

Folkestone Community Led Local Development

Programme Strategy

31st August 2016



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Abbreviations

CCT	Folkestone Coastal Community Team
CLLD	Community Led Local Development
CLLD Strategy	Community Led Local Development Strategy
DCLG	Department of Communities and Local Government
DLA	Disability Living Allowance
DWP	Department of Work and Pensions
ERDF	European Regional Development Fund
ESA	Employment Support Allowance
ESF	European Social Fund
IDBR	Inter-departmental Business Register
IMD 2010	Index Multiple Deprivation of 2010
IMD 2015	Index Multiple Deprivation of 2015
JSA	Job Seekers Allowance
KCC	Kent County Council
LAG	Local Action Group
LSOA	Lower Super Output Area used by Office of National Statistics to compare geographic areas
NEET	Young people Not in Employment, Education or Training
NOMIS	National Online Manpower Information System (national socio-economic statistics system run by the University of Durham)
ONS	Office for National Statistics
SDC	Shepway District Council
SELEP	South East Local Enterprise Partnership
SIC	Standard Industrial Classification of employment sectors
SME	Small Medium Enterprise
SWOT	Analysis tool Strengths Weaknesses Opportunities and Threats

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Executive Summary

This is an executive summary of the Folkestone Community Led Local Development Strategy (CLLD Strategy).

Background

Community Led Local Development (CLLD) is a new way of promoting local economic, social and environmental development support using the EU's Structural Investment Funds and public sector match funding. The aim is to help people furthest from employment get access to jobs and support businesses to grow.

CLLD programmes are supported by both the European Social Fund (ESF) and the European Regional Development Fund (ERDF) and are expected to run from April 2017 to March 2022.

Context

The area in Folkestone proposed for a CLLD programme consists of 19 Lower Super Output Areas (LSOAs) that includes nine that are among the 20% most deprived LSOAs in the country (based on the 2010 Index of Multiple Deprivation (IMD)E. This cohesive geographic area has a resident population of 31,406 (2014).

The assessment of the development needs and potential of the area shows that Folkestone has suffered over the years from the decline of traditional seaside tourism. Recent improvements include faster rail links to London, the growth of the Creative Quarter and the redevelopment of the harbour area.

Nevertheless, parts of Folkestone continue to suffer from levels of deprivation that are amongst the highest in the country. Around 65% of the population in the CLLD area are in the top 20% most deprived parts of the country and 85% is in the UK's 30% most deprived areas.

The risk is that disparities will become more pronounced as regeneration of the town progresses, with a potential deepening sense of alienation and hopelessness in the deprived communities.

Therefore, the rationale for the Folkestone CLLD Programme is to ensure that the deprived communities in the town are given an opportunity to benefit from the economic growth through this programme which aims to promote social and economic cohesion.

Strategic Objectives

A community-led analysis of strengths, weaknesses, opportunities and threats (SWOT) suggested that the aim of the programme should be to promote social and economic cohesion through interventions to help the most deprived communities by helping residents to access jobs and by supporting local businesses to help them grow and provide new job opportunities.

The programme has three objectives:

- Objective 1 - Enhancing work-readiness and well-being;
- Objective 2 - Promoting local business and social enterprise;
- Objective 3 - Setting up an integrated delivery mechanism for the strategy.

A total of eight actions have been defined to support the promotion of the objectives. These have been arrived at through a 'bottom-up' process involving extensive consultations with representatives from the local community.

The total cost of the CLLD Programme is £4.9m. The total European funding for the programme is 50% of the total and the rest will come from public sector and charitable sources. Some 43% of the

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European funding will be from the European Social Fund (ESF) and the remainder (57%) from the European Regional Development Fund (ERDF).

At this stage, 24% of the total costs of the programme have been allocated to the programme Management and Administration, because the nature of the programme requires a bottom-up approach of working with the community to develop initiatives. This amounts to £1.2mill in total, of which £600,000 will be drawn from the European Social Fund.

Folkestone CLLD Programme: Summary of Objectives, Actions and Funding

Objective 1 - Facilitate and improve chances of people being able to access employment	
Target Groups	<ul style="list-style-type: none"> Youth particularly NEETS Long term unemployed, Working People without the appropriate skills for the market Carers People with mental, physical or emotional barriers to work
Actions	Action 1: Work experience and job preparation for young people Action 2: Getting people back into work and job retention Action 3: Emotional and physical well-being services Action 4: Promoting financial wellbeing
Total funding	£1,950,000
Objective 2 - Promoting local business and social enterprise	
Target	<ul style="list-style-type: none"> Small business Potential Start-ups/Entrepreneurs
Actions	Action 5: Promotion of social enterprise Action 6: Support for business start-ups Action 7: 'DIY space' and/or incubation facilities
Total funding	£1,348,000
Objective 3 - Setting up an integrated delivery mechanism for the strategy	
Target	Provision of infrastructure to service users
Actions	Action 8: A central networked hub to facilitate the delivery of integrated programming and services - a Community Hub
Total funding	£500,000

Folkestone CLLD Programme: Outputs and Results

ESF Output Indicators	Number
Number of participants	2,000
Participants that are unemployed including long-term unemployed	743
Participants that are inactive	357
Participants that are aged over 50	271
Participants that are from ethnic minorities	n/a

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Participants that have disabilities	320
Results	
Participants in education or training on leaving	385
Unemployed participants in employment, including self-employment on leaving	260
Inactive participants into employment or job search on leaving (36% success rate)	187
ERDF Outputs Indicators	Number
Number of existing enterprises receiving support	160
Number of new enterprises receiving support	125
Number of potential entrepreneurs assisted to be enterprise ready	125
Square metres public or commercial building built or renovated in target areas	n/a

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1.1 Background – Community Led Local Development Programme Strategy

This document contains the Folkestone Community Led Local Development Programme Strategy (CLLD Strategy).

Community Led-Local Development (CLLD) is a new way of promoting local economic, social and environmental development support using the EU's Structural Funds and public sector match funding. The aim of the Folkestone CLLD Strategy is to help people in the most deprived parts of Folkestone to bring them closer to employment and increase their prosperity. This will be achieved by specifically targeted interventions to remove barriers to work, provide opportunities to gain locally relevant skills and experience and thereby improve employment chances. The Programme also aims to support local businesses to increase the number of jobs available to local people.

The CLLD Programme will operate over 5 years, as many of the issues contributing to the deprivation in this area are deep seated and will need to be addressed over a long period to achieve impact.

The CLLD approach is based on a number of key tenets: it is driven by local needs; it is 'bottom-up' and led by a Local Action Group (LAG) representing the local community; and it will bring added value over other mainstream European funded programme activity.

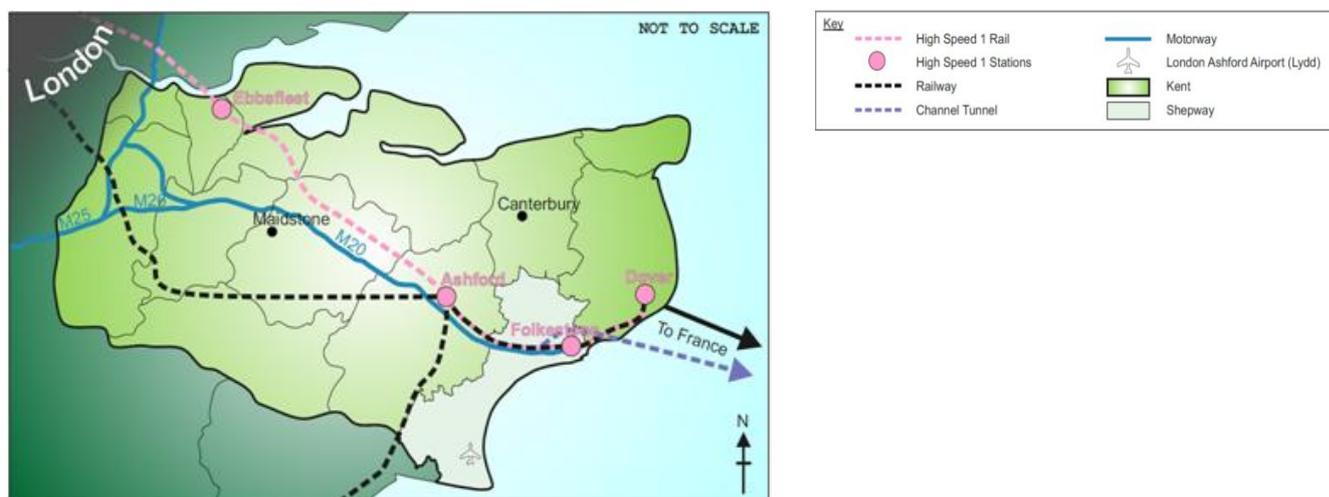
The CLLD Programme is intended to contribute to achieving smart, sustainable and inclusive growth which is both designed and implemented by the local community through a Local Action Group.

1.2 Rationale and Context for the Folkestone CLLD Strategy

After defining the proposed CLLD intervention area (Section 2), Section 3 sets out an assessment of the development needs and potential of the area which demonstrate the need for the CLLD Programme in Folkestone.

Figure 1.1 below shows Folkestone's position on the Kent coast in the South East of England.

Figure 1.1 Folkestone's location and main transport links



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Like some other coastal towns, Folkestone has suffered over the years from the decline of traditional seaside tourism. But unlike most others, it has also been hard-hit by the closing of the cross-Channel ferry services which in their heyday (1972) handled 1.2 million passengers and 900,000 cars p.a. More recently, Folkestone has seen an improvement in its fortunes with faster rail links to London making it attractive to commuters and those wishing to retire to or have a second home by the sea. There is also increasing interest in inward investment by start-ups and creative businesses, attracted to Folkestone's Creative Quarter, and from other enterprises seeking easy access to London at a lower cost base. The town is home to several major companies including Saga and Eurotunnel. Regeneration from within the area has been important too, with the Creative Quarter and redevelopment of the harbour front being important drivers of Folkestone's recovery.

Nevertheless, despite evidence of some changes in fortune, parts of Folkestone continue to suffer from levels of deprivation that are amongst the highest in the country. As the baseline assessment in Section 2 shows, the proposed Folkestone CLLD area has some of the most deprived communities in the country with:

- 12 out of 19 selected LSOAs in the CLLD area amongst the top 20% most deprived areas in the country;
- 65% population and 68% households being amongst the top 20% most deprived areas in the country and 80% of the population are amongst the UK's 30% most deprived;
- Between 2010 and 2014, employment fell by -15.9% in the Folkestone CLLD area, compared with growth of +1.9% in Kent and Medway, +2.6% in the SELEP (South East Local Enterprise Partnership) area and +4.9% in England as a whole;
- At 7.3%, unemployment is almost twice the rate for Kent and Medway (4.1%) and significantly higher than the average for England (4.4%) (see Table 3.5).

There is a danger that if no action is taken, the disparities between the deprived parts of Folkestone in the east and the more prosperous west will become more pronounced with a potential deepening sense of alienation and hopelessness.

The rationale for the Folkestone CLLD Strategy lies in helping to ensure that deprived communities in the town are given an opportunity to escape from the downward spiral of the 'poverty gap' and are not left behind. Its aim is to promote social and economic cohesion and to ensure that all residents can participate in and benefit from the regeneration of Folkestone.

1.3 Strategic and operational objectives

The overall strategic objective of the CLLD Programme is **to promote social and economic cohesion through interventions to help the most deprived communities in Folkestone**. This will be achieved through three operational objectives:

- **Objective 1** - Enhancing work-readiness and well-being;
- **Objective 2** - Promoting local business and social enterprise;
- **Objective 3** - Setting up an integrated delivery mechanism for the strategy.

The first of these operational objectives corresponds with the ESF-funded component of the Folkestone CLLD Programme while the second would be ERDF-supported. The third operational

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objective is proposed to be funded jointly by the ESF and ERDF and provides the mechanism to help ensure that ESF and ERDF investment is aligned at the local level. The Programme as a whole will achieve alignment by offering an integrated approach for solutions to the issues. A total of eight actions have been defined to support the promotion of the objectives (see Section 4).

In accordance with the Guidance¹, the CLLD Strategy's objectives and supporting actions have been arrived at through a bottom-up process involving **extensive consultations with the local communities** and their representatives in the CLLD area. In total, there was input from 96 individuals and 16 businesses to the CLLD consultation process through an interview programme, five focus groups, two workshops and a survey (details are provided in Section 5).

In terms of **geographical scope**, the Strategy focuses on an area in Folkestone that includes most of the electoral wards of Broadmead, East Folkestone, Folkestone Central, and Folkestone Harbour. The area is made up of 19 LSOAs defined by the English Indices of Multiple Deprivation 2010 (IMD 2010). Taken together, the proposed CLLD area has a population of 31,406 (2014 ONS Annual Population Survey) of whom 65% (20,400) are classified as living in the 20% most deprived areas of the country. The CLLD population accounts for 28.7% of the overall population of the Shepway District. (Shepway District also includes the towns of Hythe, New Romney, Lydd and Hawkinge).

The Folkestone CLLD Strategy **specifically targets those who are most in need** of help, including the unemployed (1,600 people – see Table 3.5), NEETs (young people not in employment, education or training) and people not actively seeking work.

Section 9 of the document sets out the financial plan for the Folkestone CLLD Programme and identifies **the total cost of delivering the Folkestone CLLD Strategy is £4.998 million**. The total European funding requested is 50% of this total, of which 43% would be funded from the ESF and the remainder (57%) from the ERDF.

We welcomed the important allocation of a 5 year programme to CLLD in recognition of the real period required to achieve community led positive economic and social impact within the most deprived communities; to this end should the full 5 years not be achieved due to the UK no longer being an EU Member State, we wish to record that the full Programme will still need to be achieved and would look to the UK Government to help ensure this transpires.

Section 9 also provides details of the CLLD Strategy's **expected outputs and results**, including the number and type of beneficiaries.

This document is structured to correspond with the Department for Communities and Local Government's Guidance for the Development of Community Led Local Development Strategies (Version 2, March 2016).

¹ Guidance for the Development of Community Led Local Development Strategies, Version 2, March 2016

Definition of the Intervention Area 2

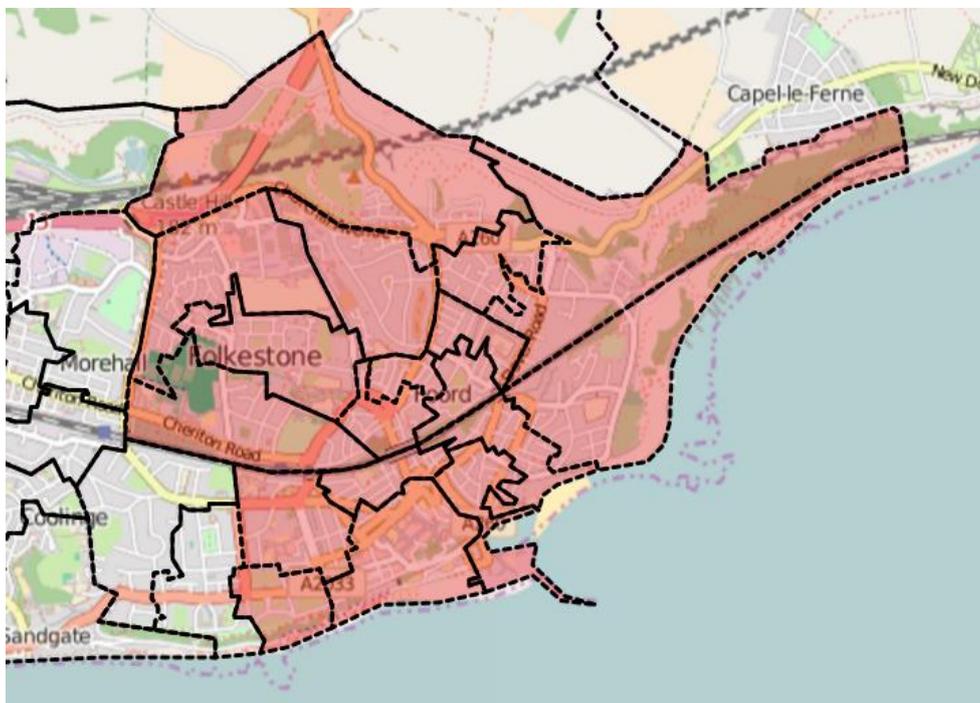
This section provides a definition of the proposed Folkestone CLLD intervention area.

2.1 Geographical boundaries

This Strategy focuses on an area in Folkestone that includes parts of the electoral wards of Broadmead, East Folkestone, Central Folkestone, and Folkestone Harbour.

The area is made up of 19 'Lower Super Output Areas'² (LSOAs) defined by the English Indices of Multiple Deprivation 2010 (IMD 2010). This index provides an area based measure of deprivation. Each area is assigned a deprivation score and rank so that their level of deprivation can be measured relative to other areas. The Index was most recently updated in 2015. This area is shown below and there is also a more detailed map showing the LSOA and ward boundaries in Appendix A.

Figure 2.1: Map of the area of intervention for the CLLD (showing 2011 LSOAs)



Since the original definition of this area in the Expression of Interest for the Folkestone CLLD Programme, and following consultation with the community, the area was extended to the east. There are four reasons for this:

- The community mapping exercise undertaken as part of the public consultation indicated there are significant pockets of deprivation to the North East and this was later reconfirmed through further research (see deprivation profile for 003B).
- Changes in the Index of Multiple Deprivation from 2010 to 2015 indicated that the LSOA in north east Folkestone was ranked significantly lower, indicating the level of deprivation has increased.

² There are 32,844 in England Lower-layer Super Output Areas (LSOA). They are designed to be of a similar population size with an average of 1,500 residents each and are a standard way of dividing up the country. The number of LSOAs in an electoral ward can vary from one to five depending upon the original size of the electoral ward.

Definition of the Intervention Area 2

- Both LSOA 003B and 003D in the eastern area have concentrations of employers and forms an important part of the labour market for the residents within the originally defined CLLD area. Some of these employers have identified specific needs relevant to a CLLD programme.
- The additions create a more geographically coherent intervention area (003B and 003D).

Of the 19 LSOAs making up the CLLD intervention area, 12 were in the 20% most deprived LSOAs and five LSOAs were in the most deprived 10% decile in the IMD 2010. An additional three LSOAs were in the third decile.

2.2 Population size

Taken together, the CLLD area has a population of 31,406 (2014 ONS Annual Population Survey) and there are approximately 14,504 households (2011 Census). The breakdown of population by LSOA is provided below.

