was selected from individuals and groups who were invited to put their names forward during the consultation process. By 10 June 2016, 37 individuals expressed an interest. In terms of composition:

- 27% came from the private sector;
- 16% public sector; and
- 57% voluntary and community sector (VCS).

These people were invited to formally apply for LAG Executive membership by the 15 July 2016, and were subject to review by a working group representative of: the Shadow LAG; Gateshead Council; and the external consultants supporting the Stage 2 bid. The criteria used for appointment was:

- Understanding of the target area;
- Ability to make objective assessments of funding bids in line with the requirements of ESF and ERDF Regulations;
- Appropriate knowledge (e.g. in: business; training; local support agencies);
- Specific appropriate skills (e.g. in: employment; finance; quality standards; health and wellbeing; property);
- Maintaining a representative group of interests across the target area; and
- Maintaining gender balance.

Figure 6.1 over summarises the current position on LAG executive membership. In addition, there are five 'supporting members' from Gateshead council, who do not have the right to vote.

The acting Chair is currently Vikki Wilkinson, Business Development Manager of Gateshead Advice Bureau who chaired the 'shadow' LAG. This will be reviewed at our next formal meeting (29 September). We are also actively seeking representation from additional groups, notably:

- The Jewish community in the area. Discussions on this have taken place with representatives of the Jewish Community Council of Gateshead; and

- One of the local universities.

Figure 6.1: LAG Executive Members

Member	Experience/Organisation	Constituency
Vikkie Wilkinson	Business Development Manager, Gateshead Advice Bureau	Independent Chair
Leeanne Bennett	The Nest CIC, Low Fell	Individual
Wendy Gill	Secretary, Bill Quay Community Farm	Individual
Sihle Mapanda	2 Way Tenancy Solutions CIC	Individual
David Wallace	Active Age North East	Individual
Brian Foreman	Manager, Handelsbanken, Gateshead	Private
Richard Talbot-Jones	Director of Talbot Jones Risk Insurance Ltd; North East Initiative on Business Ethics Ltd	Private
John Moiser	Specialist Partnership Manager at DWP Tyne & Wear	Public
Cllr Gary Haley	Gateshead Councillor for Dunston & Teams Ward; Cabinet Member for Economy	Public
Linda Blakelock	Funding Officer, Gateshead College	Public
Phil Dobson	Oasis Aquila Housing	Voluntary
Sarah Gorman	Edberts House Communities Project	Voluntary
Andrea Johnson	Head of Operations, Equality North East	Voluntary
Sue Taylor	Chief Executive Officer, Sight Service	Voluntary
Supporting Members (non-voting)		
Steve Reay	Economic Inclusion Specialist – Gateshead Council	Public
Michelle Booth	Social Enterprise and Entrepreneurship Specialist – Gateshead Council	Public
Paul Cairns	Area Co-ordinator – Gateshead Council	Public
Iain Miller	Public Health – Gateshead Council	Public
Claire Reid	Corporate Resources - Gateshead Council	Public

Members of the LAG sit as individuals, rather than delegates from organisations, although it will be possible for organisational members to appoint deputes. Members will be excluded voting on any applications that come from organisations in which they play a significant role. Conflicts of interest will be dealt with under guidance modelled on that used by North Pennine Dales LEADER.

The LAG Executive will:
- Keep the LDS under review, and support local businesses, groups and organisations to access ESIF resources and deliver appropriate actions in the CLLD area;
- Ensure that the wider community is aware of, and informed about, CLLD, including convening an annual conference;
- Issue calls for proposals in key areas of the LDS;

- Assess applications for support on the basis of a consistent scoring system (Section 6.3);
- Allocate ESIF resources on a majority vote, subject to review by the Accountable Body, to appropriate applicants; and
- Ensure that performance of funded projects is subject to monitoring and evaluation.

Terms of Reference for the LAG are provided at **Annex A**.

6.2 The Accountable Body

Gateshead Council has made an in principle decision to provide both the match for management and administration costs and act as the Accountable Body. Details are attached as **Annex B**.

The Council was chosen to undertake this role as it:
- Has the capacity and expertise to manage the delivery of ESIF resources such as the:
  - NECA ESF project on the sustainable integration of young people; and
  - NELEP-wide Community Grants Scheme;
- Has experience of the CLLD approach, through its participation in North Pennine Dales LEADER;
- Has strong relationships with the local business and social enterprise community through Economic and Housing Growth;
- Has many years' experience of CLLD initiatives and supporting the growth of Social Enterprises that are owned and controlled by their members / the local community;
- Has close working relationships with all community bodies operating in the area, supported through its Neighbourhood Management and Volunteering Team and working with the Gateshead Community Network;
- Has extensive experience of managing employment support initiatives that have helped many people from the deprived communities return to work – including regional and sub regional partnership initiatives;
- Manages and delivers the Gateshead Capacity Fund[48] to support community delivery of projects, including new start social enterprises to achieve the objectives of the Council Plan, with the objectives of delivering:
  - Prosperous Gateshead – a thriving economy for all; e.g. more people in work, fewer people with low skills through increased learning and development;

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[48] http://www.gateshead.gov.uk/People%20and%20Living/Grants/Grants.aspx

- o Live Love Gateshead – a sense of pride and ownership by all; e.g. a community which cares about their local area and share responsibility for making and keeping our environment the best it can be; and
- o Live Well Gateshead – a healthy, inclusive and nurturing place for all; e.g. a place where, children have the best start in life, older people are independent and able to make a valuable contribution to the community, people choose to lead healthy lifestyles and more people are living longer and without life-limiting illnesses, a place where people feel safe.