Table 2.1: Total Population by LSOA and Electoral Ward (2014) and household (2011)³

IMD 2010 Name	IMD 2011 Code ⁴	IMD 2010 Rank	Decile	2014 pop	% pop per decile	2011 Hhds	% Hhds per decile
007B	014C	581	1	2,105	30.24%	913	30.89%
007B	014D	581	1	1,594		791	
007A	014A	713	1	1,914		1,078	
007C	014B	1,298	1	2,142		1,060	
003C	003C	2,044	1	1,743		638	
004B	004B	4,415	2	1,696	35.10%	532	37.47%
007D	015A	5,033	2	1,319		1,110	
007G	015D	5,118	2	1,625		742	
004E	004E	5,282	2	1,439		828	
003A	003A	5,363	2	1,364		660	
004D	004D	5,973	2	1,510		605	
007E	015B	6,140	2	2,070	957		
004A	004A	6,711	3	1,678	13.74%	654	13.39%
004C	004C	8,271	3	1,233		635	
003B	003B	8,736	3	1,404		653	
003D	003D	12,842	5	1,564	20.92%	780	18.26%
006F	006F	15,973	5	1,757		552	
006E	006E	20,479	7	1,644		639	
003E	003E	20,626	7	1,605		677	
Total				31,406	100%	14,504	100%

Sources: IMD 2010, ONS Mid-Year 2014 Population Estimates (for Population) and 2011 Census (for Households)

The CLLD population of 31,406 accounts for 28.7% of the overall population of the Shepway District. (Shepway District also includes Hythe, New Romney, Lydd and Hawkinge). Within the CLLD area:

³ Mid-Year Population Estimates, LSOA level, Office for National Statistics, 2014

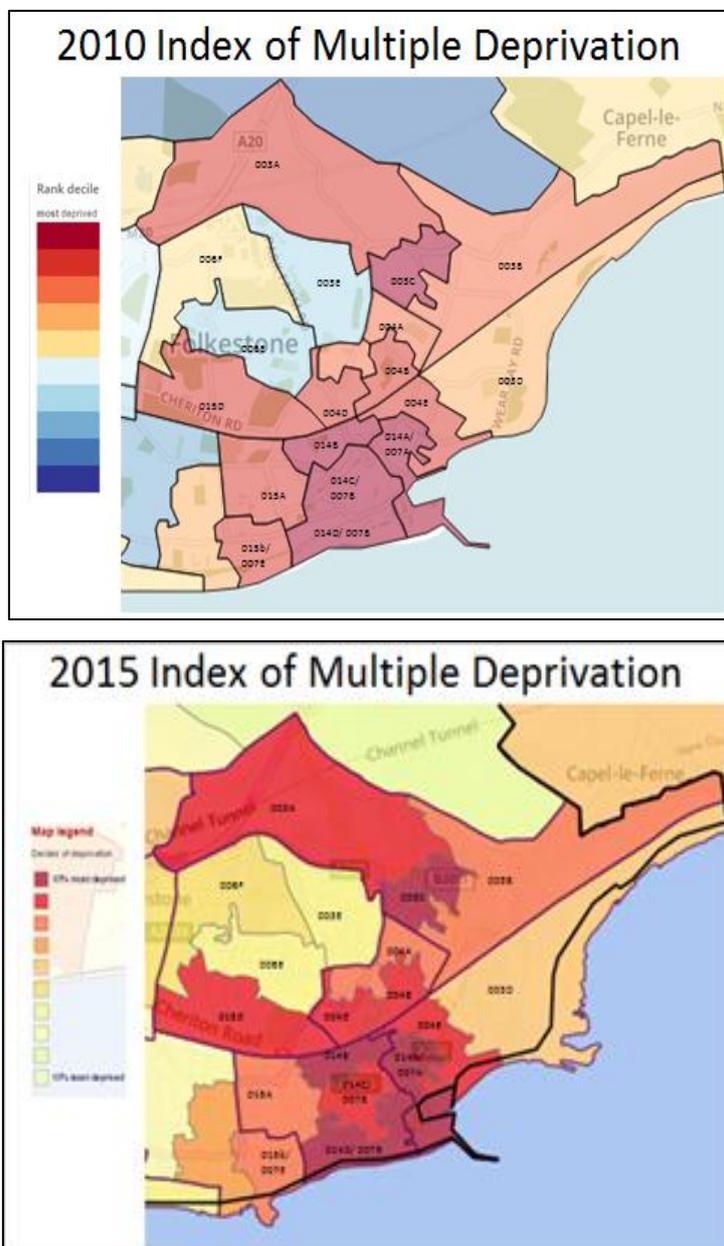
⁴ The Code name changed in 2011. For comparative reasons this code will be used from now on.

Definition of the Intervention Area 2

- 30% of the population and 31% of households are resident in the five LSOAs that rank in the 10% most deprived areas in the country according to the IMD 2010;
- 65% of the population and 68% of households are resident in the 12 LSOAs that rank amongst the 20% most deprived areas in the country;
- 80% of the population and 82% households are in the LSOAs in the three lowest deciles.

2.3 Deprivation rankings

In accordance with the guidance for the development of this CLLD strategy, the LSOAs were selected based on the IMD 2010. However, there have been some changes since then. The changes between the IMD 2010 and IMD 2015 are indicated in the map and table below.



Source: IMD 2010 from opendatacommunities.org and IMD 2015 from [IMD explorer](http://IMDexplorer)

Definition of the Intervention Area 2

Table 2.2: Changes of the IMD ranks between 2010 and 2015

IMD 2010 name			IMD 2015				Comparison 2010/2015	
Code 2010	Rank	Decile	Equivalent LSOA name	IMD	Decile	Rank in Shepway	Change	Level of deprivation
007B	581	1	014C	3,296	2	5	+2,715	Better
007B	581	1	014D	3,125	1	4	+2,544	Better
007A	713	1	014A	5,720	1	1	-141	Worse
007C	1,298	1	014B	1,343	1	2	+45	Similar
003C	2,044	1	003C	1,751	1	3	-293	Worse
004B	4,415	2	004B	5,084	2	8	+669	Better
007D	5,033	2	015A	8,333	3	15	+3,300	Much better
007G	5,118	2	015D	5,443	2	9	+325	Better
004E	5,282	2	004E	3,953	2	6	-1,329	Much worse
003A	5,363	2	003A	4,936	2	7	-427	Worse
004D	5,973	2	004D	5,585	2	10	-388	Worse
007E	6,140	2	015B	8,353	3	16	+2,213	Much better
003B	8,736	3	003B	7,469	3	14	-1,267	Worse
004A	6,711	3	004A	8,411	3	17	+1,700	Much better
004C	8,271	3	004C	7,283	3	13	-988	Worse
003D	12,842	5	003D	13,577	4	31	+735	Better
006F	15,973	5	006F	17,480	6	42	+1,507	Much better
006E	20,479	7	006E	19,710	7	48	-769	Worse
003E	20,626	7	003E	20,664	7	53	-38	Similar

Source: IMD 2010 from opendatacommunities.org and IMD 2015 from IMD Explorer

The map and table above highlight several significant trends which demonstrate that there has continued to be a widening of the divide

- Nine of the LSOAs have improved their ranking since 2010, two have similar rankings and eight have a significantly lower ranking.
- Deprivation in the Folkestone CLLD area has increased markedly in East Folkestone ward where four LSOAs have a lower rank than they had in 2010 (003A, 003C, 004D, 004E). Likewise, three out of the four LSOAs in Folkestone Harbour ward have dropped rankings. 003B has dropped in rank the most which further justifies the extension of the CLLD area.
- Overall, the situation has worsened for 40% of the population in the LSOA wards (12,251 people).
- According to the IMD 2015, 55% of the population and 54% of households of the CLLD area are in the 20% most deprived LSOAs and 79% of the population and 82% of households are in the 30% most deprived LSOAs.⁵

The LSOAs where there has been the most marked improvement in rankings are in the southern part of the CLLD intervention area, in the areas around the harbour. The development of the Creative Quarter has probably been the most important driver of the improvement.

⁵ IMD 2015 (not to be confused with 2010 data provided above).

Analysis of the Needs & Potential of the Area

3

This section provides an analysis of the social and economic conditions in the CLLD area. It provides the evidence base to develop the strategy and, secondly, sets out local baselines which should enable the LAG to assess the progress and success of the CLLD Strategy.

3.1 Key indicators of social and economic conditions

The following key indicators have been analysed to depict the characteristics of the CLLD intervention area and the key findings are summarised in the table below

Table 3.1: Summary of the key socio-economic characteristics of the CLLD area

<p>Demographic characteristics of the area (section 3.2)</p> <ul style="list-style-type: none"> • A relatively high proportion of the CLLD population of younger working age between 16 and 35 years. • A relatively higher proportion are lone parents <p>Employment patterns (section 3.3)</p> <ul style="list-style-type: none"> • The unemployment rate is high, being almost twice the rate of the Kent and national average • Unemployment for 25-29 year olds is particularly high, as is long term unemployment. • A high percentage of the working age population has never worked. • There are a high proportion of households with no adults employed, with dependent children and with 1 person with a long term health problem or disability. <p>Work skills and qualifications (see section 3.4)</p> <ul style="list-style-type: none"> • A high percentage of residents have no qualifications • A low percentage of residents have an apprenticeship qualification • A low proportions of residents have qualifications at level 3 and above <p>Income levels (section 3.5)</p> <ul style="list-style-type: none"> • Median average earnings are lower than the Kent and national average <p>Benefit claimant rates (section 3.6)</p> <ul style="list-style-type: none"> • A high percentage of residents claim Disability Living Allowance and Employment Support <p>Local infrastructure provision and access to services (section 3.7)</p> <ul style="list-style-type: none"> • Generally good access to services across the CLLD area. • Good transport links between Folkestone and the wider area. • A low number of GPs per 100,000 population <p>Physical wellbeing (see section 3.8)</p> <ul style="list-style-type: none"> • A high proportion of residents report that poor health impacts their activities • A high proportion claim they have bad or very bad health • The percentage of residents with mental health conditions is three times more than the Kent and national average <p>Crime rates (section 3.9)</p> <ul style="list-style-type: none"> • The Folkestone Harbour area is in the 10% worse decile for crime deprivation in the country <p>Housing (section 3.10)</p>

Analysis of the Needs & Potential of the Area

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- Significantly low rates of home ownership

Ethnic Minority (see section 3.11)

- The population is predominantly White British and Other White, with Eastern Europeans accounting for a relatively high proportion of the latter.

Troubled Families (section 3.12)

- Over one third of the troubled families identified for the Shepway Troubled Families programme are resident in the CLLD area

Business composition (section 3.13)

- Employment decline in the CLLD area which contrasts with growth in the wider area
- Poor perception amongst CLLD area business of the area being favourable for business growth

The socio-economic analysis is based on data from the 2011 Census unless otherwise stated. Following the analysis of key indicators, the SWOT brings together key findings from the data analysis and feedback from the research.

Although some of the indicators examined in this section relate to factors that cannot be directly influenced by the CLLD Strategy (e.g. crime, housing, transport links) they are nevertheless relevant to an understanding of the context in which the strategy will be implemented and have therefore been included in the baseline assessment.

In conducting the analysis and where appropriate, we have included data for a subsection of the CLLD area, the 12 LSOAs amongst the 20% IMD decile in the country, to create a baseline of the most severely deprived part of the CLLD area.

3.2 Demographic characteristics

The latest statistics indicate that there are 31,406 people resident in the Folkestone CLLD area. As indicated in the table below, there is a relatively high proportion of young working age people aged between 16 and 35 years in the CLLD area (27% of the total population) compared with Shepway District (22%) and the SELEP area (24%).

Table 3.2: Breakdown of CLLD population by age (2014)

Age	CLLD		Shepway		Kent & Medway		SELEP	
	No.	%	No.	%	No.	%	No.	%
0-15	6,101	19	18,809	17	317,694	19	746,337	19
16-25	4,120	13	12,194	11	206,353	13	493,518	12
26-35	4,332	14	11,547	11	193,081	12	477,705	12
36-45	4,024	13	13,093	12	210,420	13	517,558	13
46-55	4,301	14	15,743	14	234,827	14	566,095	14
56-64	3,483	11	14,239	13	190,498	12	454,476	11
65-90	5,045	16	23,827	22	293,486	18	705,538	18
Total	31,406	100	109,452	100	1,646,359	100	3,961,227	100

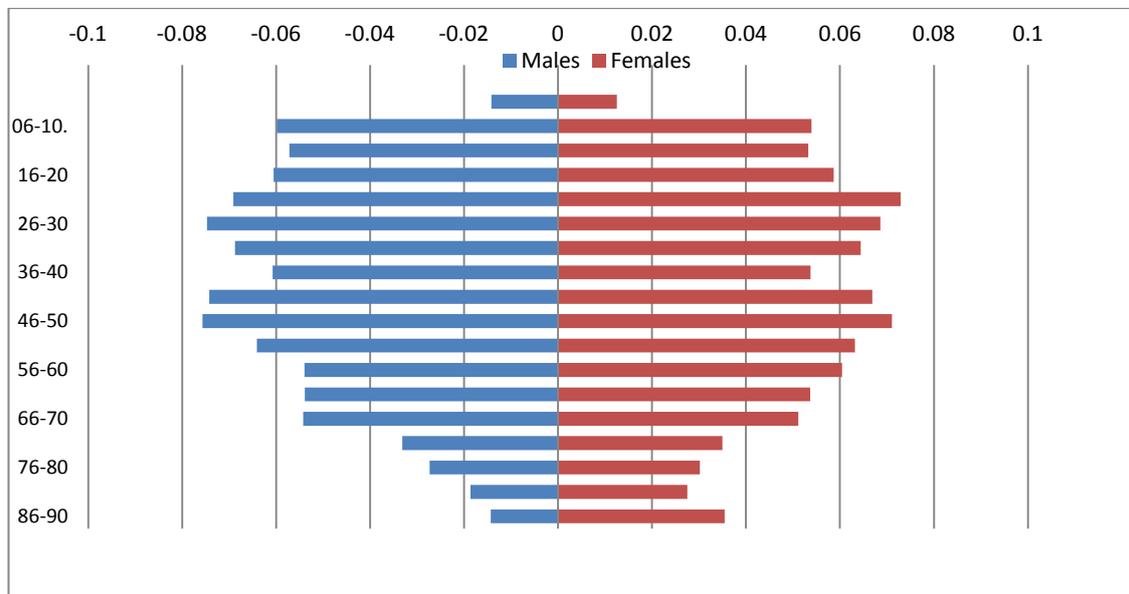
Source: ONS Mid-Year Population Estimates, 2014

The gender profile shows that there are more men (53.2%) than women (46.7%) and differs from the profile for Shepway, Kent and England where there are generally more women than men

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Figure 3.1: CLLD Demographic profile of CLLD area by age and gender



Source: Derived from Mid-Year, 2014 Population estimates, ONS

It is also useful to consider the number of people who are lone parents in the CLLD area (see table below) as they are likely to have additional caring responsibilities. This shows that there is a higher percentage in the CLLD area compared to Kent & Medway, the SELEP area and England as a whole. Within the LSOAs in the most deprived 20%, the number of lone parents is slightly higher again.

Table 3.3: Number of Lone Parents (2011)

	LSOAs in 20% decile		CLLD Area		Kent & Medway		SELEP		England	
	No.	%	No.	%	No.	%	No.	%	No.	%
Lone parent	3,069	15.9	4,643	15.3	191,683	11.3	431,884	11.0	6,099,353	11.7
Total	19,258		30,443		1,695,733		3,915,332		52,059,931	

Source: 2011 Census, retrieved from NOMIS

Note: 2011 Population numbers were used to avoid inaccuracies in rates. Not to be confused with population estimates given for CLLD Area (2014)

3.3 Employment and Economic Activity patterns

The focus of the CLLD Programme is on helping people to access employment opportunities and supporting the creation of jobs so it is essential to consider the nature and type of employment in the CLLD area.

Prior to considering the data, it is useful to look at the ranking of the various LSOAs according to the Employment Deprivation domain of the IMD 2015. The Employment Deprivation Domain measures the proportion of the working-age population in an area involuntarily excluded from the labour market. This includes people who would like to work but are unable to do so due to lack of suitable

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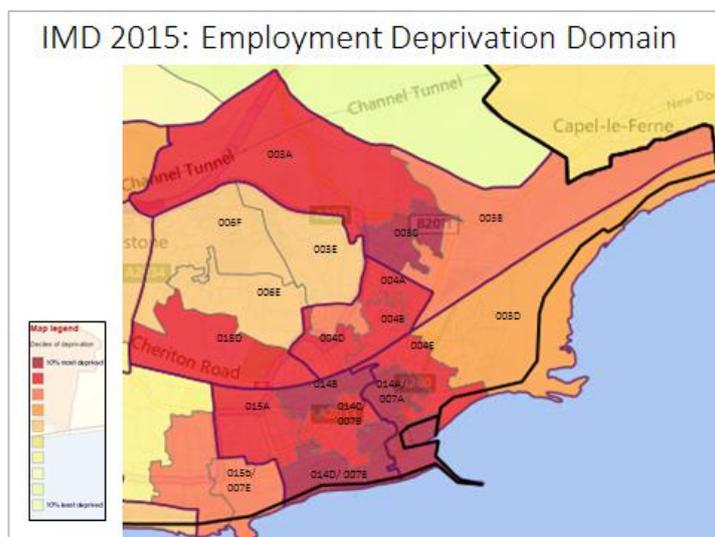
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vacancies, sickness or disability, or caring responsibilities. The following table indicates the national ranking of each LSOA under this domain.

Table 3.4: IMD 2015 Ranking on Employment domain

LSOA Name (2011)	Employment Domain Rank (1= most deprived)	Employment Rank Decile (1 = deprived 10%)	Population	% CLLD population in Decile	Working age population	% CLLD Working aged population in Decile	
Shepway 003C	946	1	1,605	22.83%	331	20.92%	
Shepway 014A	1,105	1	2,142		1,553		
Shepway 014B	1,705	1	2,105		1,407		
Shepway 014D	2,837	1	1,319		810		
Shepway 015D	3,626	2	1,743	36.65%	1,163	38.89%	
Shepway 014C	4,116	2	1,594		1,228		
Shepway 003A	4,611	2	1,564		958		
Shepway 004B	4,935	2	1,233		789		
Shepway 004E	5,178	2	1,914		1,202		
Shepway 004D	5,225	2	1,439		976		
Shepway 004A	5,926	2	1,696		1,071		
Shepway 015A	6,057	2	2,070		1,398		
Shepway 015B	6,969	3	1,625		941		14.79%
Shepway 003B	6,970	3	1,644		998		
Shepway 004C	7,775	3	1,510	960			
Shepway 003D	11,705	4	1,757	5.59%	1,096	5.59%	
Shepway 006F	13,867	5	1,404	14.16%	862	13.87%	
Shepway 003E	14,796	5	1,678		1,057		
Shepway 006E	15,996	5	1,364		800		

Source: IMD 2015 from IMD Explorer



Source: IMD 2015 Explorer

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As shown above:

- Four LSOAs are in the most deprived 10% in the country and 12 are in the most deprived 20%. This accounts for 60% of the CLLD population in general and 60% of the working age population.
- The working age population in the most deprived 10% of LSOAs is 4,101 and is 12,886 in the most deprived 20%.
- LSOA 003C has the lowest rank followed by 014A and 014B.

The table below shows that there are notably higher levels of unemployment in the CLLD area. The unemployment rate of 7.3% is almost twice the average for Kent (3.9%) and significantly higher than the average for England (4.4%). Within the CLLD area, the unemployment rate in the most deprived 20% is even higher at 8.6% and the unemployed residents in this area accounts for 76% of all the unemployed in the whole of the CLLD intervention area.