As noted in the previous Section, the Council will also contribute participation of key staff in LAG executive meetings, providing additional specialist support and advice covering:
- Employment;
- Social enterprise and entrepreneurship;
- Economic inclusion, including financial inclusion;
- Wellbeing;
- Community development; and
- Financial appraisal.

The Council will also recruit a specialist team to support the management and administration of CLLD, comprising:
- Project Manager, with responsibility for supporting the LAG, liaison with the Accountable Body, and animation (in support of other Council teams and local organisations);
- Financial Support Officer, with responsibility for compliance, claims management; and financial reporting; and
- Administrative support, in providing information to the LAG, supporting meetings, and handling communications and publicity.

6.3 Project Development and Selection

Clearly, **animation** is a central concept in CLLD. Local groups will need to be informed and encouraged to take up CLLD ESIF resources, and understand how and where it can be used. Development staff in the Council and local organisations, including the LAG Executive, will have an important role to play in supporting this to happen.

The LAG will put out focused calls for **proposals**, which will highlight areas within the LDS that it is seeking to invest ESF and ERDF funds. These will either take the form of rolling calls, or specific time-limited calls. These will detail the:
- Topics to be addressed, including target groups;
- Scoring and assessment criteria;
- Expected outputs, results and outcomes; and
- Applications process.

Applicants will be expected to complete an **Expression of Interest**, and will be offered support through the Project Manager to frame this initial proposal in the context of the LDS and ESIF Regulations. Initial appraisal will be sifting will be undertaken by the Project Manager, who will review proposals for eligibility, deliverability and value for money, and present the EoIs to the LAG Executive, who will decide which proposals can be taken to a

full bid. At this stage, we envisage an important role for the Innovation Fund (**Section 3.6**), in helping potential bids to be worked up in greater detail before submission for full funding.

Appropriate proposals will then be worked up for **full submission**, with a detailed exploration of the activities to be undertaken, and the source(s) of match funding. Proposers will be provided with full details of the standard scoring system that the Lag will use to appraise the bids.

The full bids will then be **appraised** by the LAG Executive, taking into account the priorities of the LDS. Special consideration will be given to projects that meet some (or all) of the following criteria:
- Focus on beneficiaries in the CLLD areas falling into the bottom 20% LSOAs;
- Significantly contribute to local capacity;
- Develop innovative solutions to issues facing the locality;
- Involve local people and businesses in design and delivery; and
- Have the potential for upscaling to a larger intervention in the future, including tying in with mainstream ESIF support and other funding initiatives.

The LAG Executive will normally make its decisions at pre-arranged LAG meetings. In the event of a decision needing to be made outside of the planned meetings, it will be possible to make a decision based on a virtual meeting, through the use of email. To be valid, any decision making meeting (actual or virtual) will have to be on the basis of a quorum that comprises a minimum of 51% of voting members need to be present (or respond virtually) with no more than 49% of those members participating from the public sector. The decisions will be clearly recorded, either through the minutes of the LAG meetings, which will be signed off by the Chair, or in the event of a virtual decision, all emails will be kept on file, with a clear summary of the responses being collated. The decision will then be communicated to the LAG at the next scheduled meeting.

Approved bids will then be submitted to the Accountable Body to undertake **due diligence**, including:
- Fit with ESIF regulations;
- Sources of match funding;
- Financial and management capacity.

After funding has been agreed, the beneficiary group or organisation will provide **monitoring** data to the Accountable Body team, with the Project Manager providing update reports to the LAG Executive. Beneficiaries will be encouraged to self-evaluate, with larger projects being encouraged to use external evaluations, where appropriate. The intelligence generated through these processes will be used to inform review of the LDS, and any targeted calls that the LAG may make in future.

The process is summarised in **Figure 6.2** over.