Table 3.5: Economic activity in, CLLD area by age compared to region

Economic activity	LSOAs in 20% decile		CLLD Area		Kent & Medway		SELEP		England	
	No.	%	No.	%	No.	%	No.	%	No.	%
Active	9,808	68.4	15,306	68.7	875,862	70.1	2,023,032	70.4	27,183,134	69.9
Unemployed ⁶	1,235	8.6	1,616	7.3	5,101	4.1	114,986	4.0	1,702,847	4.4
Inactive ⁷	4,534	31.6	6,982	31.3	373,693	29.9	851,783	29.6	11,698,240	30.1
All 16 -74	14,342		22,288		1,249,555		2,874,815		38,881,374	

Source: 2011 Census, retrieved from NOMIS

It is also useful to understand the unemployment by age group and its nature, shown in the table below.

Table 3.6: Nature of unemployment in the CLLD area compare to regional comparators

Unemployed	LSOAs in 20% decile		CLLD Area		Kent & Medway		SELEP		England	
	No.	%	No.	%	No.	%	No.	%	No.	%
Aged 16-24	316	2.2	411	1.8	15,201	1.2	33,068	1.2	471,666	1.2
Aged 25- 49	704	5	910	4	25,491	2.0	58,100	2.0	915,318	2.0
Age 50 -74	215	1.5	295	1.3	10,318	0.8	23,818	0.8	315,863	0.8
Never worked	176	1.2	225	1.0	7,300	0.6	15,309	0.5	276,121	0.7
Long-term	547	3.8	711	3.2	19,938	1.6	46,113	1.6	668,496	1.7

Source: 2011 Census, retrieved from NOMIS

Closer analysis indicates:

⁶ Unemployed - seeking work in the past 4 weeks and available to start work within 2 weeks

⁷ In active are not engaged in the labour market and includes people who are in education, looking after family, retired, or sick/disabled

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- **Unemployment across the working age population (aged 16-74 years) is significantly higher** in the CLLD area than in Kent & Medway, the SELEP area and England. In fact, for the group 25-49 year olds it is double the rate of the comparators (4% versus 2%).
- **Long term unemployment in the CLLD area (3.2% is around double the rate** when compared to the rates for England (1.7%) and Kent (1.6%).
- **A higher percentage (1%) of the working age population in the CLLD area has never worked** compared with 0.5% in the SELEP region. The majority of these people come from the 12 LSOAs in the most deprived 20% decile (176 of the 225 people).
- Within the CLLD area, the residents in the **20% most deprived areas have higher unemployment rates for all categories of unemployment** and account for between 73% and 78% of the total unemployed in each group within the CLLD area. This is particularly significant for the long-term unemployed where 78% of the people are resident in this part of the CLLD area.

Table 3.7: Adults not in employment and dependent children and persons with long-term health problems or disability for all households

Households	CLLD area		Shepway		Kent & Medway		SELEP		England	
	No.	%	No.	%	No.	%	No.	%	No.	%
No adults in employment in household	5,819	40.2	18,363	38.8	562,294	33.8	236,633	33.2	7,348,649	33.3
No adults in employment & dependent children	874	6.0	1,881	4.0	28,381	4.0	61,715	3.7	922,192	4.2
1 person with long-term health problem / disability	4,301	29.7	13,570	28.6	181,242	25.5	426,196	25.6	5,659,606	25.7
All Households	14,484		47,379		711,847		1,662,372		22,063,368	

Source: 2011 Census, retrieved from NOMIS

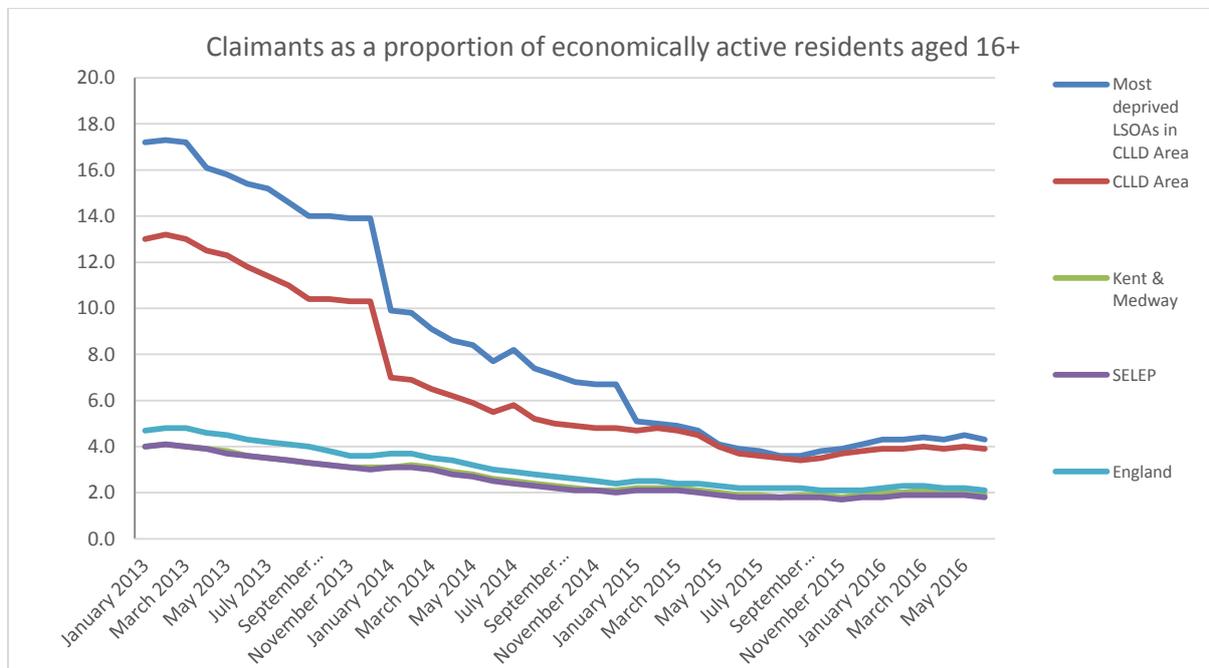
The above household composition data shows:

- The percentages of the population in households with no adults employed and with dependent children and with one person with a long term health problem are consistently higher in the CLLD area than in the wider Shepway, Kent & Medway and SELEP areas.
- One third of the population in the CLLD area is in households with one person with a long-term health problem or disability and this is significantly higher than in the comparator areas and confirms feedback from interviews which highlighted concerns about poor health and disability.

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Figure 3.3: Unemployment Claimant rates in CLLD Area, Kent, SELEP and England 2013-2016



Source: JSA Claimant Rates as published by ONS and Department of Work and Pensions, Query retrieved from NOMIS, 2013-2016

Note: Kent & Medway figures are almost identical to those for SELEP so are not visible on the graph above

The figure above shows that the unemployment claimant rate over time has decreased for all areas since January 2013, including in the CLLD area. However, this also shows that the CLLD area has consistently had a higher unemployment claimant rate than Shepway, Kent & Medway or the SELEP area and the rest of England, although the difference has been reducing over the period.

Economic activity is shown in the table below for the CLLD area. This indicates that the percentage of economically active residents in employment is much lower in the CLLD area, and the level of self-employment (8.4%) is also significantly lower than in Kent & Medway (10.5%), the South East LEP and nationally (11%).

Table 3.8: Economic Activity of CLLD area compared to other regions

Economic activity	LSOAs in 20% decile		CLLD Area		Kent & Medway		SELEP		England	
	No.	%	No.	%	No.	%	No.	%	No.	%
Part-time	1,914	13.3	3,231	14.5	176,314	14.1	411,602	14.3	5,333,268	13.7
Full-time	5,013	35.0	7,844	35.2	477,537	38.2	1,094,974	38.1	15,016,564	38.6
Self employed	1,212	8.5	1,876	8.4	131,557	10.5	317,239	11.0	3,793,632	9.8
Total Employed	8,139	56.7	12,951	58.1	785,408	62.9	1,823,815	63.4	24,143,464	62.1

Source: 2011 Census, retrieved from NOMIS

Employment trends since 2009, as shown in the figure below, indicate that CLLD area has suffered from job losses which are contrary to employment growth in Kent & Medway and the broader SELEP area.

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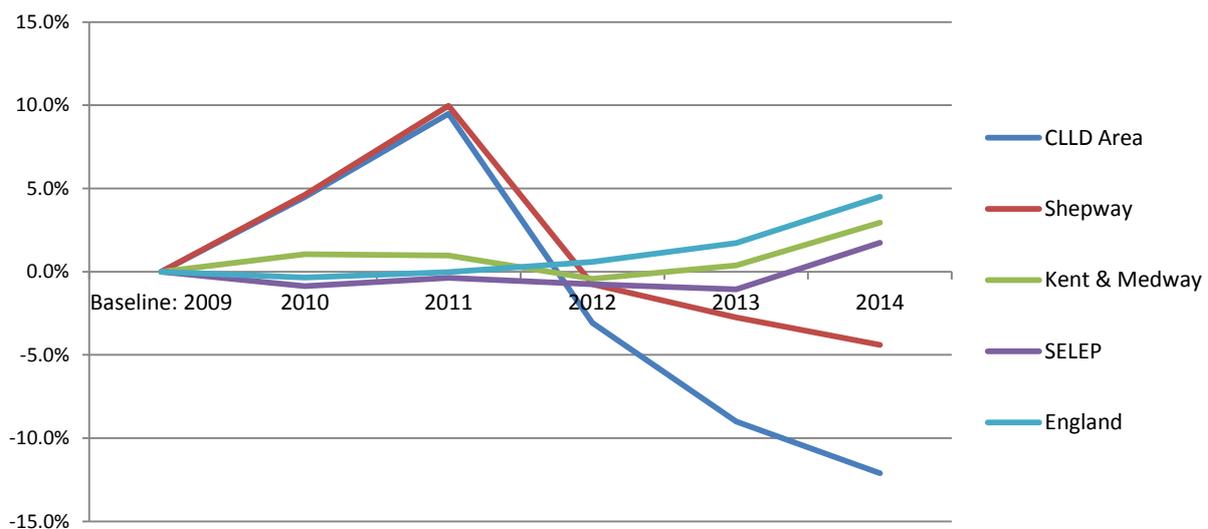
Table 3.9: Employment trends 2009-2014 in the CLLD area compared to other regions

	CLLD Area	Kent & Medway	SELEP	England
Total Employment				
2009	15,500	661,700	1,517,500	23,982,000
2014	13,600	681,200	1,543,900	25,151,200
Change (no)	-1,900	+19,500	+26,400	+1,083,100
Change (%)	-12%	+3%	+2%	+4%
Knowledge Intensive Employment				
2009	2,200	88,500	201,300	4,058,200
2014	2,200	100,700	222,400	4,386,200
Change (no)	-100	+12,200	+21,100	+335,400
Change (%)	-3%	+14%	+10%	+8 %

Source: BRES 2009, 2014

Note: Number are rounded to nearest 100 as required by ONS and percentages to whole figure

Figure 3.4: Percentage change in the number of jobs from 2009 baseline



Source: Derived from Business Survey Data, BRES, 2009-2014, retrieved from NOMIS

Between 2009 and 2014 some 1,900 jobs were lost in the CLLD area, which is equivalent to a 12% decline which contrasts markedly to an increase in jobs in Kent & Medway, the SELEP area and England over the same period.

Looking specifically at employment in the knowledge-intensive industries⁸, which generally offers higher wages, the decline has been less severe (only a 3% drop over the 5 years) compared to the decline in total employment in the CLLD area. Nevertheless, this decline still contrasts with growth in knowledge-intensive industries in the comparator areas.

⁸ Using the SIC definition of Knowledge intensive employment used by Kent County Council

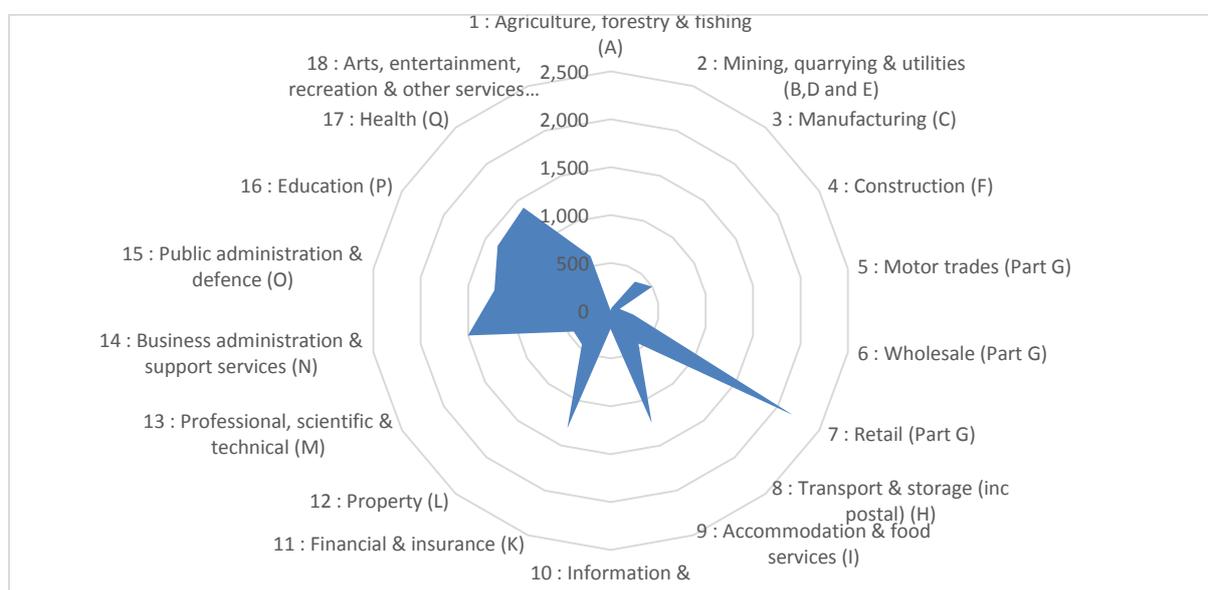
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The main knowledge-intensive industries that shed jobs in the CLLD area over the period were insurance and activities auxiliary to finance and insurance service. Some knowledge-intensive sectors did see some job growth within the CLLD area over the five years, however, including office administrative support, architecture and engineering, computer programming and consultancy, advertising and publishing.

The trends highlight the need for further investment and support for businesses within the CLLD area in order to ensure that there is employment growth and job opportunities created for the local residents and the wider community.

Figure 3.5: Number employed by sector in CLLD area



Source: Derived from Business Survey Data, 2014, BRES, retrieved from NOMIS

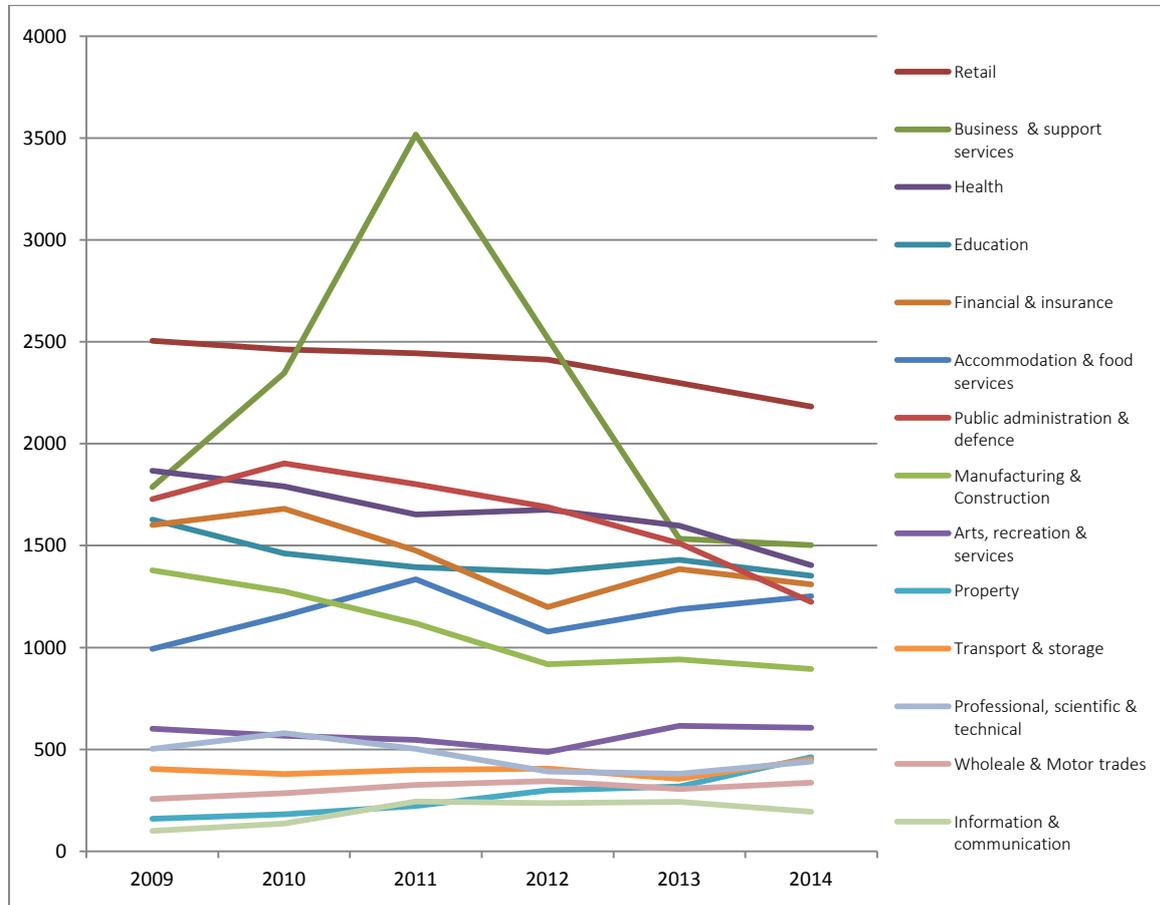
As shown above, the highest number of jobs in the CLLD area is in the Retail sector, with other prominent sectors being Business administration and support services, Health, Education and Public administration. There are low numbers of jobs in the Information & Communications.

In comparison to Kent & Medway, the SELEP area and England, there is a higher percentage of people employed in Transport and Storage, Accommodation and Food Services and Financial Services as a percentage of total employment. In Manufacturing, Information and Communication and Professional Scientific and Technical sectors there is a low representation of these sectors compared to in Kent, the South East LEP and England as a whole.

The figure below shows that the number of jobs in the retail sector in the CLLD area remained constant until 2013 and 2014 and has since fallen slightly. There was a large spike in the Business support services jobs in 2011 and a smaller spike in Accommodation and Food services following this trend. Jobs in the Health and Public Administration, Arts and Recreation sectors have declined over the period, as have the numbers in Manufacturing and Construction. Employment in Professional Services, Information and Communication, Wholesale and the Motor Trade have increased slightly but still represent only a smaller number of total jobs.

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Figure 3.6: Change in the number of jobs per sector over time in CLLD area



Source: Derived from Business Survey Data, 2009-2014, BRES, retrieved from NOMIS

These sector trends show that employment in retail has been fairly stable and this provides a large source of the jobs in the CLLD area. Jobs in retail can offer opportunities to those furthest away from the job market that often have no or low qualification levels and so may offer a pathway to other careers. Sectors that are currently growing and therefore have the potential to provide new job opportunities are Accommodation & Food, Professional, Scientific and Technical and Wholesale and Motor Trades.