Figure 6.2 Development & Selection
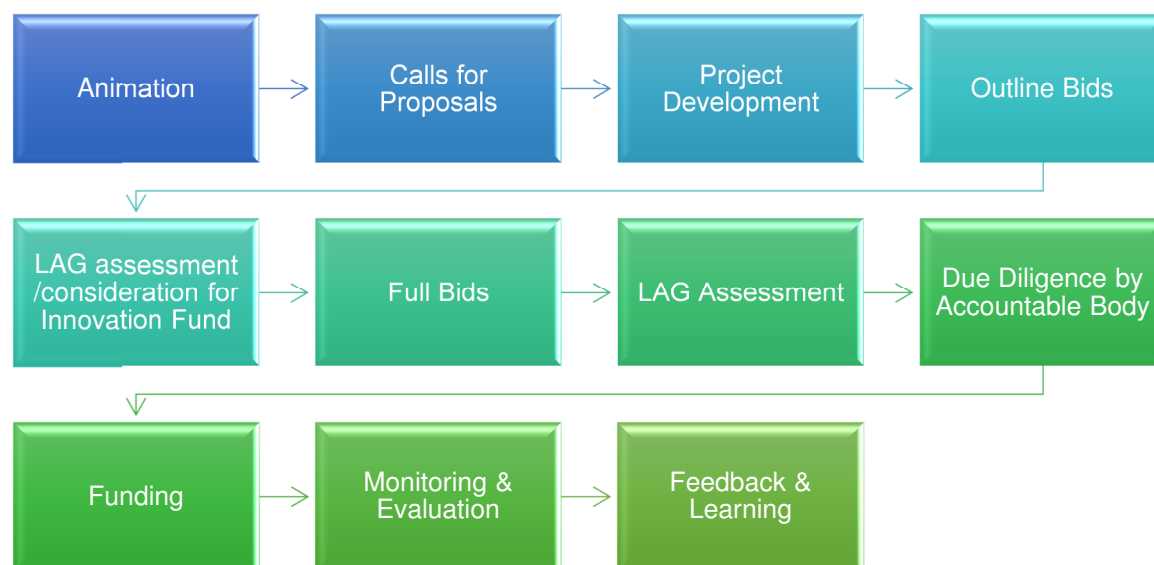
The LAG is keen to maximise the opportunity for legacy to be derived from projects and ensure that the good practice developed through this initiative would be carried forward into other projects, but also bring about long term structural change in the area by increasing employment opportunities and develop businesses, including small businesses that can create employment opportunities but also seek to promote social justice. **An important element of the LAG's work will include building the capacity to influence change**, which includes exploring opportunities for the LAG to build on the work undertaken within this programme and secure a longer tern future for this approach to promote economic inclusion in the longer term.

6.4 Monitoring & Evaluation

While ESIF Outputs and Results will provide an important underpinning factor to monitoring and evaluation practice, they do not provide the full picture of the programme's impact on the local community and economy. As a consequence our approach to monitoring and evaluation will provide evidence that goes beyond output and result metrics to demonstrate the wider impact of the programme.

While ESIF does not require funded programmes and projects to demonstrate their economic impact in terms of £s, such an approach represents a valuable and powerful tool for illustrating the contribution of an intervention to the local economy and the public purse. There are numerous ways for doing this from using economic modelling techniques to illustrate economic impact in terms of jobs created to the collection of data from beneficiaries to show the GVA contribution of revenue focused approaches such as business assists. This in turn requires effective information collection and a standardised approach to calculating such measures to ensure consistency and comparability of results.

The monitoring and evaluation plan for CLLD will be structured around the Logic Frameworks in **Figures 3.4** and **3.5** above, firmly locating analysis within the context of project cycle management, and in meeting the objectives detailed in **Figure 3.7** above.

The **performance indicators** that will be used are therefore:
- Activity measures (e.g. services delivered; grants made; infrastructure supported;
- ESIF Outputs and Results, outlined in **Section 5**;
- Impact measures, comprising:
  - Employment increases including the use of robust multipliers to demonstrate the wider economic impact of these on the local economy;
  - Value in businesses in terms of increased turnover or GVA with robust multipliers used to demonstrate economic impact;
  - Social Value (in terms of social return on investment) such as savings generated through moving a beneficiary into work from benefits;
  - The extent to which Strategic Objectives are met, in terms of:
    - Routes into work;
    - Local infrastructure; and
    - Business networking and support.

Monitoring information will be collected quarterly from beneficiaries along with expenditure details, and projects will be asked to provide an end of project evaluation, detailing how they met objectives and lessons learned. This information will be collated by the Project Manager, and will be reported to the LAG at each meeting. In addition, an **annual progress report** will be prepared for consideration by the wider interest group, in order to inform LDS review and future interventions.

The LAG Executive will also commission three external studies:
- A **Baseline Report**, against which progress can be measured (£5,000 allocated to this activity);
- An **Interim Evaluation** in 2019, against which progress will be assessed, and the LDFS reviewed as appropriate (£5,000); and
- A **Final Evaluation**, which will provide a summative review of CLLD activities in 2022 (£15,000).

All of these reports will be shared on the CLLD website, and presented at appropriate annual consultation meetings.

6.5 Communications and Publicity

The LAG Executive will ensure that there is clear, timely, and appropriate information available to the wider community. This will include:
- A CLLD **website**, hosted on Gateshead Council's site. This will cover:
  - The LDS;
  - Calls for projects;
  - Reports and monitoring information;
  - LAG Executive minutes;
- **Social media** interventions on Facebook and Twitter, to update the community on progress and actions;

- Regular **news releases** to local press and media; and
- **Presentations** to local organisations, including the annual CLLD **conferences**.

We will ensure that ESIF publicity requirements are followed, including use of the correct logo, and references to ESIF in all CLLD communications.

All publicity materials issued by the project will clearly acknowledge ESIF support, using the appropriate logo and wording. All documentation prepared by the project, such as LAG application forms, leaflets, tender documents will display the appropriate logo, as will any information published on websites. Appropriate reference to ESIF support will be displayed at all Gateshead Council locations where CLLD staff are based, and all beneficiary projects will acknowledge ESIF support in in line with the current guidance[49].

6.6 Training and Development

The LAG Executive that has been assembled contains a wide range of appropriate expertise for the effective delivery of CLLD. As part of the support process, we are currently undertaking a training needs analysis of the LAG Executive, in order to ensure that members are supported through the role that they are being expected to undertake. This will especially be the case in supporting members to have a working understanding of ESIF regulations, and the constraints and opportunities that this type of funding requires. We will also ensure that LAG Executive members take into account good practice in equalities issues and governance.