3.4 Work Skills and Qualifications

The IMD 2015 provides a ranking of LSOAs according to their level of deprivation in the Education Skills and Training Domain. This measures the level of attainment and skills in the local population. The indicators fall into two sub-domains: one relating to children and young people and the other relating to adult skills. The table below shows the CLLD LSOA national rankings.

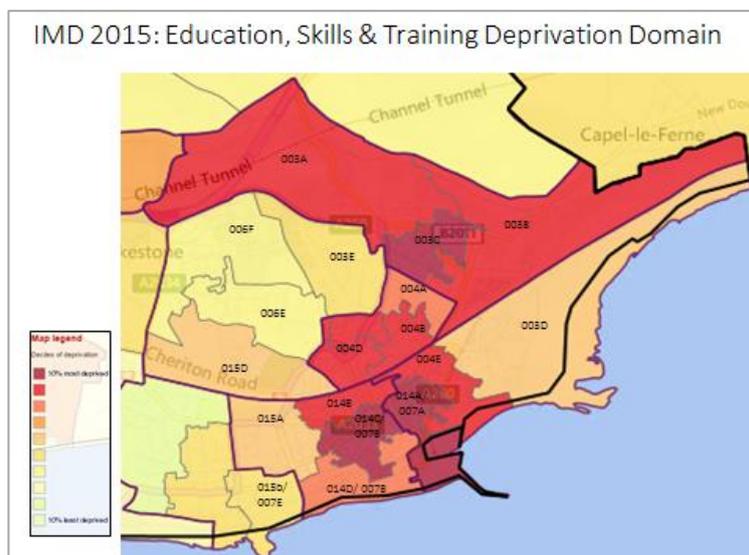
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Table 3.10 IMD 2015 Ranking on Education, Skills and Training Domain

LSOA Name (2011)	Education Domain Rank (1= most deprived)	Education Domain Rank Decile (1 = deprived 10%)	Population	% CLLD population
Shepway 014C	1,575	1	1,594	17.01%
Shepway 003C	1,616	1	1,605	
Shepway 014A	1,644	1	2,142	
Shepway 014B	3,348	2	2,105	36.33%
Shepway 004B	3,808	2	1,233	
Shepway 003B	4,647	2	1,644	
Shepway 004E	4,858	2	1,914	
Shepway 004D	5,863	2	1,439	
Shepway 004C	6,021	2	1,510	
Shepway 003A	6,522	2	1,564	
Shepway 004A	7,161	3	1,696	9.60%
Shepway 014D	9,699	3	1,319	
Shepway 015D	13,184	5	1,743	17.74%
Shepway 015A	13,977	5	2,070	
Shepway 003D	14,166	5	1,757	
Shepway 003E	18,343	6	1,678	10.52%
Shepway 015B	18,897	6	1,625	
Shepway 006F	20,066	7	1,404	8.81%
Shepway 006E	20,107	7	1,364	

Source: IMD 2015, IMD Explorer



Source: IMD 2015, IMD Explorer

As indicated above:

- Three LSOAs are listed in the 10% most deprived LSOAs in the country.

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- Ten LSOAs are in the lowest 20% deciles and 53.3% of the CLLD are resident in these areas.
- 63% of the CLLD population is in the three most deprived deciles for this domain.
- The 014C, 003C and 014A LSOAs rank the lowest for the Education, Skills and Training deprivation domain.

The highest level of qualifications acquired by individuals is a useful indicator of the skills levels within the community and can help ensure that training support programmes are tailored to meet local needs. Data on this indicator is shown in the table below.

Table 3.11: Highest level of qualifications⁹ of CLLD area compared to other areas

Qualification	LSOAs in 20% decile		CLLD Area		Kent & Medway		SELEP	
	No.	%	No.	%	No.	%	No.	%
None	4,325	26.8	6,52	26.1	313,552	22.5	750,062	23.3
Level 1	2,550	15.8	3,952	15.8	208,638	15.0	498,024	15.4
Level 2	2,898	18.0	4,599	18.4	238,28	17.1	552,968	17.2
Apprentice	399	2.5	705	2.8	54,849	3.9	121,018	3.8
Level 3	1,917	11.9	3,046	12.2	172,337	12.4	385,638	12.0
Level 4+	3,017	18.7	4,65	18.6	331,486	23.8	758,627	23.5
Other	1,026	6.4	1,469	5.9	71,555	5.1	157,624	4.9
All	16,132	100	24,941	100	1,390,697	100	3,223,961	100

Source: 2011 Census, retrieved from NOMIS

As shown above

- **A high proportion of residents in the CLLD have no qualifications.** 26.1% of the population in the CLLD area are without qualifications, which is considerably more than the proportion in Kent (22.5%), the South East LEP (19.1%) and England (22.5%).
- **A lower proportion of the CLLD population has apprenticeship qualifications.** Only 2.8% of the CLLD population has an apprenticeship qualification, which is below the 3.8% average for Kent and Shepway and 3.6% in England.
- **Relatively few residents in the CLLD area are qualified at Level 3 and above.** Only 30.8% of the residents in the CLLD area are qualified at level 3 and above, which compares to 36.2% in Kent & Medway and 39.8% in England.

3.5 Income levels

The IMD 2015 Income Deprivation Domain measures the proportion of the population in an area with low income levels. The definition of low income used includes both those people that are out-of-work and those that are in work but who have low earnings. The following table shows the rankings for the LSOAs in the CLLD area on the Income Deprivation Domain:

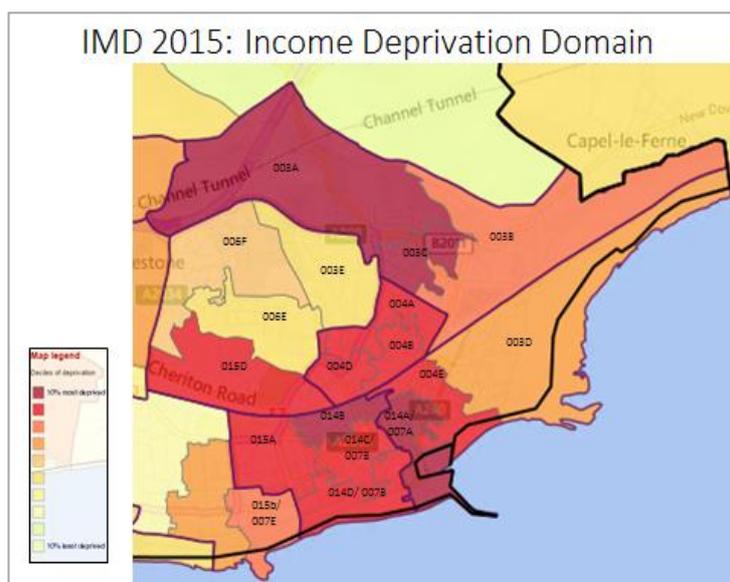
⁹ Qualification levels are defined by the National Careers Service. Level 1 include GCSEs (grades D-G) and equivalents; Level 2: includes GCSEs (grades A-C); O Levels and equivalents; Level 3: includes A Levels (grades A-E); and Advanced apprenticeship; Level 4 includes Higher National Diploma and any university education above that

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Table 3.12: IMD 2015 Ranking on Income domain

LSOA Name (2011)	Income Domain Rank (1= most deprived)	Income Domain Rank Decile (1 = deprived 10%)	Population	% CLLD population in Decile	Working age population ¹⁰	% CLLD Working aged population in Decile
Shepway 014A	1,037	1	2,142	23.61%	1553	21.68%
Shepway 014B	1,141	1	2,105		1407	
Shepway 003C	1,250	1	1,605		331	
Shepway 003A	2,715	1	1,564		958	
Shepway 004B	4,132	2	1,233	46.23%	789	48.96%
Shepway 004E	4,170	2	1,914		1202	
Shepway 014C	4,274	2	1,594		1228	
Shepway 004C	4,865	2	1,510		960	
Shepway 014D	5,067	2	1,319		810	
Shepway 004A	5,400	2	1,696		1071	
Shepway 015D	5,673	2	1,743		1163	
Shepway 004D	5,799	2	1,439		976	
Shepway 015A	6,020	2	2,070		1398	
Shepway 003B	6,844	3	1,644		10.58%	
Shepway 015B	8,764	3	1,625	941		
Shepway 003D	9,992	4	1,757	5.59%	1096	5.59%
Shepway 006F	13,959	5	1,404	4.47%	862	4.40%
Shepway 006E	18,003	6	1,364	9.69%	800	9.47%
Shepway 003E	18,066	6	1,678		1057	

Sources: IMD 2015, IMD Explorer; Mid-Year 2014 Population Estimates, ONS



Source: IMD 2015 Explorer

¹⁰ Working Age Population defined as 16-65 Year Old Persons, Mid-Year 2014 Population Estimates

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The IMD 2015 income deprivation domain indicates that:

- Four of the LSOAs in the CLLD area are in the most deprived 10% decile for Income deprivation.
- Thirteen LSOAs are in the lowest 20% decile in the country which accounts for 70% of the population and 71% of the working age population of the CLLD area.
- Income deprivation is most severe in the 0014A LSOA in the Folkestone Harbour ward followed by 014B in Folkestone Central and 003C in the Folkestone Central ward.

Unfortunately no data on the household income is available for the CLLD area. However, table below shows that median earnings in Shepway are below Kent and SELEP averages.

Table 3.13: Median earnings for Shepway and the region

Median Average Earnings	Shepway	Kent & Medway	SELEP	England
Full-time	28,231	29,475	29,229	27,869
Part-time	8,978	9,012	9,163	9,230

Source: 2011 Census, retrieved from NOMIS

Many interviewed during the consultation for the development of the CLLD Strategy identified that many CLLD area residents faced problems of debt and financial difficulties. Although there is no single source of data on debt levels in the UK, the 2012 BIS Debt Track survey found that 12% of households were in one or more months in arrears on bills and credit payments.¹¹ A survey conducted by the Smith Institute found this to be higher at 25%.¹² There are also no statistics on the problem debt amongst poor households. However much of the research indicates that households on the lowest incomes are at greater risk of experiencing financial difficulties and problems.¹³ The Joseph Rowntree Foundation finds that a quarter of adults in poverty are behind paying a bill and this is five times higher than other adults.¹⁴

3.6 Benefit Claimant Rates

An important indicator of deprivation is the working-age population in an area who are involuntarily excluded from the labour market. This includes those who would like to work but are unable to do so due to sickness or disability, caring responsibilities or for other reasons. The table below indicates the claimant rates for different types of benefits amongst residents of the CLLD area.

¹¹ Credit, debt and financial difficulty in Britain, 2012: a report using data from the YouGov Debt Track survey

¹² Smiths Institute, 2013 tomorrow's borrowers: personal debt by 2025 and the policy response

¹³ University of Bristol, 2013 Poverty, debt and credit: An expert-led review - .

¹⁴ Joseph Rowntree Foundation Debt Website

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Table 3.14: Benefit Claimants in the CLLD area¹⁵

DWP Benefit	Date	No.	% of CLLD Pop
Disability Living Allowance (DLA)	November 2015	2,240	7.1
Employment Support Allowance (ESA)	November 2015	1,970	6.3
Housing Benefit	February 2016	4,462	14.2
Universal Credit	May 2016	705	2.2
Job Seekers Allowance	November 2015	635	2.0
Benefit Claimants	November 2015 – May 2016	4,090	13.0
Total Persons CLLD Area	Mid-2014	31,406	100

Source: Department of Work and Pensions, Stat X-plore

Table 3.15: Benefit Claimants in Comparative Areas¹⁶

DWP Benefit	Shepway		Kent & Medway		SELEP		England	
	No.	%	No.	%	No.	%	No.	%
DLA	N/A	N/A	84,220	5	181,170	5	2,467,980	5
ESA	4,280	4	54,610	3	124,770	3	1,943,580	4
Housing Benefit	8,899	8	127,632	8	277,620	7	4,047,329	8
Total Residents	107,969	100	1,695,733	100	3,915,332	100	52,059,931	100

Source: Department of Work and Pensions, Stat X-plore

Note: ESA = Employment and Support Allowance; DLA = Disability Living Allowance

For every category of benefit claimant shown above, the percentage of the population claiming these benefits is much higher in the CLLD area than regionally or nationally.

The following table provides more detail on the claimant rates at the LSOA level within the CLLD area.

Table 3.15: Benefit Claimants per LSOA¹⁷

LSOAs 2011 Areas	DWP Benefits (Total No)		LSOAs 2001 Areas	DWP Benefits (Total No.)			
	Universal Credit Total	JSA Total		DLA Total	ESA Total	Working Age Claimants	Housing Benefit
003A	25	26	003A	135	110	215	219
003B	25	21	003B	115	70	185	127
003C	40	37	003C	205	150	300	309
003D	25	20	003D	90	60	140	197
003E	10	8	003E	90	40	105	85
004A	25	22	004A	115	90	190	198
004B	20	16	004B	110	75	175	228
004C	30	31	004C	95	60	170	161
004D	25	23	004D	125	95	195	188
004E	40	36	004E	130	100	250	274
006E	10	8	006E	70	40	75	42

¹⁵ Stat Explore, Department of Work and Pensions

¹⁶ Data was implied using mid-year 2014 population data. Care should be taken with the value placed on these figures, given the benefit numbers vary in date and should be treated as a rough indication only.

¹⁷ Data is captured in accordance with dates listed in Table on Benefit Claimants in CLLD area

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006F	10	9	006F	80	60	125	64
014A	120	108	007A	160	230	465	501
014B	100	90	007C	150	185	380	535
014C	40	40	007B	190	265	460	589
014D	40	31					
015A	50	44	007D	145	130	255	290
015B	35	33	007E	85	90	170	237
015D	35	32	007G	150	120	235	218

Source: Department of Work and Pensions, Stat X-plore (refer to Table 3.15 for dates by benefit)

The table above shows that:

- LSOA 014A (Harbour Ward) and 014B (Folkestone Central Ward) consistently have the highest scores across all areas for total claimants, whether Housing Benefit, JSA, ESA, DLA or Universal Credit.
- LSOA 003C has a high total claimant rate for ESA and DLA.

Data from the Office of National Statistics indicates that in the CLLD area there is a greater concentration of claimants in the 25-49 year age group for both JSA and Universal Credit, whereas for housing benefits, the highest number of claimants is in the 25-34 and 35-44 year age groups.

The majority of ESA and DLA claimants cite mental disease or psychiatric disorders as the reason for claiming benefits. In areas 014A, 014B, 014C and 014D there is the greatest concentration of ESA claimants citing mental disease as the explanation. This support feedback from the consultations which indicated that there are high rates of mental illness in the area.

3.6 Local Infrastructure Provision and Access to Services

Although most features of the CLLD area's local infrastructure provision and access to services do not fall within the scope of the proposed strategy, they are nevertheless relevant to an understanding of the context of the area and therefore have been included in this analysis.

The IMD 2015 score for the 'Barriers to Housing and Services' derivation domain measures the physical and financial accessibility of housing and local services. The indicators fall into two sub-domains: 'geographical barriers', which relate to the physical proximity of local services, and 'wider barriers' which includes issues relating to access to housing such as affordability.

Table 3.16: IMD 2015 Ranking on Infrastructure Provision and Access to Service Domain

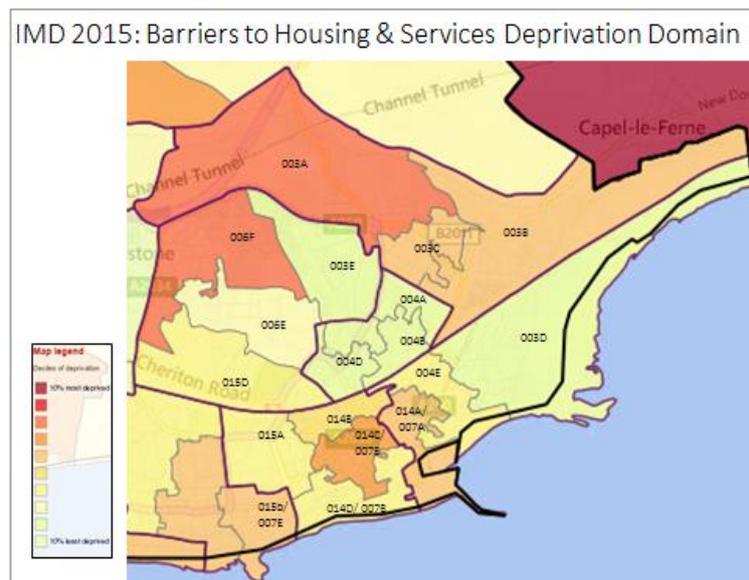
LSOA name (2011)	Barriers to Housing & Services Domain Rank (1 =most deprived)	Barriers to Housing & Services Rank Decile (1 =most deprived 10%)	Population	% CLLD population in Decile
Shepway 006F	7,076	3	1,404	9.45%
Shepway 003A	7,347	3	1,564	
Shepway 014C	13,071	4	1,594	22.34%
Shepway 003B	13,811	5	1,644	
Shepway 015B	14,483	5	1,625	
Shepway 014A	15,214	5	2,142	
Shepway 003C	15,704	5	1,605	
Shepway 014B	18,157	6	2,105	

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Shepway 014D	20,172	7	1,319	22.44%
Shepway 015D	21,225	7	1,743	
Shepway 004E	22,598	7	1,914	
Shepway 015A	22,883	7	2,070	
Shepway 006E	23,834	8	1,364	4.34%
Shepway 004D	26,307	9	1,439	29.65%
Shepway 003D	26,793	9	1,757	
Shepway 004B	26,956	9	1,233	
Shepway 004A	28,014	9	1,696	
Shepway 004C	28,027	9	1,510	
Shepway 003E	28,423	9	1,678	

Source: IMD 2015, IMD Explorer



Source: IMD 2015, IMD Explorer

As indicated above, the CLLD area scores well on the IMD 2015 on the access to local services, with only LSOAs 003A and 006F scoring poorly on this domain. This amounts to 9.45% of the population in the third most deprived decile for this indicator.

It is also useful to look at the average distance to service that people need to travel shown below. This reflects that most people in the CLLD area are able to access services relatively easily.

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Table 3.17: Average distance from Service in electoral wards¹⁸

Average distance from service (km)	CLLD Area Average
Road distance to a post office (km)	1.09
Road distance to a primary school (km)	0.75
Road distance to store (km)	0.50
Road distance to a GP surgery (km)	0.68

Source: 2011 Census, retrieved from NOMIS

Like most urban areas, residents living in the outer parts of the urban area, such as in East Folkestone in the CLLD Area, have to travel further to access services. For those with walking difficulties or disabilities, over a kilometre to reach a post office, and half a kilometre for a store may cause difficulty.

Access to health care services such as a GP practice is also a useful indicator. Below, the table shows the number of general practitioners per 10,000 people.

Table 3.18: Number of GP practitioners per 10,000 persons in the CLLD Area

CLLD Area Surgeries	No. of GP Practitioners per 10,000 population (using total patients per general practice) (2014)
Central Surgery	4.0
Folkestone Health Centre	4.3
Guildhall Surgery	7.5
Manor Clinic	1.4
Park Farm Surgery	3.3
Sandgate Road Surgery	5.6
The New Surgery	5.2

Source: Kent Health Observatory, 2014

In England there are on average 6.6 practitioners per 10,000 people. In the CLLD area there is only on average 4.0 GPs per 10,000 people. However, it should be noted that some of the residents in the area might access care outside of the CLLD area.

Education

In the CLLD area there are nine state-funded primary schools. Only one of these, Highview School¹⁹ is ranked outstanding by Ofsted. Six are ranked “Good” and two are ranked as “Needs Improvement”. Only three of the nine primary schools (66%) meet the national rate of pupils achieving level 4 of the national curriculum, which compares to the national percentage of 80%. The percentage of pupils achieving level 4 ranges from 56% to 90%, with the median average for primary schools in the CLLD area being 71% (2015).²⁰

¹⁸ 2011 Census

¹⁹ Highview is a special needs and learning difficulties school

²⁰ Compare School Performance

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There are six secondary schools and an FE Collage in or nearby, including Folkestone School for Girls, Harvey Grammar School, Highview School (ranked as “Outstanding”), Earlscliffe, Folkestone Academy and East Kent College which has a campus within the CLLD area.

These statistics suggest that a lack of access to good quality schools is not necessarily a cause of the low levels of skills attainment amongst the CLLD resident population.

Transport links

There are good access routes in and out of the CLLD area, whether by train or road. The M20 is just to the north of the area with a junction and A road that provides good access between the motorway and the CLLD area. Folkestone is well connected to London by high speed rail allowing commuters to reach the city in under an hour. Folkestone Central railway station is located in the CLLD area. Buzzlines, National Express and South Eastern Trains all provide transport services from Folkestone to the surrounding areas. Local bus services run by Stagecoach operate across the CLLD area and the rest of Shepway and beyond.

Google Map traffic density data shows congestion on A259 leading in and out of the CLLD area. Congestion is worst in Folkestone Central and Folkestone Harbour wards on the A260 and on Shellons Street. Congestion on roundabouts on Dover Hill Road in East Folkestone appears to create a bottleneck from the M20. Generally, there appears to be better access to the western part of Folkestone than the CLLD area. Poor access and limited transport options other than private car, is a barrier to people in the CLLD area seeking employment. It also can compound the feeling of isolation and separation from the comparatively more prosperous west.



Source: Michelin Digital Road Map

3.8 Physical wellbeing

The IMD provides a measure of deprivation for health and disability through a Health and Disability Domain. This measures the risk of premature death and the impairment to the quality of life through poor physical or mental health. The domain measures mortality, disability and premature mortality, but does not include aspects of behaviour or environment that may help predict health deprivation in the future. The following table shows the LSOA rankings for the Health and Disability domain in the CLLD area.

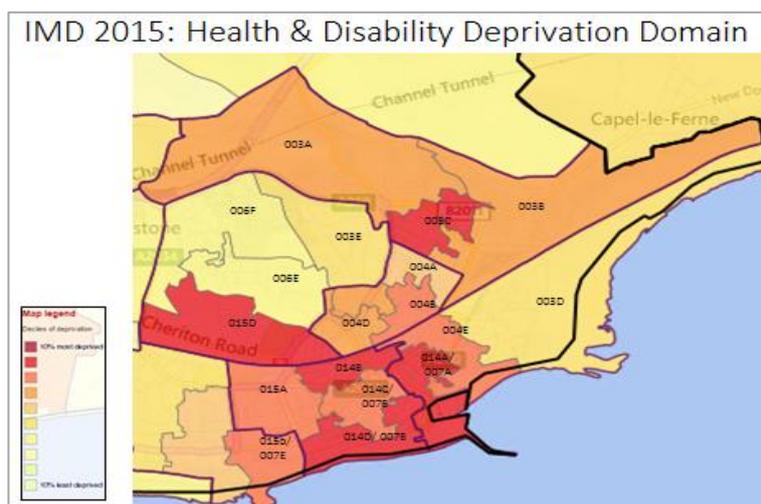
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Table 3.19: IMD 2015 Ranking on Health domain

LSOA Name (2011)	Health Deprivation & Disability Domain Rank (1 = most deprived)	Health Deprivation & Disability Decile (1 =most deprived 10%)	Population	% CLLD population in Decile
Shepway 003C	4,285	2	1,605	28.38%
Shepway 014A	4,880	2	2,142	
Shepway 015D	4,882	2	1,743	
Shepway 014D	5,561	2	1,319	
Shepway 014B	6,232	2	2,105	
Shepway 004B	6,618	3	1,233	26.86%
Shepway 004E	6,649	3	1,914	
Shepway 015B	8,390	3	1,625	
Shepway 014C	8,538	3	1,594	
Shepway 015A	9,772	3	2070	
Shepway 004D	11,149	4	1,439	19.60%
Shepway 004C	11,923	4	1,510	
Shepway 003A	12,223	4	1,564	
Shepway 003B	12,783	4	1,644	
Shepway 004A	13,691	5	1,696	5.40%
Shepway 003D	16,650	6	1,757	10.94%
Shepway 003E	19,574	6	1,678	
Shepway 006F	20,355	7	1,404	8.81%
Shepway 006E	21,501	7	1,364	

Source: IMD 2015, IMD Explorer



As shown above:

- LSOAs in the CLLD area are primarily in the second, third and fourth decile.
- Out of the 19 LSOAs in the CLLD area, five are in the lowest 20% of the country which accounts for 28.4% of the CLLD population.
- With the CLLD area, LSOA 003C, 014A and 015D have the lowest rankings.

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The table below presents data from the 2011 Census on the extent to which poor health limits activities and self-reported measure of health.

Table 3.20: Health limiting activities

Daily activities limited (16-64)	LSOAs in 20% decile		CLLD Area		Kent & Medway		SELEP		England	
	No.	%	No.	%	No.	%	No.	%	No.	%
"A lot"	1,173	5.9	1,583	5.1	56,849	3.3	128,834	3.2	1,924,080	3.6
"A Little"	1,261	6.4	1,783	5.8	77,464	4.5	177,56	4.5	2,452,742	4.6
Not limited	10,541	53.4	16,532	53.5	957,073	55.4	2,192,241	55.1	29,952,269	56.5
Very good health	7,548	38.3	12,564	40.6	803,867	46.5	1,845,737	46.4	25,005,712	47.2

Source: 2011 Census, retrieved from NOMIS

The table indicates that:

- A relatively high proportion of residents in the CLLD area report that their health is limited, with 10.9% saying "a little" or "a lot" which compares with 7.8% in Kent & Medway, 7.7% in the SELEP area and 8.2% nationally
- In the 20% most deprived LSOAs in the CLLD area, an even higher proportion (12.3%) of residents report that poor health limits their activities (12.3%).

Of residents that report that their health is 'bad' or 'very bad' shown in the table below, this is significantly higher in the CLLD area (7.4%) than Kent and Medway (5.1%), the SELEP area (5.1%) and England (5.4%). Again this percentage is even higher at 8.4% in the health is higher in the most deprived 20% part of the CLLD area.

Table 3.21: Perceptions of health

Perceptions of health	LSOAs in 20% decile		CLLD Area		Kent & Medway		SELEP		England	
	No.	%	No.	%	No.	%	No.	%	No.	%
Good	7,258	36.8	11,219	36.3	606,078	35.1	1,396,442	35.1	18,141,457	34.2
Fair	3,269	16.6	4,848	15.7	229,238	13.3	533,403	13.4	6,954,092	13.1
Bad	1,298	6.6	1,792	5.8	68,924	4.0	158,268	4.0	2,250,446	4.2
Very bad	350	1.8	486	1.6	19,558	1.1	45,436	1.1	660,749	1.2

Source: 2011 Census, retrieved from NOMIS

The following table shows the number of hours dedicated to unpaid care. Despite high levels of long term illness or disabilities (in Tables 3.7 and 3.22 above), within the CLLD population, a similar proportion or fewer hours are dedicated to caring.

Table 3.22: Hours of unpaid care

Hours of unpaid care / week	LSOAs in 20% decile		CLLD Area		Kent & Medway		SELEP		England	
	No.	%	No.	%	No.	%	No.	%	No.	%
1- 19 hours	1,005	5.1	171	5.5	112,465	6.5	268,706	6.8	3,452,636	6.5
20 - 49 hours	265	1.3	430	1.4	21,78	1.3	5,042	1.3	721,143	1.4
50+ hours	477	2.4	809	2.6	42,565	2.5	95,592	2.4	1,256,237	2.4
No unpaid care	17,976	91.1	2,796	90.5	1,550,855	89.8	3,564,568	89.6	47,582,440	89.8

Source: 2011 Census, retrieved from NOMIS

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Data on hospital admissions, mortality rates and life expectancy is indicated below.

Table 3.23: Hospital Admissions, Mortality Rates and Life Expectancy (2015)

		CLLD	Shepway
Emergency Admissions (No. per 100,000 population)	AMI	151.80	142.09
	COPD	210.02	188.71
	Diabetes	149.29	78.05
	Falls	815.78	751.3
	Over 65s	20,348.14	22,682.6
Under 75 Mortality (No. per 100,000 population)	Cancer	176.56	140.22
	Circulatory	120.02	77.42
	Respiratory	51.76	35.77
Life Expectancy		79.8	81.77

Source: 2015 Kent Observatory, as featured in 2015 Ward Profiles, Shepway District Council

As indicated above, life expectancy in the CLLD area is below the Shepway and national average. Rates of emergency admissions are also above the Shepway rates for AMI, COPD diabetes and falls and mortality from circulatory and respiratory disease is also higher.

In terms of mental health, which was mentioned in the consultation process, the following table shows mental health figure for the economically active population (including unemployed) for the wider Shepway district but are not available for the CLLD area.

While figures are not available for the unemployed in Shepway, amongst residents that are economically active and employed, the rate in Shepway is three times more than the regional and national level.

Table 3.24: Residents with Mental Health Conditions

Mental Health Indicators	Shepway		Kent & Medway		SELEP		England	
	No.	%	No.	%	No.	%	No.	%
Economically Active								
In Employment with depression, bad nerves, severe or specific learning problems, mental illness, phobias, panics or other nervous disorders	2,900	6	21,000	2	49,800	2	670,900	2
Unemployed with depression, bad nerves, severe or specific learning problems, mental illness, phobias, panics or other nervous disorders	N/A	N/A	7,200	1	14,300	1	183,100	1
Economically active	52,387	100	875,862	100	2,023,032	100	27,183,134	100
Economically Inactive Persons								
Economically inactive with depression, bad nerves, severe or specific learning problems, mental illness, phobias, panics or other nervous disorders	2,100	8	43,400	12	96,200	11	1,282,800	11
Economically Inactive	25,551	100	373,693	100	851,783	100	11,698,240	100

Source: 2011 Census, retrieved from NOMIS

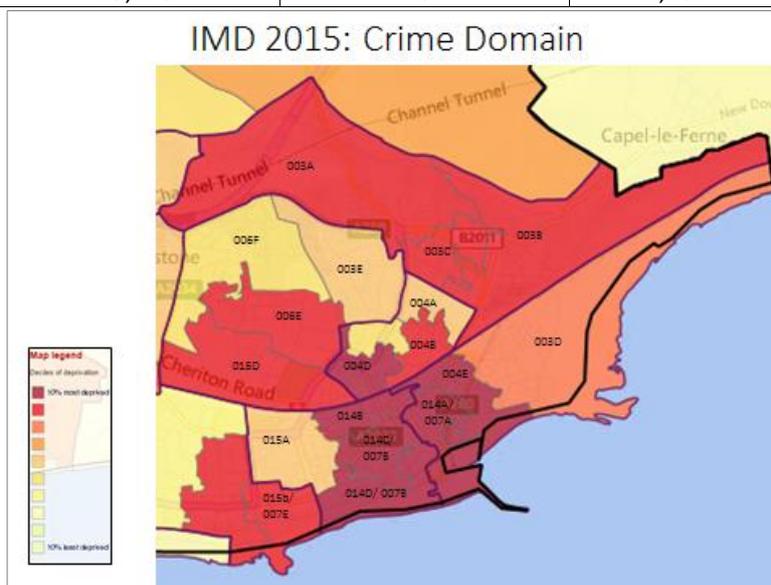
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3.9 Crime Rates

Crime is an important feature of deprivation that has major effects on individuals and communities. It can also influencing the ability of businesses to grow and for new businesses to start up. The Crime Domain of the IMD 2015 measures the risk of personal and material victimisation and the indicators that make up this Crime Deprivation domain include the rate of violence, burglary, theft and criminal damage. The ranking of the LSOA scores for this domain (IMD 2015) are shown below.

Table 3.25: IMD 2015 Ranking for the Crime Deprivation Domain

LSOA name (2011)	Crime Deprivation Domain Rank (1= most deprived)	Crime Deprivation Decile (1 =most deprived 10%)	Population	% CLLD population in Decile
Shepway 014D	18	1	1,319	33.47%
Shepway 014A	45	1	2,142	
Shepway 004E	277	1	1,914	
Shepway 014B	1,260	1	2,105	
Shepway 014C	2,109	1	1,594	
Shepway 004D	2,444	1	1,439	
Shepway 004B	3,302	2	1,233	34.32%
Shepway 003B	3,514	2	1,644	
Shepway 003A	4,538	2	1,564	
Shepway 015B	4,582	2	1,625	
Shepway 003C	4,958	2	1,605	
Shepway 015D	5,373	2	1,743	
Shepway 006E	6,324	2	1,364	4.30%
Shepway 003D	6,676	3	1,757	
Shepway 015A	13,631	5	2,070	17.33%
Shepway 003E	14,067	5	1,678	
Shepway 004A	15,152	5	1,696	
Shepway 004C	17,188	6	1,510	9.28%
Shepway 006F	19,276	6	1,404	



Source: IMD 2015, IMD Explorer

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Source: IMD 2015, IMD Explorer

The data as shown above indicates that:

- 014D in Folkestone Central/Folkestone Harbour wards is ranked 18th in the country in terms of Crime Deprivation score, with 014A 45th followed by 004E both in Folkestone Harbour.
- Thirteen LSOAs are in the most deprived 20% decile for Crime and 68% of the population of the CLLD area live in these areas and therefore face the highest risk of personal and material victimization.

Crime data is only available for wards. An analysis of the Police data from June 2015 – May 2016²¹ indicates that in Folkestone Central there are high rates of anti-social behaviour (767 incidents) and violence and sexual offences (573 incidents). Criminal damage and arson (246) is also high. Broadmead has the same pattern of crime, but the numbers are much lower: 297 incidents of anti-social behaviour, 221 incidents of violence and sexual offences and 108 incidents of Criminal damage and arson. In Folkestone Harbour and East Folkestone the trend is slightly different with more violence and sexual offences. In East Folkestone there were 320 incidents of anti-social behaviour and 335 incidents of violence and sexual offences. In Folkestone Harbour there were 227 incidents of violence and sexual offences.

3.10 Housing

The following table shows the nature of tenure in the CLLD area:

Table 3.26: Tenure by Number of Households

Tenure	LSOAs in 20% decile		CLLD Area		Kent & Medway		SELEP		England	
	No.	%	No.	%	No.	%	No.	%	No.	%
Owned: Total	3,607	36.4	6,763	46.7	479,423	67.3	1,144,626	68.9	13,975,024	63.3
Owned with a mortgage/loan	1,803	18.2	3,351	23.1	248,088	34.9	584,923	35.2	7,229,440	32.8
Shared ownership (part own /rent)	44	0.4	54	0.4	6,890	1.0	12,414	0.7	173,760	0.8
Social rented	1,671	16.9	2,254	15.6	98,123	13.8	227,225	13.7	3,903,550	17.7
Private rented	4,480	45.2	5,261	36.3	118,335	16.6	258,423	15.5	3,715,924	16.8
Living rent free	112	1.1	152	1.0	9,076	1.3	19,684	1.2	295,110	1.3
All categories	9,914	100	14,484	100	711,847	100	1,662,372	100	22,063,368	100

Source: 2011 Census, retrieved from NOMIS

As indicated above:

- The percentage of households that own their own houses is significantly lower (46.7%) in the CLLD area (particularly in the LSOAs within the lowest two deciles of the IMD 2010) than in Kent & Medway (67.3%), the SELEP area (68.9%) and England (63.3%) as a whole.

²¹ See Police.co.uk

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- The proportion of properties owned with a mortgage or loan is also significantly lower in the CLLD area (18.2%) than the regional (Kent & Medway 34.9%) and national (32.8%) averages.
- The CLLD area has a particularly high rate of private rentals and socially rented tenure is also higher than in Kent and Medway and the SELEP area, but below national average.

3.11 Ethnicity

The population in the CLLD area is 94% White British which is higher than in the South East region overall (92.3%) and the national average (87%) The largest ethnic minority group is Other White (2.39%) and the third largest is White Irish. Every other ethnic group is less than 1% of the local population.

Table 3.27: Percentage of residents in Ethnic Groups

	CLLD area	Shepway	South East	England
White: British	94.00	94.59	91.3	86.99
White: Irish	1.09	0.78	1.03	1.27
White: Other White	2.39	1.92	2.77	2.66
Mixed: White and Black Caribbean	0.25	0.18	0.30	0.47
Mixed: White and Black African	0.12	0.06	0.12	0.16
Mixed: White and Asian	0.29	0.27	0.37	0.37
Mixed: Other Mixed	0.27	0.2	0.28	0.31
Asian or Asian British: Indian	0.33	0.22	1.12	2.09
Asian or Asian British: Pakistani	0.08	0.05	0.73	1.44
Asian or Asian British: Bangladeshi	0.18	0.08	0.19	0.56
Asian or Asian British: Other Asian	0.16	1.1	0.29	0.48
Black or Black British: Caribbean	0.17	0.09	0.34	1.14
Black or Black British: African	0.15	0.08	0.31	0.97
Black or Black British: Other Black	0.03	0.03	0.06	0.19
Chinese or other ethnic group: Chinese	0.21	0.19	0.41	0.45
Chinese or other ethnic group: Other ethnic group	0.28	0.15	0.37	0.44

Source: ONS 2011

More detail on the ethnic composition of the 'Other White' ethnic group is not provided in the Census. However, analysis across England and Wales in 2001²² showed that 80% of people who identified as Other White were born overseas and a third were born in a Western European country other than the UK. 14% were born in an Eastern European country.

Anecdotal evidence suggests that the Other White ethnic minority group in the Folkestone CLLD area are primarily from Eastern European countries.

3.12 Troubled Families

The Troubled Families programme provides some information on the extent to which there are families 'in need' in Shepway. The programme is for families facing multiple problems, such as

²² Who are the 'Other' ethnic groups? ONS article October 2005

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unemployment, anti-social behaviour, truancy and mental health issues. The programme is operated by Shepway District Council, in conjunction with Kent County Council. The inclusion of families in the programme is based on a cluster of six headline problems.²³

The following number of families has been identified in Shepway and Kent to date based on the criteria.