We will also actively seek to liaise with other CLLD and LEADER LAGs in the locality, in order to share best practice in CLLD and develop peer to peer learning networks.

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[49]

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/470206/ESIF_Publicity_Requirements_v2_221015.pdf

7. Financial Plan

7.1 Targeting

All of the Gateshead CLLD area is a More Developed Region. The resources will be focused on beneficiaries within the 20% most deprived areas, which make up 59% of the CLLD area population. The LAG will plan to expend 75% of available ESIF resources on this group. Where expenditure is made on beneficiaries outside these areas, the following criteria will be used:

- Special consideration will be given to beneficiaries outside the area fall into the specific target groups of:
  - Women;
  - Over 50s;
  - People with disabilities;
  - Black and minority ethnic communities; and
- Where businesses are supported, evidence will be sought that employment and training opportunities are directed towards the target areas and groups.

7.2 Management and Administration

Figure 7.1 below shows the projected total budget to be committed to Management and Administration over the project life. This includes costs for three FTE members of staff, who will be employed by the Accountable Body, Gateshead Council, with the roles of:

- Project Manager;
- Financial Support; and
- Administrative Support.

Figure 7.1: Management & Administration Costs

Item	Cost 2017-2022
Staff Costs	£498,690
LAG Costs (including training)	£21,000
Monitoring & Evaluation	£25,000
Other	£10,000
Total	£554,690

The amount allocated to Management and Administration represents **22%** of the committed public sector contribution, on the basis of the minimum Gateshead Council commitment of **£277,345** to match an equal contribution of **ESF** to be used for this purpose.

7.3 Project Budget

The total CLLD budget for 2017-2022, including match, is projected to be **£4.15m**.

The project budget (not including Management and Administration) for the duration of the programme is summarised in **Figure 7.2** over.

Figure 7.2 Project Budget

Priority Action	ESF	%ESF	ERDF	%ERDF	ESIF	Match	Total	Total %
Capacity Building (incl. M&A)	£277,345	20%	£22,500	3%	£299,845	£292,345	£592,190	14%
Pathways to Employment	£1,000,000	71%	£0	0%	£1,000,000	£1,000,000	£2,000,000	48%
Aspirations and Culture	£71,655	5%	£0	0%	£71,655	£71,655	£143,310	3%
Workspace Infrastructure	£0	0%	£300,000	37%	£300,000	£200,000	£500,000	12%
Business Creation	£50,000	4%	£243,750	30%	£293,750	£212,500	£506,250	12%
Business Growth	£0	0%	£243,750	30%	£243,750	£162,500	£406,250	10%
TOTAL	**£1,399,000**	**100%**	**£810,000**	**100%**	**£2,209,000**	**£1,939,000**	**£4,148,000**	**100%**

The indicative allocation by year is summarised in the **Financial Summary for the Action Plan Part 3** *(Page 47)*.

It has been assumed that spend will be:
- 12% in 2017;
- 18% in 2018;
- 20% in 2019-21; and
- 10% in 2022.

Private sector match has been assumed at 2% for ESF and 50% for ERDF, with the remainder being public sector funds.

However, only £277,345 has been allocated so far, to match Management and administration costs. At this stage, the LAG has yet to source match funding to support projects. This will be reviewed on an ongoing basis, with a view to establishing some linked funds, specifically for the Innovation Fund.

ANNEX A

Local Action Group Terms of Reference

Annex A

GATESHEAD GOES LOCAL

COMMUNITY LED LOCAL DEVELOPMENT LOCAL ACTION GROUP

Terms of Reference – August 2016

The Local Action Group (LAG) for Gateshead Community Led Local Development (CLLD) **'Gateshead Goes Local'** is the partnership responsible for the Local Development Strategy (LDS) under the authority of the Accountable Body (Gateshead Council). It has responsibility for the leadership, implementation, monitoring and review of the LDS, and is responsible for taking all major decisions affecting its successful delivery, including decisions on the allocation of funding to projects to achieve the LDS objectives.

The LAG structure has two levels of membership:
- LAG Forum Members;
- LAG Executive Board.

LAG Forum membership comprises of a wide range of community, voluntary, public and private sector representatives. This level of membership will act as a communication channel between communities and the LAG Executive Board. An annual LAG Forum event will be held which will give members the opportunity to demonstrate the value of CLLD through the work supported and review delivery against the LDS.

LAG Executive Board membership will allow representatives to be actively involved in being responsible for setting the strategic direction of the programme, monitoring activity against the LDS, managing the approval process of applications and procuring strategic projects.

The Accountable Body (Gateshead Council) is responsible for delivery of the programme on behalf of the LAG, holds itself responsible for successful conclusion of the programme, and undertakes to ensure that financial propriety and compliance is observed in its management and administration of the programme. The Accountable Body is also responsible for personnel, accountancy and administrative services to the LAG and the programme. It must carry out its responsibilities in accordance with the National Operations Manual.