Table 3.28: Information on families eligible for Troubled Families Programme (2016)

	Shepway	Kent
Number of families verified	693	8,579
Number of individuals	2, 802	32, 678
Average number of family members	4	4
Number of dependent children (under 18 year olds)	1, 442	17, 364

Source: *Troubled Families Monthly Report, June 2016, Kent County Council*

The 2,802 individuals in these families constitute about 2.6% of the population in Shepway, while in Kent as a whole, those involved in the programme constitute 2.1% of county's population. Below are some more detailed statistics on the headline problems:

Table 3.29: Families that meet the national headline criterion for the 6 axes (2016)

Headline national criteria	Shepway		Kent	
	No Families	%	No Families	%
Crime or anti-social behaviour	147	21	1,363	16
Education	425	61	4,842	56
Children needing help	642	93	8,192	95
Worklessness	147	21	1,828	21
Domestic violence and abuse	112	16	1,464	17
Health	325	47	4,425	52

Source: *Troubled Families Monthly Report, June 2016, Kent County Council*

As indicated above, the percentage of families who meet the national criteria for crime or antisocial behaviour in Shepway is above that of Kent. Similarly, the rate of families where children have not been attending school regularly is higher in Shepway than in Kent. It is estimated that approximately 35% of the Shepway families identified reside in the CLLD area.

3.13 Business base and trends

The business community within an area provides employment and wealth creation for the workforce in the surrounding labour market area. Therefore understanding the dynamics of the business base is an important influence on the job opportunities available to residents.

²³ Each family must have at least two of the following six problems: parents or children involved in crime or anti-social behaviour; children who have not been attending school regularly; children who need help: are identified as in need or are subject to a Child Protection Plan; adults out of work or at risk of financial exclusion or young people at risk of Worklessness; families affected by domestic violence and abuse; and parents or children with a range of health problems. DCLG, 2015 Financial Framework for the Expanded Troubled Families Programme

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No data is available specifically on business counts for the CLLD area but Shepway as a whole provides an indication.

Business Births, Deaths and Survival Rates

The following table shows us the number of businesses in Shepway and the growth or decline year on year.

Table 3.30: Total Business Count by Area

Date	Shepway		Kent & Medway		SELEP		England	
	No	Year on year growth	No	Year on year growth	No	Year on year growth	No	Year on year growth
2010	3,855		68,315		164,280		2,183,840	
2011	3,765	-2.3%	67,020	-1.9%	161,220	-1.9%	2,161,190	-1.0%
2012	3,840	2.0%	68,715	2.5%	165,160	2.4%	2,218,205	2.6%
2013	3,815	-0.7%	68,850	0.2%	165,360	0.1%	2,234,320	0.7%
2014	3,880	1.7%	70,955	3.1%	171,175	3.5%	2,322,375	3.9%
2015	4,115	6.1%	75,460	6.3%	182,110	6.4%	2,489,825	7.2%

Source: UK Business Counts, ONS, retrieved from NOMIS

As shown above, over the period 2010 to 2015, the total number of businesses has grown by 6.7% in Shepway. However, this is lower than the 10.5% growth in Kent and Medway, the 10.9% growth in the SELEP area and the 14% growth rate for England.

The following table shows a more detailed analysis of the births and survival rate of businesses established each year from in 2009 to 2014. This indicates that percentage of businesses that started in 2009 and survived more than one year in Shepway is low in comparison to Kent and Medway, the SELEP area and England as a whole

Table 3.31: Survival Rates for Businesses born 2009 to 2014

	Shepway		Kent and Medway		SELEP		England	
2009								
Births	375		6,185		15,415		209,035	
Survival Rate	No.	%	No.	%	No.	%	No.	%
1-year survival	325	86.7	5,690	92.5	14,220	91.9	190,010	90.9
2-year survival	250	66.7	4,655	75.5	11,650	74.0	154,415	73.9
3-year survival	195	52.0	3,740	60.9	9,375	59.5	124,765	59.7
4-year survival	150	40.0	3,035	48.9	7,640	48.9	102,315	48.9
5-year survival	130	34.7	2,520	40.1	6,470	41.3	87,310	41.8
2010								
Births	335		6,125		15,195		207,520	
Survival Rate	No.	%	No.	%	No.	%	No.	%

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1-year survival	290	86.6	5,425	89.8	13,415	87.5	180,160	86.8
2-year survival	255	76.1	4,590	76.2	11,310	73.8	150,415	72.5
3-year survival	190	56.7	3,600	60.1	8,885	57.6	118,560	57.1
4-year survival	160	47.8	3,030	51.0	7,485	48.4	99,825	48.1
2011								
Births	440		7,065		16,880		232,460	
Survival Rate	No.	%	No.	%	No.	%	No.	%
1-year survival	320	72.7	6,555	93.9	15,795	93.8	216,315	93.1
2-year survival	255	58.0	5375	76.1	12,960	76.2	175,405	75.5
3-year survival	205	46.6	4265	60.5	10,305	60.1	140,350	60.4
2012								
Births	530		7,265		17,420		239,975	
Survival Rate	No.	%	No.	%	No.	%	No.	%
1-year survival	355	67.0	6,550	90.8	15,920	92.2	218,685	91.1
2-year survival	285	53.8	5330	73.9	13,000	75.2	176,950	73.7
2013								
Births	470		8,960		21,825		308,770	
Survival Rate	No.	%	No.	%	No.	%	No.	%
1-year survival	425	90.4	8,455	94.5	20,595	94.2	288,765	93.5

Source: UK Business Counts, ONS, retrieved from NOMIS

Looking over a longer time horizon, the table above shows that:

- Fewer businesses started in 2010 compared to 2009 for all areas, and the 1 year survival rate for businesses in Shepway was similar to the comparator areas.
- More businesses started in Shepway from 2011 to 2012 but there was a fall in 2013 while other areas continued to see increases.
- Businesses that started in 2011 in Shepway have a much lower survival rate than Kent & Medway, the SELEP area and England. One possible explanation is that the figures are skewed by the high turnover of businesses in the Creative Quarter, but this cannot be verified.
- Significantly more businesses started in Shepway in 2011 but their survival rate in the first year was only 67% compared to 91.1 % in England.

Data in the table below shows that in 2014 fewer businesses started up in Shepway – fewer than in every year 2011. This contrasts with the situation in the comparator areas where more businesses started compared to 2013.

Table 3.33: Business Births, Deaths and Activity in 2014

2014	Shepway	Kent and Medway	SELEP	England
Births	420	8,260	20,245	295,560
Deaths	295	5,495	13,385	186,395
Active	3,275	59,860	147,350	1,989,250

Source: UK Business Counts, ONS, retrieved from NOMIS

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For every business death in Shepway there were 1.4 births. However, this is lower than the ratios for the comparators. For every business death in England there were 1.6 births.

Perception of the area as a business location

Perceptions of the area were assessed through a survey of local businesses that was carried out in July 2016 as part of the community consultation for the Folkestone CLLD Strategy. The feedback from this survey indicates that:

- 67% of local businesses do not see the CLLD Area as being a favourable environment for businesses.
- 69% have encountered difficulties recruiting people with the right skills, attitudes and experience from the local area.
- The most serious barriers to business growth prospects are a lack of access to appropriate finance(50%), lack of business support service (25%), a shortage of suitable business premises and parking(19%), and more general factors relating to the quality of the environment overall (25%).
- 43% of the respondents offer work placements to young people from the CLLD area.
- Help with training of staff and management (57%), and support for entrepreneurship are viewed by local businesses as their top priorities for the area.

Overall, the majority of respondents indicated that the business environment in the CLLD area is not favourable for business. While respondents cited good transport links via the Channel Tunnel, motorway and the high-speed train link, others stressed a sense of remoteness and a civic culture of anti-social behaviour. One respondent remarked: "Our business is dependent to some degree on people's attitudes towards Folkestone as a place to invest in and to live. The biggest downside to Folkestone town and surrounds is the behaviour of some residents - people littering indiscriminately, shouting and swearing, drinking alcohol in the street and smoking in public areas. Better control of these anti-social matters will make a big difference to Folkestone".

The low level response rate to the business survey means that the results should be treated with caution.²⁴ However, the findings are supported by other evidence. *Locate in Kent's* 2014 perception study indicated that only 11% of business considers East Kent and Folkestone to be a favourable sub-region of Kent; having a sense of remoteness and a perception of being 'run-down', as well as having a poor stock of commercial premises and workforce skills.

3.14 Summary and SWOT Analysis

Based on community consultation (see section 6) and the data analysis, the following SWOT has been developed for the Folkestone CLLD area. The SWOT summarises the strengths that the CLLD programme needs to build upon, the weaknesses and threats to be overcome and the opportunities available to provide focus for the future.

²⁴ There were 16 business survey respondents. 12.5% of these respondents were self-employed, 50% employed 1-9 people, and 31% employed 10-49 people. The majority of respondents (63%) employed people from, or are self-employed in, the CLLD area. The majority of respondents (62%) do not provide work experience placements or apprenticeships for young people.

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Table 3.35: Summary SWOT Statement

Strengths	Weaknesses
<ol style="list-style-type: none"> 1. The working age residents of the CLLD area account for a relatively higher proportion of the overall population and this offers an advantage in terms of the productive potential. 2. Strong clusters of businesses exist in key sectors such as retail, financial services/insurance and tourism-related activities, offering potential for further job growth. 3. The expanding creative sector poses a significant opportunity for growth in view of the recent investment by the Creative Foundation which also contributes to the community and through outreach activities. 4. It is a relatively cost effective business location in the South East. 5. There are good inter-regional transport links (Channel Tunnel, M20 road and high speed rail) that provide quick connections to London and mainland Europe. 6. There are good secondary schools and access to adult education in the area and higher education institutions further afield. 7. There are numerous parks, good quality architecture and heritage sites. 8. Strong local partnership exists between the private sector, charities and associations and good relationships between the District and County Council. 9. The town has major backing and potential funding from the activities of the Roger De Haan Charitable Trust. 10. A strong volunteer ethic and commitment exists amongst retired, skilled residents with the time and energy to assist, such as providing mentoring to young people. 11. A vibrant community events calendar through Folkestone Festivals, Strange Cargo, Jim Jam Arts, Folkestone Fringe, etc which contribute to community cohesion and foster a sense of pride in the town. The events also provide opportunities for volunteering and strengthen the cultural offer for the visitor economy. 12. Folkestone Sports Centre, new skate park and several gyms provide facilities for healthy activities. 	<ol style="list-style-type: none"> 1. Employment declined between 2009 and 2014 with total employment in the CLLD area falling by -15.9%, when there was growth in the wider areas. 2. Low representation of higher value knowledge intensive jobs (15.9% of jobs in Folkestone CLLD area compared to 17.4 % in England in 2014). 3. Employment losses in higher value knowledge intensive jobs which contrasted with growth in the wider areas. Jobs losses in the insurance and auxiliary services for the financial and insurance industries outweighed job growth in some knowledge-intensive industries such as architecture and engineering, advertising, publishing and computing. 4. Income levels are relatively low and there are pockets of very high deprivation. 5. Relatively high levels of illness and disability, mental health problems, poor health indicators and lower life expectancy. 6. High levels of NEETs and school leavers/ young people that struggle to find quality employment. 7. Poor financial literacy and high levels of indebtedness amongst people in the CLLD area. 8. There is a lower than average business survival rate for Shepway and a recent downturn in new firm start-ups. 9. Poor business perceptions of the area including remoteness, being 'run-down', poor quality stock of premises and poor workforce skills. 10. Limited development land available in the town bounded by the sea and the North Downs. 11. Low level of home ownership and a high proportion of residents living in rental accommodation, some of which is low quality. 12. Current interventions are fragmented and there is a need for improved coordination between some organisations working in the areas.

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Opportunities	Threats
<ol style="list-style-type: none"> 1. The Channel Tunnel, High Speed rail link and M20 ensure Folkestone is well connected to London and the rest of the South East which provides scope to attract new residents and businesses. 2. Proximity to Channel Tunnel and sea crossings makes Folkestone potentially attractive as a location for logistics and transport-related activities. Other key sectors (financial services, retail, etc) have a strong presence and scope to develop further. 3. Creative Quarter - source of locally based entrepreneurship and jobs that can be further developed. 4. Potential to develop Folkestone's night time economy. Folkestone has the ingredients to attract tourism and become a 'Destination' town. 5. Opportunities to develop and expand the Seafront Masterplan to provide local jobs and attract new residents and entrepreneurs to the town. 6. Potential to attract Inward investment, particularly in the abovementioned sectors due to being a cost effective business location. 7. The relatively better off areas of west Folkestone offer opportunities for residents in the more deprived areas. 8. Strong military links provide an opportunity to work with Armed Forces community to improve life skills amongst young people, helping to prepare them for jobs, apprenticeships or traineeships. 	<ol style="list-style-type: none"> 1. Continued decline of coastal/ seaside tourism. 2. Negative impacts of "Operation Stack" aimed at managing congestion on the M20 when there are ferry delays or industrial action. 3. Delays in implementing the seafront development could undermine confidence in the town. 4. General difficulties in rejuvenating coastal towns. 5. Community programmes are perceived to be run "for" rather than "with" people which poses a risk to their success. 6. Inaction for the 18-24 year old NEETs group will have an impact on the economy as they grow older. 7. Doubts over Folkestone's revival would have a negative impact on future business investment.

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This section provides a summary of the problem definition, the CLLD rationale and intervention logic, strategic and operational objectives, and target groups.

4.1 Overview of the Folkestone CLLD Strategy

4.1.1 Problem definition

As the previous section demonstrates, the Folkestone CLLD area suffers from a combination of social and economic problems.

The community consultation and business survey indicates that although job opportunities exist, many younger people do not have the necessary personal attributes and skills to fill them. Likewise, older residents who have lost their jobs need retraining to help them back into employment. Often the individuals concerned lack the motivation to develop their skills and to seek employment. In addition, there are problems associated with emotional, mental and physical health issues, problems facing single parents and 'broken' families, the need for protection of children, challenges related to migrant populations, alcohol and substance abuse, etc. These issues often push people further away from the labour market and affect the abilities and motivations of people to seek employment.

The baseline assessment contained in Section 3 suggests that deprivation in the CLLD area is not only serious in comparison with other areas of the South East and England, but also proving to be persistent. Moreover, if current trends are projected forward it is clear that the situation will worsen relative to the more prosperous parts of the wider Shepway District, Kent and the South East. Reversing this trend and promoting social and economic cohesion is therefore the key aim of the Folkestone CLLD Programme.

4.1.2 Intervention logic

Although, there are a number of local initiatives to address the challenges identified above, interview respondents indicated that they are often poorly coordinated and the available resources are thinly spread. For these and other reasons, feedback from the consultations suggests that the impact of some existing initiatives on the problems faced by the CLLD area has been more limited than hoped.

The rationale and intervention logic for the Folkestone CLLD Programme is to address the limitations of existing initiatives by:

- Developing new initiatives to fill gaps and shortcomings in existing schemes;
- Reinforcing the successful schemes where they are having significant positive impacts and so add value to existing investment;
- Developing new and innovative ways of addressing problems that either fall outside the scope of existing schemes or have not been effectively tackled by them;
- Ensuring that existing and new interventions are more effectively coordinated and targeted.

Examples of interventions that are largely new and innovative in a Folkestone context, which have been put forward for consideration in the CLLD Programme, include:

- using volunteering and other initiatives involving the Creative Sector to provide a bridge to job opportunities for people from the intervention area (one of the actions under Objective 1);
- setting up a business incubator with a focus on social enterprises that would benefit the intervention area (Objective 2); and
- the concept of a Community Hub as a delivery mechanism for the CLLD Programme (Objective 3).

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The Community Hub would directly address the need for improved coordination and targeting, helping to address the problem, identified through the consultation, that many of the current interventions are fragmented and there is poor case management or referrals between them.

Innovative aspects of the strategy will be reinforced through the project selection procedure adopted in the programme. As outlined in Section 8, one of the selection criteria for projects will be that they should ideally demonstrate an innovative approach to tackling problems and priorities (where this is the case, the projects will receive a higher score).

As well as promoting new types of interventions, it is important that the Folkestone CLLD Programme builds on and adds value to what is already being successfully done to help tackle deprivation and other problems. The aim will be to provide funding for ineligible mainstream European funded projects, so that existing schemes can undertake additional activities in the CLLD area (e.g. to improve mental health and readiness for work) that would otherwise not be possible. Equally, the research has highlighted a number of gaps (e.g. with regard to financial literacy) that existing schemes are not meeting and where the programme could be used to rectify shortcomings. Many of those consulted during the consultation argued that what was needed is more resources to help develop existing successful initiatives rather than to necessarily introduce new additional ones.

4.1.3 Strategic and operational objectives

The overall strategic objective is to **promote social and economic cohesion** in the CLLD area through interventions to **help residents in the most deprived communities access jobs** and to support **businesses in the area to grow and provide new job opportunities**.

This will be achieved through three operational objectives:

- **Objective 1** - Enhancing work-readiness and well-being
- **Objective 2** - Promoting local business and social enterprise
- **Objective 3** - Setting up an integrated delivery mechanism for the programme

These objectives have been arrived at through a bottom-up process involving extensive consultations with the local communities and their representatives in the CLLD area (see Section 6). They are designed to build on the strengths and opportunities outlined in the SWOT and the supporting Actions aim to address the weaknesses and threats facing the residents and business community within the CLLD area.

The first of the operational objectives corresponds with the ESF-funded component of the Folkestone CLLD Programme, while the second would be ERDF-supported. The third operational objective would be largely ERDF funded and provides a mechanism to help ensure that ESF and ERDF investment is aligned and will thereby ensure an integrated approach for the solutions to address the issues.

Added value will be ensured both at the programme level through the design of the programme and at the project level, through the appraisal criteria for funding applications which will include the need to demonstrate additionality and value for money.

The actions identified for each of the objectives have been developed from the priorities identified through the community consultation and supported by the baseline analysis in section 3. In some cases the proposed actions are not new, but the method of implementation through a call for proposals will require new and innovative approaches to tackle the problems. Furthermore, the strategy includes an innovative measure (see Objective 3) for ensuring that interventions are well coordinated and delivered. This will result in more focused interventions and ones that have a

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greater impact. A good example of this is the proposed debt crisis hub. This is an example of an initiative to address a significant issue amongst the population within the CLLD area which can affect self esteem and the ability to focus on gaining the skills and/or accessing work opportunities.

4.1.4 Target area and groups

The intervention area for the CLLD programme has been defined earlier (see Section 2) and consists of 19 LSOAs. There are some 31,400 residents in the CLLD area, of which 65% (20,400) are in the 20% most deprived areas of the country. The CLLD Programme will specifically target those who are unemployed (1,235 people) and other groups, including NEETs and people not actively seeking work due to having caring roles.

The consultations suggest that many problems in the Folkestone CLLD area are deep-seated, such as a lack of aspiration and sense of hopelessness for the future. These issues are particularly prevalent and need to be tackled amongst young people who have not yet entered the labour market and are identified as in danger of becoming NEET²⁵.

In the following sections we elaborate on each of the strategy's operational objectives, explaining the priorities and sorts of actions that are envisaged and providing examples of the kinds of activity currently under way that could be built upon and further developed.

4.2 Objective 1 - Enhancing work-readiness and well-being

The first objective aims at enhancing work-readiness and promoting emotional, physical and financial well-being as preconditions for work-readiness. These are problems highlighted in the consultations and set out in the baseline analysis and SWOT. Objective 1 will be ESF-funded and mainly targeted at the residents in the most deprived 20% decile of the CLLD area.

Objective 1 is designed to tackle different aspects of deprivation. Actions 1 and 2 seek to help individuals improve their employability. At present, a high proportion of the population in the CLLD area (26.1%) have no qualifications or apprentice qualifications (2.8%) so there is a need to help improve their skills and raise aspirations. Some young people in the area face very difficult family or domestic circumstances and so may not have the motivation and/ or skills needed to get jobs, or even to take the first steps through volunteering. Likewise older people who have lost their jobs may need retraining and/ or support or assistance in managing caring responsibilities to help them get back into the labour market.