DUTIES

Accountable Body

The Accountable Body will:

- Enter into Funding Agreement with the Managing Authorities:
  - Department for Work and Pensions (DWP) for European Social Fund (ESF)
  - Department of Communities and Local Government (DCLG) for European Regional Development Fund (ERDF)
- Review and adhere to necessary processes;
- Ensure that as many sectors of the community as possible can contribute to the delivery of the LDS;
- Provide advice and technical support to LAG on DWP and DCLG policies and processes, and in particular advise the LAG on issues of eligibility and compliance, including conflicts of interest
- Provide advice and support to project applicants to enable them to submit eligible applications for funding which meet the LDS priorities and objectives;
- Process applications for funding, and undertake appraisals of them;
- Ensure that projects selected for support;
  - Meet eligibility criteria;
  - Fit with the priorities of the LDS;
  - Undergo a transparent and compliant application and selection process;
- Enter into Grant Funding Agreements for approved projects, incorporating appropriate conditions in accordance with decisions made by the LAG;
- Pay projects' claims;
- Manage projects' performance against their funding agreements;
- Undertake project visits to verify progress and ensure compliance;
- Process grant claims and present these to DWP and DCLG for authorisation and payment;
- Maintain project and programme records to audit standards, and make these available for audit as required;
- Prepare regular progress and financial reports to the LAG and DWP and DCLG;
- Employ and manage LAG staff, and provide secretariat for meetings; and
- Incur eligible expenditure for Management and Administration, and submit quarterly claims in arrears.

Local Action Group Executive

The LAG Executive will:
- Develop and agree the LDS;
- Recruit a wide range of LAG members, reflecting the makeup of the area and the priorities of the LDS;
- Conduct its business in a compliant manner, acting on the advice of the Accountable Body on legal and technical issues as necessary;
- Promote bidding opportunities, with clear selection criteria, to all potential applicants in the LAG area;

- Select and prioritise projects according to their contribution to the LDS objectives and targets;
- Approve projects with funding levels, outputs, timescales and any conditions;
- Monitor the implementation of the LDS, and review as necessary; and
- Make effective links with other key organisations within and outside the LAG area.

LAG Executive Membership

Membership of the LAG Executive requires that:
- The LAG will comprise members of the public, private, community and voluntary sectors, ensuring that it represents a broad range of interests across the area. Membership will reflect both the area's geographical extent and its sectoral composition;

- Members must live in or work in the area of benefit. Organisations working across the area but located outside it may join the LAG and have a voting right;

- There must be more than 50% representation from the private/voluntary sector on the LAG, and on any decision-making group, and no single interest group or business sector shall exceed 50% of the LAG or any decision-making group;

- The number of voting members should not exceed 20;

- Members must identify whether they represent themselves, as individuals, or are representing an organisation. If representing an organisation, they may nominate one named substitute who may vote on their behalf;

- The LAG shall elect a Chair and Deputy at its first meeting. The Chair should preferably be from the private/community sector;

- Recruitment to the LAG Executive will be primarily by open advertisement. Co-option of members is permitted to achieve geographical, sectoral or demographic balance in the membership;

- LAG members shall be appointed for two years. Thereafter, all members will be eligible to re-apply to the LAG, alongside an open recruitment process;

- Members engaged in activity related to their position on the LAG must conduct themselves appropriately and respectfully in relation to other LAG members, programme staff, applicants and members of the public. Inappropriate behaviour may result in exclusion from the LAG at the discretion of the Chair. All members will be required to sign the Code of Conduct at the beginning of their term;

- Relevant training and background information related to responsibilities associated with LAG membership will be made available to any members requiring this;

- Regular attendance at meetings is required. Non-attendance for more than 3 consecutive meetings may result in loss of a place on the LAG, at the discretion of the Chair.

WORKING ARRANGEMENTS

LAG Executive

- The administrative arrangements for LAG meetings will be undertaken by the programme staff team from the Accountable Body with involvement from the other appropriate Gateshead Council staff.

- The programme staff will circulate the agenda and papers at a minimum of seven days before each meeting, and will record decisions and issue minutes for approval at the next LAG meeting;

- The programme staff team will attend LAG Meetings to provide information and statements of progress. Information for meetings should be sufficiently detailed to allow informed decisions to be made. Information should include:

  o Details of projects to be approved/rejected/further clarification sought;

  o Quarterly financial statement on overall spend on all projects and core cost spend;

  o Quarterly statement on achievement of outputs, outcomes, targets, milestones;

  o Notification of significant gaps in achievement of objectives, spend or outputs;

  o Notification of significant problems on funded projects;

  o Late business may be introduced by tabling papers with the approval of the staff team in conjunction with the Chair or Deputy Chair of the Board;

- Board members who are directly involved or have a direct interest in any application submitted will declare an interest and take no part in the consideration of the application unless invited by the Chair to respond to questions pertaining to the application. If Board members represent an organisation which has an involvement in an application, but that organisation will not receive any financial benefit, representatives should declare an interest but can participate fully in the consideration (See also the Code of Conduct).

Meetings

- Will be held at a minimum bi-monthly, unless cancelled by the staff team giving seven days' notice;

- A calendar of meetings will be agreed each year for the next twelve months;

- Meetings will be rotated round the whole area and members will be encouraged to visit actual or proposed projects;

- Decisions will be by a majority of those present. The Chair or Deputy has a casting vote;

- The quorum for meetings will be a minimum of 51% of voting members; and

- LAG Executive members may be entitled to receive travel expenses for public or private transport to attend LAG meetings and any other LAG business required of them. Reimbursement for travel expenses will follow Gateshead Council's policy on mileage and expenses. Members will be encouraged to car share and use sustainable transport.

Decisions and Reporting

- Views and decisions of the LAG will be recorded by the staff team and signed by the Chair at the beginning of the following meeting;

- The Executive's recommendation as to whether an application should be approved, declined or deferred will be delivered through a show of hands to identify the majority view;

- Decision notice and offers of grant will be made by the Accountable Body, which will, where appropriate, have the ability to refer a matter, or elements thereof, back to the LAG for further consideration;

- Information on successful Grant Awards will be reported through the LAG's webpages;

- The Chair may, under below exceptional circumstances, circulate papers or proposals electronically to LAG members via the staff team for decision by written procedures, with a given deadline for comment. LAG members will be required to declare conflicts of interest by e-mail. The staff team will collate the information and checking if the requirement for a quorum has been met. At the end of deadline, the Chair will confirm through the staff team, if a decision has been made and met the requirement for a quorum, and conflicts of interest received;

- Exceptional circumstances are defined as follows:

  o Where a scheduled LAG meeting has to be cancelled due to lack of attendance or severe weather conditions;

  o Where the required mix of representation of LAG members in order for a decision to be made has not been achieved, e.g. public against private, sector representation from different interest groups;

  o Where the staff team faces a situation requiring advice and/or a decision from the LAG in between meetings.

Appeals Procedure

Any applicant who has a concern about the way in which their application has been handled should write in the first instance to Heather Lee – Employment Skills and Inclusion Manager, who will notify the complainant of any action that they propose to take in relation to the appeal within 10 working days.

Variance to Terms of Reference

The Terms of Reference for the LAG will be reviewed annually by the Accountable Body and the LAG, and they may vary or add to these Terms of Reference by agreement with the DWP and DCLG.

Signed   **Name (capitals)**

Date   **Position: Chair**

On behalf of the Gateshead CLLD Local Action Group

Signed   **Name (capitals)**

Date   **Position:**

On   behalf   of   Gateshead   Council   (the   Accountable   Body)

ANNEX B

Gateshead Council agreement in principle to act as Accountable Body

22nd August 2016

Gateshead Goes Local – CLLD Stage 1 Application

ERDF: 25R15L00329 / ESF: OC25R15L0224

To whom it may concern.

The Local Action Group for the above programme has approached Gateshead Council to ask it to be the Accountable Body and provide the matched funding for the above programme.

Whilst the Council is supportive of the project and has made an "in principle" decision to act as the Accountable Body and provide the £277,345 matched funding for the Management and Administration (M+A) costs, Members have not had the opportunity to review the proposal in any detail due to the summer recess.

The requests relating to the M+A costs and the Accountable Body Status will be considered by the Council at a Cabinet meeting in due course, therefore at this stage the funding or the agreement to act as the Accountable Body cannot be guaranteed.

I understand however that it is acceptable for the Local Development Strategy to proceed on this basis and be considered for progressing to stage 2.

Regards

Darren Collins
Strategic Director
Corporate Resources
Gateshead Council

ANNEX C

Letter of endorsement from LAG Interim Chair

Gateshead Goes Local – Local Action Group
C/0 Gateshead Civic Centre
Regent Street
Gateshead
NE8 1HH   25/08/2016

Subject   Gateshead Goes Local
               ERDF: 25R15L00329 / - ESF: OC25R15L0224

To whom it may concern

As chair of the Local Action Group for the Gateshead Community Led Local
Development State 1 submission, please find enclosed a copy of our recently
competed Local Development Strategy which has been endorsed by the LAG.

I can confirm that all three outcomes relating to the strategy have been met in
terms of:-

   1) Preparation of the Local Development Strategy
   2) Formation of the Local Action Group
   3) An in principle decision - match funding and Accountable Body Status

Partners have worked extensively to ensure that the Local Development
Strategy outlined, is an accurate reflection of local need and ensure that the
Action Plan will ensure a satisfactory completion of the outcomes.

Gateshead Council has agreed in principle to provide the matched funding for
the Management and Administration costs of £277,345 and to be the
Accountable Body. It should be noted however that these are "in principle"
decisions, which require ratification through its Cabinet process. Therefore at
this stage they cannot be guaranteed. The Council are however supportive of
the process and recognise the value and benefits that can be derived from the
Strategy and its activity.