Actions 3 and 4 are aimed at addressing issues relating to mental, physical and financial wellbeing which are known to be serious problems in the CLLD area and have a key impact on job readiness. The need for this has raised through the consultations and is also well demonstrated in the baseline analysis, which shows that a high proportion (28.4%) of the residents in the CLLD area are in the 20% most deprived areas in the country for the Health Deprivation domain.

Table 4.1: Summary – Objective 1 Target Groups and Actions

Aim	Facilitate and improve chances of people being able to access employment
Target Groups	<ul style="list-style-type: none"> • Young people NEET/likely to become NEET • Migrants and other marginalised groups

²⁵ ESF funding allows for support for at risk young people age 15 to prevent them becoming NEET; ESF National Eligibility Rules, March 2016, p.5

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	<ul style="list-style-type: none"> • Long term unemployed, particularly aged 35-50 and benefit claimants • People in the labour force without the appropriate skills for the market • Carers • People with mental, physical or emotional difficulties wanting to join the labour force
Actions and potential interventions	<p>Action 1: Work experience and job preparation for young people entering the job market</p> <ul style="list-style-type: none"> • Work experience • Preventing worklessness • Advice, information and signposting • Specific training • Job brokerage <p>Action 2: Getting people back into work and job retention</p> <ul style="list-style-type: none"> • Work readiness and development services • Training programmes • Volunteering and work experience • Targeted interventions for hard to reach groups • Services that help people into work by supporting their caring roles • Job brokerage schemes <p>Action 3: Emotional and physical well-being services to transition people into work</p> <ul style="list-style-type: none"> • Support to reduce/stop substance abuse • Support for people with emotional/mental issues and helping them to access work • Providing support for those caring for others to get back into paid work • Health promotion <p>Action 4: Promoting financial wellbeing</p> <ul style="list-style-type: none"> • Debt Crisis Hub • Advice and signposting
Link to SWOT	<p>The proposed actions and interventions address the following elements of the SWOT</p> <ul style="list-style-type: none"> • S1, S10. W5, W6, W9, T6
Indicative outputs	<ul style="list-style-type: none"> • Number of participants (including participants that are unemployed including long-term unemployed; economically inactive; aged over 50; migrants; those with mental health issues; carers and those with disabilities) • Participants in education or training on leaving school/ education • Unemployed/ inactive participants in employment, including self-employment on leaving unemployment
EU funding	ESF

Action 1: Work experience and job preparation for young people entering the job market

Aim: the aim of this action is to provide young people with the opportunities to gain skills and experience that will increase their employment chances and prevent young people from becoming NEET, through increasing their aspirations and helping them to identify future career opportunities. Secondary outcomes may include the development of networks or support and information, informal mentorship and access to a resources and contacts that will stand as a reference for the young person in future job applications.

Target group: the target group for this intervention is young people in the CLLD area who are NEET or at risk of becoming NEET.

Types of interventions: the interventions under this action will take a variety of forms and will build on existing examples of good practice. Some new project ideas to address the issues are outlined

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below together along with some good existing projects that could be further supported through the CLLD programme.

- **Preventing worklessness** is an early intervention service designed to target youth that are at high risk of failing to access employment or education opportunities due to emotional or learning difficulties, lifestyle or other factors. Activity might involve fostering career aspirations as a long term plan to preventing worklessness and encouraging entrepreneurship and self employment. One noteworthy intervention with the NEET group is run by the Prince's Trust and their local partners CXC Charity. This is a 12 week personal development course that gives 16-18 year olds identified as potential NEETs a nationally recognised qualification in employability, teamwork and community skills. Participants are engaged in team-building activities and develop a real project in the local community through individual work placements.²⁶
- **Work experience** for young people in the intervention area may take the form of paid apprenticeships, internships or volunteer activities. A number of organisations in Folkestone offer work experience and training to young people and these provide an important route into employment. Examples of such schemes include the Creative Foundation's Triennial and the Shepway Sports Trust's apprenticeships. Other organizations, such as Citizen Trust, also have the potential to provide apprenticeship opportunities.
- **Apprenticeships** are offered by a number of the businesses within the CLLD area who have taken on local residents with support from the Shepway Apprenticeship Grant scheme run by the District Council. They have noted their effectiveness in providing opportunities for their businesses to grow, as well as providing training opportunities for local residents.²⁷ An example is the Shepway Sport Trust, which operates out of the Three Hills Sports Centre located in the most deprived 20% decile with the CLLD area. They run an apprenticeship scheme for young people who want to work in the sports field. Their "Learn, assist, earn" scheme requires completion of 35 sessions of volunteering. The Trust also funds a sport-related course and if the person is successful they might be employed by the Trust. The programme started 18 months ago, 88 have signed up, 35 are fully engaged, and there are now 6 people working on an hourly-paid basis. They suggest the model can potentially be used in other sectors such as building, sales, and customer relations.
- **Advice, information and signposting** to services might accompany some of these interventions, helping to identify beneficiaries and to coordinate schemes in a way that provides a package that can be delivered through the proposed Community hub (see Objective 3).
- **Specific training** might also be provided to young people in this group. Training should be appropriate and targeted to the needs of local businesses and the individual needs of the population group within the CLLD area. Priorities will be given to training that links directly to job opportunities or activities designed to meet local employers' needs (e.g. insurance or creative industries). In the private sector, a good example is the business 'Oh Crumbs' which employs young people to provide catering services and has a good track record of providing them with marketable skills. Mentoring for young people to help identify suitable careers and raise aspirations might also be supported, drawing upon the skilled older retired members of the community who have a strong volunteer ethic and want to support the local community.

²⁶ <https://www.cxc.org/young-people/training/princes-trust-team-programme>

²⁷ One respondent remarked: "We have used a grant from Shepway for placing a young person in work. This grant of £1500 was put towards additional wages for them so they were able to receive £6 per hour. This was enough to keep them in work for the 18 months it took them to qualify. This grant is so worthwhile."

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- **Job brokerage** activities might also be funded under this action provided that they aim to connect young people, particularly those NEET or at risk of becoming NEET, to job opportunities, apprenticeships or work experience activities in a holistic and supportive manner.

The Local Action CLLD Programme will work with the Shepway Employment and Training Forum which has been working in the area to coordinate such activities, some of which could be strengthened through the CLLD Programme

Some of the projects outlined above could be further developed through the programme to specifically focus on residents in the CLLD area. For example, some 71 businesses in the CLLD area have taken on 146 Shepway residents as apprentices since the Shepway Apprenticeship scheme started in 2013; this represents 40% of the total businesses that have received grants. However, only 29 (9%) of the local apprentices taken on through the scheme were residents in CLLD area. The CLLD programme could therefore look to address this by introducing new ways of getting more CLLD area residents into apprenticeships in businesses within the local area.

Action 2: Getting people back to work and job retention

Aim: the aim of this action is to assist those who are unemployed to get back into work. This action is often highly resource intensive and holistic.

Target group: the target group is the long term unemployed and those marginalised for a variety of reasons, including poor health, debt or having caring responsibilities, and who are therefore furthest from the job market.

Types of interventions: building on the experience of approaches such as Troubled Families, interventions could include a case-based approach to understand an individual's circumstances and the development of targeted programmes to address what are often a range of complex issues that can affect the ability to access work.

Examples of the types of actions that the CLLD Programme could help to further develop include:

- **Work readiness and development services** help develop a labour force that is able to meet the needs of employers. This has been identified as a major barrier by businesses looking to recruit in the CLLD area. The SELEP has also identified that there are needs for employability/vocational skills, generic skills in customer service, basic front-line communication, plus numerical skills. Work readiness is a particular challenge for those experiencing long periods of unemployment and/or newly entering the labour market.
- **Training programmes** could also be further developed to assist this group. Re-skilling for jobs could be provided as part of broader programme supporting inactive or unemployed people. "What Works" shows shorter programmes (below six months, and probably below four months) are more effective for less formal training activity. Longer programmes generate employment gains when the content is skill-intensive²⁸.
- **Volunteering and work experience** which builds on the success of existing schemes. The Town Sprucer scheme is an example of an initiative that could be further developed. It provides opportunities for people who have been unemployed for a significant time to participate in work to clean up public spaces and it also helps to build civic pride. The 'Sprucers' receive

²⁸ Seen <http://www.whatworksgrowth.org/policy-reviews/employment-training>

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training, tools and opportunities to gain experience and build their confidence levels. In addition to work experience, there is assistance with debt management, legal advice and dental hygiene. Another programme, the Green Gym has also demonstrated good results. Developed as a volunteer programme to get people active and fight the obesity crisis, the Green Gym provides people with basic training and tools to get outdoors and clear paths, parks and other communal areas. From its humble beginnings, it has shown some interesting results with people volunteering in the Green Gym going on to access employment as they have gained experience and a reference to help them access previously inaccessible opportunities.

- **Volunteer Shepway** are proposing a new scheme 'Passport to Employability' to address barriers to volunteering, such as a history of substance abuse, mental or physical ill health, low skills and sustained worklessness. This programme offers training and support that assists them into volunteering so that they can gain skills, an up to date CV and potential referees that will improve their employment prospects. Skilled staff and volunteer mentors will provide one-to-one support and tailored training, improving skills and confidence before providing them with a volunteering placement accompanied by mentors who accompany them and help to establish a routine that they can adhere to.
- **Targeted, holistic interventions for hard-to-reach groups**, such as people who are homeless, should be another area of focus. The Rainbow Centre provides a holistic service for adults, especially the homeless or those sleeping rough or sofa-surfing, and helps them move towards employment. Special services targeted at specific groups might come under this intervention. The 'Troubled Families' programme is an example of holistic integrated identification and support for hard-to-reach families. Case workers, working as part of a 'Team around the Family' put the whole family at the centre of service planning and coordinate services through a multiagency approach. This scheme might be improved and built on through the CLLD programme by extending the programme to specifically target families in the CLLD area. This holistic tailored support will help families to address a range of problems they face and make it easier for some family members to seek employment.
- **Services that help people into work by supporting their caring roles**, for example in relation to dependents and providing childcare, also need to be further developed. There are high numbers of people with health issues in the CLLD area that are dependent on family members. In addition, there are higher numbers of lone parent households which indicates a need to assist carers by providing services such as childcare. Programmes such as 'Troubled Families' look at barriers for carers wanting to enter the labour market and help families to connect with services that can help them to access employment opportunities. 'Shepway Youth Hub' provides support to children in a way that makes it easier for adults to enter or return to employment. The 'Folkestone Early Years' Children's Centre' supports young families to help adults get to work or back to work. Citizen Advice runs a programme called 'Advice Works' which helps to assist people to manage the transition into work. The move from unemployment into work can cause a range of new challenges as unemployment benefits cease, pay periods change and the work benefits take time to be processed and awarded. Ensuring that people are assisted to manage the transition into work prevents them from being left 'stranded' with no or reduced money, debt and a lack of knowledge of their rights and entitlements.
- **Job brokerage schemes** could provide more intensive support than current services provided through Job Centre Plus. There is also scope to extend programmes such as those run by 'Tomorrow's People' which is not currently operational in Folkestone. One of its key success factors in helping to place people in employment is to provide a facilitator who can help employers to take on individuals who have struggled to access employment previously. This

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model has been noted by the SELEP as a good example of additional support for employers to help provide jobs for people who are disadvantaged and in vulnerable circumstances. Mentoring or peer support initiatives might also be included as means to assist unemployed people within these programmes.

Action 2 could also include measures to help employers with staff recruitment and retention – especially where employees are drawn from the CLLD area. With lower housing costs, the CLLD area is more affordable than other parts of Shepway for younger people and these individuals tend to be especially mobile.

In view of SAGA having offices in both the Folkestone and the Hastings CLLD areas, there is discussion of a potential joint project to help the company to address their staff recruitment needs in Folkestone and their staff retention issues in Hastings.

Action 3: Emotional and physical well-being services to transition people into work

Aim: improving emotional and physical wellbeing, as well as mental health, has been identified through the consultations as an important priority and an important part of a pathway back to work for many of the residents in the CLLD area. The aim of this action is to improve the well-being of people so they are better able to take advantage of job opportunities/training/volunteering, etc.

Target group: the target group for this action is wide ranging and would include assisting people at risk of developing mental health issues or who are already suffering from them, people with disabilities, those with substance abuse problems and those groups identified as needing special assistance.

Types of interventions: a number of interventions are run by organisations in Folkestone which are aimed at targeting the emotional well-being and mental health of various segments of the population. The CLLD programme will aim to strengthen those existing initiatives that facilitate access to employment which are working well and face limited resources, as well new and innovative stand-alone programmes.

- **Support to reduce substance abuse** has been identified as a provision gap in Folkestone and it poses a significant barrier to accessing employment for some residents of the CLLD area. The 'Volunteer Centre Shepway' programme has recently completed a very successful mentorship and peer support programme for this group. Mentors work with people who are using or have recently stopped using substances to get into employment.
- **Support for people with emotional and mental health issues and helping them to access work** is another area of intervention. There are high numbers of people who have mental or learning disabilities and are dependent on carers. The Rainbow Centre supports individuals by preparing them for independent living and by providing accommodation support. For children who have a parent that has left the family, the Rainbow Centre provides a supervised contact point which enables children to stay in touch with their parents. This supports emotional stability and reduces chances of those children developing problems that could reduce their employability, while at the same time making it easier for parents to live more normal lives and get jobs.
- **Physical health issues** also need to be addressed in the CLLD area. Physical and sporting activities are particularly important in this area given the high rates of chronic disease. There are also important links between physical and mental well-being. There is significant scope to expand what is on offer in the CLLD target area. In addition to promoting a healthy lifestyle, sporting activities can help to build soft skills, such as teamwork, perseverance and organisational skills which are essential in the workplace. Both Folkestone Mind and Shepway

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Sports Trust promote these activities and this could also help maximise the value of the Urban Sports Park which is set for completion in the second half of 2017. Services and activities provided under this intervention should build on NHS schemes (e.g. in relation to healthy eating) and be used as an opportunity to develop new innovative approaches to tackling the issues.

- **Shepway Citizens Advice** envisages a new project (Advice Works Project) to help the move into jobs. The move from unemployment into work can cause a range of different problems and ensuring that people are advised and assisted to manage the transition into work is often necessary to ensure the long term sustainability of individuals in jobs. The project will therefore support people to gain, increase and sustain employment through 1-2-1 advice and assistance which covers the full range of issues people can face when they begin work or increase their hours. Delivery would be multi-channel including face to face, telephone and email via dedicated caseworkers with support from volunteers.

There are some existing initiatives that are working well that the CLLD Programme could support. For example, 'Folkestone Mind', the main provider of community mental health in Folkestone, provides a wide range of programmes aimed at creating an environment in which people can deal with mental distress. These include arts and crafts, indoor sports, gardening and photography and also person-centred planning to support making positive life changes. Folkestone Mind also collaborates with MCCH Folkestone to support people who have or are recovery from mental health issues to get back into work, voluntary work, training or educational opportunities and there is scope to develop this programme further.

Throughout the consultations for the strategy it has been emphasised that some of the problems in the intervention area are so deep-seated that they need to be tackled before young people leave school. Likewise, it has been argued that a holistic approach is often needed to tackling wellbeing issues that can encompass whole families and not just individual family members. Both these approaches are needed to provide effective pathways to enable those that are furthest from the labour market to ultimately access employment.

Action 4: Promoting financial wellbeing

Aim: the aim of this action is to help people to manage their personal finances in a more effective way. This is often a key to improved employment prospects and a better quality of life. Indebtedness lies at the root of many social, personal health and wellbeing challenges for residents in the CLLD area.

Target group: this action should target people who are in financial difficulties or at risk of indebtedness and could include benefit claimants. Feedback from the consultations indicates that previously unemployed people who enter the job market often struggle to deal with their personal finances and to manage their own budgets, particularly to cover the cost of housing and bills which were previously included in benefits when they were out of employment. This can act as a disincentive to gaining employment. There are already a number of initiatives that are active in the CLLD area in this field including Action for Children, B48s, Christians Against Poverty, the Citizens Advice Bureau, Porchlight, the Rainbow Centre, the Samaritans, Shepway Foodbank, the Salvation Army and the Shaw Trust. Each of these works effectively in its own specialist area and is staffed by a mixture of paid professionals, and volunteers.

Types of intervention: local charities have indicated that the number of people and families in need that could be effectively helped to reduce indebtedness could be significantly increased if a "Debt Crisis Hub" (DCH) is established in Folkestone. The DCH would direct families in need to the most

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appropriate services. This would improve the service for individuals and reduce the time that individual charities have to spend in assessing the needs of clients that are subsequently directed to other organisations better equipped to help them. Part of this service might also include a peer and general support network to facilitate a transition from reliance on welfare benefits to employment.

The Rotary Club is working to secure funding to establish a “Debt Crisis Hub” which could be supported through the CLLD Programme.²⁹ It is envisaged that the Citizens Advice Bureau would act as the lead charity and operate the Debt Crisis Hub. An App is also proposed to allow clients using mobile devices to make direct contact through the hub with agencies that could potentially help them. The aim would be to create pathways for people to get out of their current situation and into employment, rather than dealing with indebtedness as a single crisis situation. The added value of the CLLD programme is that it could make the resources available for this initiative to go ahead on a scale that would have a more significant impact on residents in the intervention area.

4.3 Objective 2 - Promoting local business and social enterprise

The second objective is aimed at strengthening the economy of the CLLD area, helping the businesses in the area to grow, thereby creating new employment opportunities for local residents.

As shown in the baseline assessment, the Shepway area has a relatively low rate of business start-ups and lower rate of business survivals. Feedback from the business survey, undertaken as part of the consultations for this strategy, also indicates that two thirds (67%) of local businesses do not see the CLLD area as a favourable environment for business and a slightly higher percentage (69%) have encountered difficulties recruiting people with the right skills, attitudes and experience from the local area.

Objective 2 will focus on measures to encourage local businesses to grow and promote social enterprise, in particular. Social enterprises often provide a suitable route into employment for people from disadvantaged communities by giving them the work experience and confidence to apply for jobs. In a Folkestone context, the focus on social enterprise is an innovative way of promoting community-led development. This also applies to the idea (Action 7) of creating a DIY space. Although such facilities exist elsewhere, this would be new to the CLLD area.

Objective 2 actions would be mainly ERDF-funded and for the whole of the CLLD area.

Table 4.2: Summary – Objective 2 Target Groups and Actions

Promoting local business and social enterprise	
Aim	Facilitate the creation and development of SME businesses, start-ups and entrepreneurship
Target	<ul style="list-style-type: none"> • SMEs, particularly social enterprises • Potential Start-ups/Entrepreneurs
Actions	<p>Action 5: Promotion of social enterprise</p> <ul style="list-style-type: none"> • Business support activities • Interventions to enable procurement and subcontracting of social enterprises • The development of a social enterprise aspect to existing services <p>Action 6: Support for business start-ups</p> <ul style="list-style-type: none"> • Entrepreneur mentorship

²⁹ International Sponsors include the Rotary Club of Cologne, and the local host would be the Rotary Club of Folkestone. The Rotary Clubs of Lille and Liege, as members of the Quadrangulaire are also involved.