I therefore, on behalf of the Local Action Group recommend the strategy to
you for consideration and for progress to a stage 2 application.
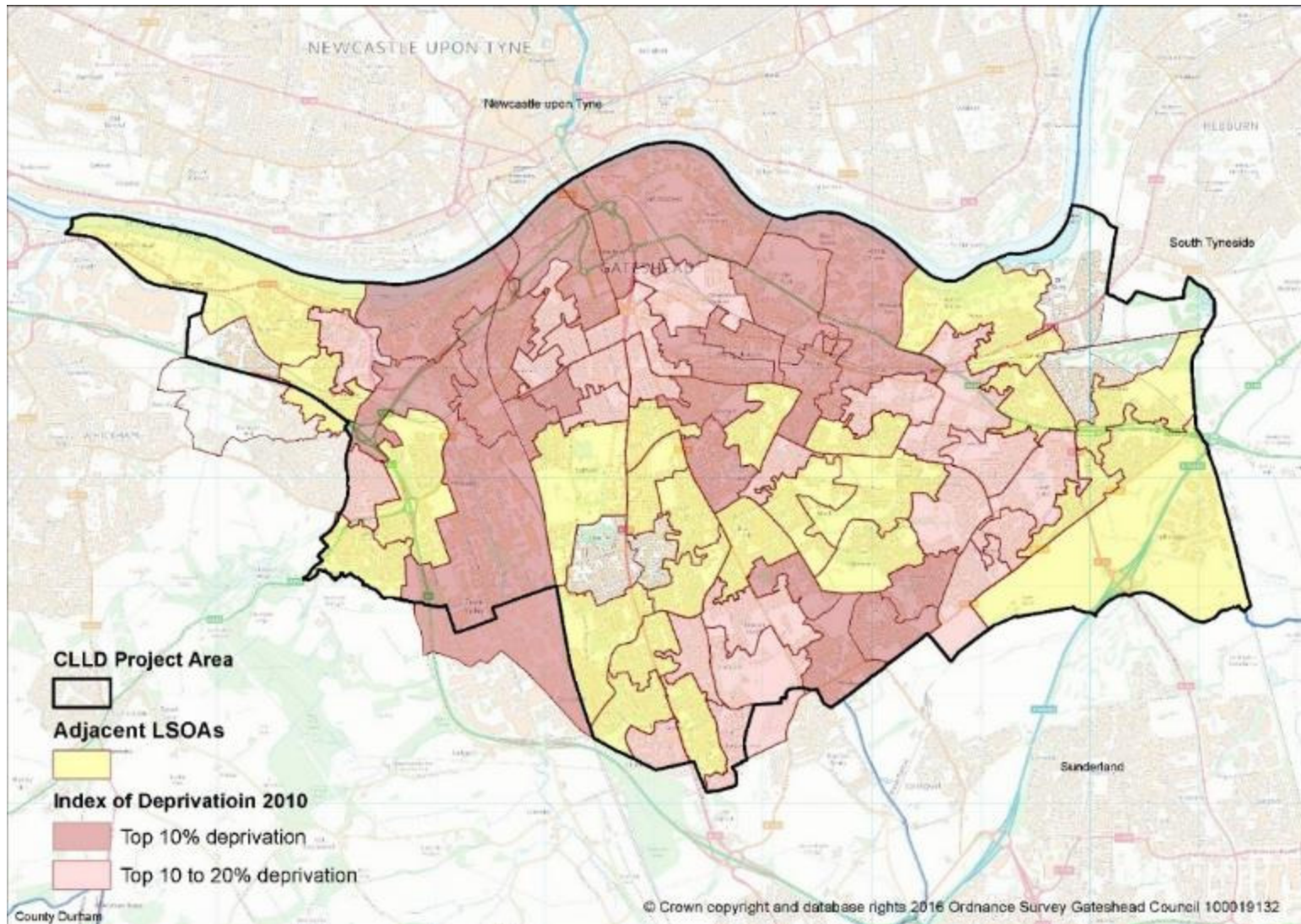
Yours sincerely

Vikki Wilkinson
Chair – Gateshead Goes Local - Local Action Group

Gateshead Goes Local

Annex D

Description of CLLD AREA

Gateshead Goes Local: Area and LSOAs in bottom 20%

The map shows in pink the 20% most deprived LSOAs within the CLLD area, with those LSOAs adjacent to these highlighted in yellow, while those not highlighted are neither.

Gateshead Goes Local

The **Gateshead Goes Local** - Local Development Strategy (LDS) focuses on the urban core of Gateshead. Located on the south bank of the River Tyne and sitting directly opposite Newcastle to the North, South Tyneside to the East, the City of Sunderland to the South East and rural Gateshead to the South and West, the area is home to around 114,500 people. Covering an area of approximately 3,387 hectares it enjoys good road linkages with direct access to the A1 North and South, and key A roads cross through the area in an east-west direction. The Metro light railway provides communities with direct links to Newcastle and Sunderland.

The area contains or is in close proximity to a range of key employment sites, some of which are of regional significance, such as the Town Centre, Gateshead Quays, Follingsby Park, Metro Centre and the Team Valley Trading Estate as well as others in neighbouring local authorities such as Newcastle City Centre, Nissan in Sunderland and Drum Industrial Estate in North Durham. These linkages form an integral part of the areas coherence as a functional economic area. The CLLD area also includes a number of Gateshead's key recent regeneration initiatives including BALTIC: The Centre for Contemporary Art and the Trinity Square development in the town centre.

Despite the link to these key employment sites, the area still contains communities that face significant levels of deprivation with around 61% of residents or 59% of the CLLD area population living in lower layer super output areas (LSOAs) within the 20% most deprived areas in England.

The CLLD area provides comprehensive coverage of eastern and central Gateshead and is focused on areas that experience high levels of disadvantaged while directly linking them to areas of opportunity through the selection of adjacent areas and their neighbours, such as:

- LSOAs covering Low Fell which sits at the heart of the area and helps create a co-terminus economic geography with ties to the Team Valley Trading Estate. While not directly adjacent to the 20% most deprived LSOAs these add considerable value to the area through the significant levels of economic activity among residents, employment opportunities in local businesses and the skilled and active citizenry within the area;
- The adjacent LSOA in the South East of the area includes Follingsby Park, currently home to a significant number of businesses. This is due to be extended through Follingsby South with 22 hectares of developable employment land with a focus on distribution and logistics[50] and part of the NELEP second Enterprise Zone[51];
- The LSOA covering Bill Quay in the North East, which includes a number of industrial employment sites and important community assets; and
- The area is also within close proximity to central Newcastle which offers employment opportunities, although research suggests the river may present a barrier among some residents of CLLD area communities.

The area also includes a number of proposed development and regeneration sites where CLLD could add value by directly benefiting the local community and especially those

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[50] Gateshead Council & Newcastle City Council (2015) Planning for the Future: Core Strategy and Urban Core Plan for Gateshead and Newcastle upon Tyne 2010-2030.
[51] http://nelep.co.uk/north-east-lep-reveals-ten-locations-for-regions-second-enterprise-zone/

furthest from the labour market. Focusing on central Gateshead the CLLD area therefore provides a coherent social, economic, and geographic community.

LSOA Details

Indicator Required	Data
LSOAs included in the CLLD area	E01008162; E01008163; E01008164; E01008165; E01008166; E01008167; E01008168; E01008169; E01008170; E01008171; E01008189; E01008191; E01008192; E01008201; E01008203; E01008204; E01008210; E01008212; E01008214; E01008215; E01008216; E01008217; E01008218; E01008220; E01008221; E01008227; E01008228; E01008231; E01008232; E01008241; E01008242; E01008251; E01008252; E01008253; E01008254; E01008257; E01008258; E01008259; E01008261; E01008281; E01008282; E01008285; E01008238; E01008239; E01008243; E01008287; E01008208; E01008190; E01008193; E01008194; E01008202; E01008205; E01008209; E01008211; E01008213; E01008219; E01008229; E01008230; E01008233; E01008234; E01008235; E01008236; E01008237; E01008240; E01008244; E01008255; E01008256; E01008260; E01008283; E01008284; E01008286.
LSOAs within the 20% most disadvantaged in IMD 2010	E01008162; E01008163; E01008164; E01008165; E01008166; E01008167; E01008168; E01008169; E01008170; E01008171; E01008189; E01008191; E01008192; E01008201; E01008203; E01008204; E01008210; E01008212; E01008214; E01008215; E01008216; E01008217; E01008218; E01008220; E01008221; E01008227; E01008228; E01008231; E01008232; E01008241; E01008242; E01008251; E01008252; E01008253; E01008254; E01008257; E01008258; E01008259; E01008261; E01008281; E01008282; E01008285; E01008238; E01008239; E01008243; E01008287; E01008208; E01008190; E01008193; E01008194; E01008202; E01008205; E01008209; E01008211; E01008213; E01008219; E01008229; E01008230; E01008233; E01008234; E01008235; E01008236; E01008237; E01008240; E01008244; E01008255; E01008256; E01008260; E01008283; E01008284; E01008286.
LSOAS adjacent to LSOAs within the 20% most disadvantaged in IMD 2010	E01008190; E01008193; E01008194; E01008202; E01008205; E01008209; E01008211; E01008213; E01008219; E01008229; E01008230; E01008233; E01008234; E01008235; E01008236; E01008237; E01008240; E01008244; E01008255; E01008256; E01008260; E01008283; E01008284; E01008286.
LSOAs not adjacent to or within the 20% most disadvantaged in IMD 2010	E01008238; E01008239; E01008243; E01008287; E01008208.

Indicator Required	Data					
Population of LSOAs in CLLD area[52]						
	LSOA	**Population**	**LSOA**	**Population**	**LSOA**	**Population**
	E01008214	1,680	E01008216	1,556	E01008256	1,771
	E01008215	1,598	E01008228	1,193	E01008260	1,554
	E01008243	1,525	E01008208	1,650	E01008261	1,460
	E01008244	2,064	E01008211	1,710	E01008193	1,283
	E01008209	2,088	E01008283	1,311	E01008194	1,390
	E01008210	1,399	E01008284	1,471	E01008234	2,123
	E01008258	2,320	E01008286	1,492	E01008239	1,524
	E01008259	1,919	E01008287	2,071	E01008218	1,639
	E01008167	1,668	E01008231	1,590	E01008220	1,284
	E01008169	1,646	E01008240	1,514	E01008221	1,735
	E01008170	2,008	E01008241	1,637	E01008227	1,706
	E01008171	1,479	E01008242	1,670	E01008189	1,381
	E01008257	1,442	E01008281	1,501	E01008190	1,295
	E01008251	1,756	E01008282	1,487	E01008191	1,484
	E01008252	1,765	E01008219	1,735	E01008192	1,433
	E01008253	1,713	E01008235	1,466	E01008217	1,563
	E01008254	1,352	E01008236	1,513	E01008162	2,377
	E01008255	1,741	E01008237	1,554	E01008164	1,313
	E01008165	1,399	E01008238	1,555	E01008166	1,559
	E01008201	1,596	E01008229	1,380	E01008168	2,238
	E01008202	1,869	E01008230	1,399	E01008163	2,000
	E01008204	1,550	E01008232	1,388	E01008203	1,779
	E01008212	1,381	E01008233	1,374	E01008205	1,549
	E01008213	1,483	E01008285	1,439	**Total**	**114,537**