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	<ul style="list-style-type: none"> • Free workshops and events • Business support services • Financial support for SMEs Action 7: 'DIY space' and/or incubation facilities
Link to SWOT	<p>The proposed actions and interventions address the following elements of the SWOT</p> <ul style="list-style-type: none"> • S2, S3, S4, W1, W2, W3, W5, W7, W8, W9, T1, O6
Indicative outputs	<ul style="list-style-type: none"> • Number of enterprises receiving support • Number of new enterprises receiving support • Number of potential entrepreneurs assisted to be 'enterprise-ready'
EU funding	ERDF

Action 5: Promotion of social enterprise

Aim: the aim of this action is to support existing and new social enterprises in the CLLD area to help them develop and scale up their activities. A social enterprise combines entrepreneurial activity with a social purpose.

Target group: the target group for this action is entrepreneurs with social enterprise ideas, charities and businesses wanting to develop a social enterprise aspect to their work, as well as existing social enterprises. Such undertakings often provide a particularly suitable route into employment for young people and those out of work.

Types of intervention: interventions for new and existing social enterprises that could be further developed with CLLD programme support include:

- **Business support activities** in the form of mentorship, advice, and services to help entrepreneurs create a social enterprise, as well as to professionalise the offerings of current social enterprises that are ultimately still businesses albeit 'not-only-for-profit'. Assistance should also be provided to help social enterprises to help quantify their social value at the same time as developing their services and products to meet business needs. Business support could include incubation facilities with support programmes specifically for social enterprise start-ups (see Action 7).
- **Interventions to enable procurement and subcontracting involving social enterprises** is another way that these businesses might be supported to meet a market need and social goals. Sustainable procurement practices by the public sector might enable social enterprises to provide services as part of a larger contract and thus build their service and product while also addressing a social need.
- **The development of a social enterprise aspect of an already existing service** is also a way that social entrepreneurship might be supported. There is some scope for social enterprise in organisations that provide fee-based services for which there can be a profit margin, for example childcare services. This may be part of their core work or simply the social enterprise with which to supplement their core activities.³⁰ In addition, the involvement of service users in service provision as a form of job creation may also be an option. This is done in Sure Start Folkestone where mothers who attend are employed to provide child care services.

³⁰ See http://www.ncb.org.uk/media/43170/vcssocial_enterprise_approaches.pdf

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A further example of a potential social enterprise initiative that was mentioned during the consultation is help to migrant communities to organise events involving local communities, for example open days or fairs, during which they present their culture (e.g. folk dancing) and invite the public to participate by helping to organise the activities. These could evolve into small businesses supplying food, clothing, etc, to the local community which could, in turn, also help create a more inclusive and cohesive community, as well as generating job opportunities. The Ghurkha community in Folkestone provides an example of how this sort of activity can have positive social and economic impacts that extend into the community as a whole.

The Creative sector provides a significant opportunity for Folkestone, as entrepreneurs drive a 'new way of thinking' about business. Several organisations in this sector have already branched out to meet social needs in the community. For instance, 'Growth Rings' based in Romney Marsh employs people who have been in trouble with the law, suffered from addiction or who are long-term unemployed with few employment prospects³¹. Growth Rings make oak flooring, furniture and home wares and provide skills development opportunities for previously unemployed people. This type of business could be encouraged to develop in the Folkestone CLLD area. A further example is provided by Oh Crumbs, a business already based in East Folkestone within the CLLD area. This currently provides work placement opportunities for around 12 young people in catering. These existing schemes have the capacity to be expanded upon and serve as examples of best practise within the area and offer potential mentoring for new social enterprises start-ups

Action 6: Support for self-employment and business start-ups in CLLD area

Aim: to encourage self employment and new business start-ups in the CLLD area, particularly amongst residents, by encouraging entrepreneurship and providing business support.

Target group: the target group for this activity is potential entrepreneurs and existing small businesses, particularly those that seek to provide opportunities or employ residents in the CLLD area.

Types of intervention: the types of projects under this action could include providing space for entrepreneurs, training workshops, volunteer mentoring schemes and funding for small equipment grants to support new business ideas. The aim would be to help existing and new schemes to focus more intensely on the CLLD area, by boosting their resources for targeted beneficiaries, as well as introducing new innovative schemes. The following intervention types have been identified:

- **Entrepreneur mentorship** by business people is one means to help an entrepreneur develop their business idea. The Kent Foundation work with volunteers who mentor potential entrepreneurs to develop their ideas into viable businesses. Although there are some volunteers from the Folkestone area, they struggle to find potential entrepreneurs and hence have called for awareness-raising activities to their market services and to inform people of the services available to them.
- **Free workshops and events** are means to assist entrepreneurs, market support programmes and assist in networking to build supply chains. These types of initiatives might also link entrepreneurs to other services available for business such as the business loan and equity scheme (e.g. Expansion East Kent which has to date provided £35 million in financial assistance in Kent).

³¹ <http://www.growthrings.net/>

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- **Business support services** include training, advice, space, signposting, and help for specific groups (e.g. gaining access to computers where childcare is available). An example of these types of services is provided by JPW Business Solutions which provides entrepreneurs with practical support on how to establish a business. The Workshop on Tontine Street also provides flexible space and collaborative support to help self-employed people or small businesses working from home to relocate to larger premises (desk space and small offices with IT and telecoms infrastructure).
- **Funding or grant support for SMEs** to enable SMEs to provide better paid/higher value job opportunities could be provided through this action. This might involve capital investment or support to access premises. The Business Survey indicated that poor access to funding is a major problem for businesses in the CLLD area. Funding or grants could be allocated for small projects or initiatives that show the potential to grow businesses, test innovative approaches or promote employment. One such example is a proposal to support a local business that designs and manufactures unmanned ground vehicles (UGVs). A new test track for a First Responder UGV would enable them to rigorously test it over all kinds of obstacles and internally certify the UGV against internationally recognised standards, hence improving the company's ability to win more tenders.

An example of a new initiative in this field that could fall within the scope of the CLLD Programme is Finance Folkestone, which includes amongst other elements, the idea of creating a Youth Fund by raising £100,000 through public subscription by the end of 2018. The purpose of the Fund would be to contribute to the financing of young people in particular, by: (i) providing uncollateralised monthly renewable short term liquidity; (ii) advancing uncollateralised fixed term loans for 1-5 years; (iii) Investing through shares; and (iv) making grants.

Action 7: 'DIY' Space and/or business incubation facilities

A DIY hub might create a space in the CLLD area for events and activities that are linked to the Creative sector and focus on engaging people in the CLLD area. The target group would be individuals, new start-ups and existing businesses that are or could become engaged in Creative sector activities. The Creative Quarter of Folkestone currently provides a range of premises (apartments, retail premises, studios) in the Harbour area that are suitable for artists' studios and creative businesses generally. However, there is no large space available in the wider East Folkestone area that is suitable as a venue for larger-scale events, or which can be used as a drop-in space or space for informal networking and business activities to encourage residents from the CLLD area to get more engaged. There are several models elsewhere (e.g. London) which provide a flexible 'DIY' type of space.

A further possibility is to encourage more business incubator facilities specifically for social enterprises and/or businesses generally in the CLLD area. There are already a number of shared workspace facilities in Folkestone but they are mostly outside the CLLD area. Both Workshop and the Quarterhouse in the CLLD area have facilities which are currently oversubscribed. Moreover, they do not provide the 'hands-on' advisory and other support that characterises incubation systems.

The Folkestone Business Hub is proposing to develop an incubator facility offering a comprehensive range of business support services, as well as signposting to potential opportunities for raising finance to be available to tenants. The Folkestone Business Hub's premises are in the centre of Folkestone and funding through the CLLD programme could be used to develop support specifically for clients from the CLLD area (possibly using the proposed Community Hub as a 'satellite' office (see

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Action 8). If an existing facility is adapted to include an incubator-type system, this could be supported by a special programme specifically for (social) entrepreneurs from the Folkestone CLLD area (see Action 5).

4.4 Objective 3 - Setting up an integrated delivery mechanism for the strategy

The third objective of the Folkestone CLLD Strategy involves establishing integrated delivery mechanisms to improve the coordination and access to services within the CLLD area. The justification for this intervention comes from interviews and focus groups which highlighted the need for better coordination of activities and interventions and to ensure open communication, synergies and collaboration.

This strand of the CLLD programme would be ERDF funded.

Aim	Develop a central networked Community Hub to facilitate the delivery of integrated programming and services
Focus	Infrastructure to service users
Actions	Action 8: The Community Hub
Link to SWOT	The proposed actions and interventions address the following elements of the SWOT <ul style="list-style-type: none"> • W12, T5
Indicative outputs	<ul style="list-style-type: none"> • Community Hub developed • Number of programmes running • Number of beneficiaries and hours of usage • Children in child care facilities
Delivering objectives	ERDF and ESF

Action 8: The Community Hub

Feedback obtained from the community consultation for the CLLD Strategy highlighted a lack of coordination with regard to existing schemes and a key idea that emerged to address this was to establish a Community Hub within the CLLD target area. This would offer a physical presence in the area to provide local residents with a place where they can seek support and give them maximum access to the services they need. It is envisaged that an existing building/venue would be used for this hub and a number of potential options have been identified that might be suitable with some adaptations. (e.g. Sunflower House).

While the Community Hub would be a physical entity, this could also have a virtual dimension in order to help ensure that younger residents, who are more comfortable with electronic means of communication, can also easily access services.

Aim: the aim of this action is to provide a highly visible point from which to integrate programmes and provide coordinated services to people in the CLLD area. The Community Hub would bring together both the support providers and beneficiaries in the CLLD area. It might have a small staff, such as those involved in the management and administration of the CLLD programme that would manage the hub and provide an outreach service designed to proactively target potential beneficiaries in the area. The virtual dimension would consist of a website with details of programmes, events, etc. of potential interest to people living in the targeted LSOAs.

Types of interventions: some of the projects arising from Objective 1 and 2 actions could be coordinated from the Community Hub and the Local Action Group could use the Hub to hold meetings and involve the community in its proceedings. The hub will act as a coordinating and

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signposting point for delivery for employment (and pre-employment) services, as well as business start-up and support services and these might include:

Community Hub – Key Functions

- A **triage service** within the hub to identify what services might be appropriate for residents seeking support. This would be proactively promoted by the hub team who would go out into the community to meet people who might benefit from the CLLD programme and help develop new initiatives to meet their needs with them.
- **Training, awareness raising activities** (meetings, website, publicity, etc) and signposting to available services. For example, there might be leaflets about the Green Gym, or Folkestone Mind's activities or cultural and sporting events.
- **Help to develop employability** including CV writing and presentation skills.
- **Provision of resources** such as computers and printers, internet, legal advice, dealing with indebtedness (the proposed debt crisis service could be based in the Community Hub or accessed from there) and childcare facilities.
- **Business support** including: free advice and awareness raising activities; signposting KCC services such as Growth Hub, Expansion East Kent (loans for businesses); and networking events. If there is enough space, the Community Hub could also house the proposed business incubator.
- **Coordination of voluntary sector activities** in the CLLD area (charity and volunteer group meetings, information about services, space for meetings, case management and referral).
- **Case management for family liaison officers** such as those from Troubled Families programme, employer facing liaisons (evidence from Tomorrow's People suggest that sometimes employers need assistance when they take on apprentices, people that have not worked, etc.).
- **DIY space for exhibitions and events** (e.g. for social enterprises, creative activities).

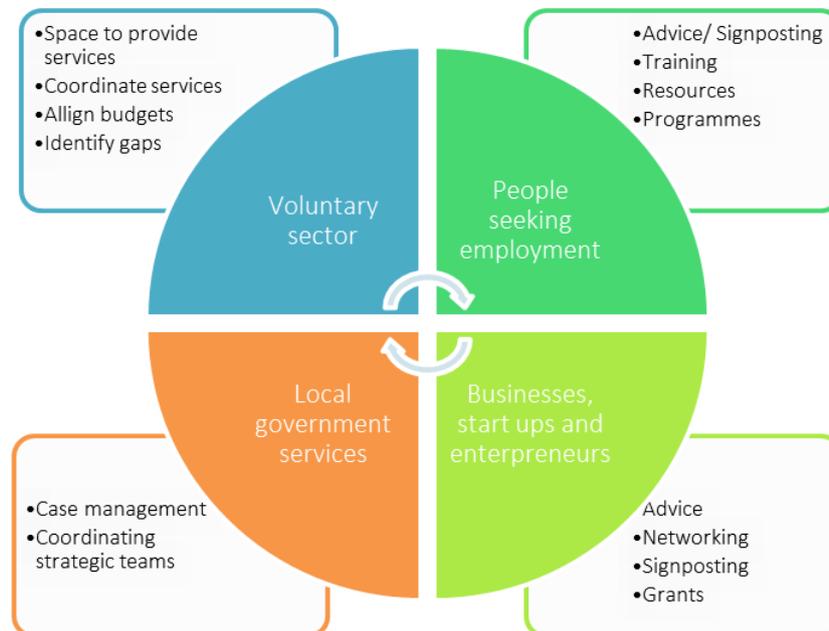
A Community Hub could be the coordinating point for strategic work such as: the Folkestone Coastal Plan; Destination management Plan; LEADER; the Town Team (retail development) and for groups such as the Folkestone Employment and Skills Forum. The hub could also be a point to coordinate activities involving the voluntary sector, private sector, charities and the public sector, to share priorities, budgets and identify gaps in provision of services and potential projects.

The Community Hub could include some income generating activities (e.g. a coffee shop and meeting room or hall for hire) which could be used to provide employment for some of the service users. This would help to ensure the long term sustainability of the hub beyond the available funding from the CLLD Programme. The potential functions of hub are summarised below:

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Figure 4.1: Community Hub Structure



An option (particularly if funding for physical infrastructure is limited) for identifying suitable premises for the Community Hub would be for it to be based in an existing community centre (e.g. Sunflower House) or an empty building with sufficient space that could be renovated and converted for use. An alternative option could be for a 'pop up' Community Hub in existing venues (that could for example include a pub or a community centre, school or college).

Several possible buildings have been highlighted through the consultations, including St Saviours Church (which has been empty since 2014) and the parish hall belonging to 'Our Lady Help of Christians' Church where there are plans for major refurbishment that could make it suitable.³²

³² The hall is already being used on a weekly basis for a food bank, and as part of a winter shelter scheme for the homeless. Located in Folkestone Central Ward, the hall is comprised of three separate meeting spaces that when refurbished will accommodate up to 100 people with a spacious modern kitchen and facilities for the disabled. A comprehensive buildings' feasibility study funded by a Big Lottery 'Awards for All' grant has just been undertaken, and the estimated budget for the works is circa £540,000.

Alignment with Other Strategies 5

This section sets out the alignment of the CLLD Strategy with the various other strategies relevant for the area in order to ensure consistency, complementarity and synergy. The interventions and organisations working in the area have been mapped in Appendix B.

5.1 Folkestone Coastal Community Team Economic Plan

In December 2015, Folkestone Coastal Community Team (CCT) submitted its Economic Plan which sets out the aspiration for economic growth and provides the strategic context for bids to the Coastal Community Fund delivered by Big Lottery Fund on behalf of UK Government.³³ The aim of the Plan is to *“Create the economic conditions to ensure the self-sustaining renaissance of Folkestone as a vibrant destination and creative environment, generating confidence for business and quality jobs for all”*. This is to be achieved through the objectives of:

- Promoting the Town’s considerable existing assets.
- Supporting current strategic initiatives to ensure they deliver their full potential.
- Building a sense of place and civic pride.
- Being a recognised partnership for the development of our town.
- Concentrating on growing jobs, skills and business opportunities in identified key sectors.
- Supporting access to funding to make designated projects happen.

The CLLD Strategy is aligned strategically with the Coastal Communities Team Economic Plan, and although its focus is broader and the intervention area wider, the alignment of these two enables the potential co-funding of projects that achieves the aims of both strategies. Some of the initiatives identified in the CCT Economic Plan have been included in a recent bid for Coastal Community Fund round 4 and, if successful, could provide a source of match funding for some of the initiatives relevant to the CLLD Strategy.

A number of the members of the Folkestone CCT are representatives on the CLLD Local Action Group, in order to ensure the continued alignment of these strategies and their associated projects and funding streams.

5.2 Shepway Corporate Plan 2013 2018

This plan³⁴ sets out Shepway District Council’s long-term vision for improving the lives of all those who live and work in the district. It sets out a vision for Shepway: *“Prosperous and ambitious - Working for more jobs and homes in an attractive district”*

The Council’s five strategic objectives are:

- Boost the local economy and increase job opportunities;
- More homes;
- Listening to local people;
- Support an attractive and vibrant place to live;

³³ See <https://www.biglotteryfund.org.uk/ccf>

³⁴ See http://www.shepway.gov.uk/media/1527/Corporate-Plan-2013-18/pdf/Corporate_Plan_2013-18.pdf

Alignment with Other Strategies 5

- Deliver value for money.

The CLLD Strategy is closely aligned with objective 1 in that it aims to build social and economic cohesion through supporting the development of a sustainable and vibrant local economy. In addition, the development of the CLLD Strategy has relied on community engagement and hence it gives effect to Objective 3, listening to local people.

Shepway District Council is represented on the LAG and will be the Accountable Body for the CLLD programme. It is a key player in ensuring alignment between the Corporate Plan and the CLLD Programme.

5.3 Shepway District Council Economic Development Strategy 2015-2020

The SDC Economic Development Strategy (EDS) sets out the district's plan to "Boost the local economy and increase job opportunities" through the development of an environmentally sustainable and vibrant local economy. The EDS 2015-2020 identifies four priorities:

- Building on our current and emerging economic strengths.
- Boosting productivity and supporting business growth.
- Promoting further investment by maximising the value of our assets and stimulating confidence.
- Improving education and skills attainment.

The CLLD Strategy has been developed with due regard to this strategy and gives effect to priority 2 and 4 by focusing on supporting business and helping people into employment in the intervention area. The localised nature of the CLLD Programme will enable a bottom-up implementation of the EDS priorities.

The Shepway Economic Development Team has led on the development of the CLLD Programme and will be represented on the LAG. Many SDC officers have been interviewed and their views considered in the development of the strategy. This has ensured that there is alignment between the vision set out by SDC, the CLLD Strategy and its implementation

5.4 Kent County Council's Strategic Statement 2015 – 2020

This plan³⁵ sets out Kent's Vision and focus on "*improving lives by ensuring every pound spent in Kent is delivering better outcomes for Kent's residents, communities and businesses*". It is centred on delivering 3 strategic outcomes:

- Children and young people in Kent get the best start in life.
- Kent communities feel the benefits of economic growth by being in-work, healthy and enjoying a good quality of life.
- Older and vulnerable residents are safe and supported with choices to live independently.

These strategic outcomes are underpinned by Supporting Outcomes. Those relevant for the CLLD Strategy are:

³⁵ See https://www.kent.gov.uk/data/assets/pdf_file/0005/29786/Kent-County-Council-Strategic-Statement.pdf

Alignment with Other Strategies 5

- Kent young people are confident and ambitious with choices and access to work, education and training opportunities.
- Physical and mental health is improved by supporting people to take more responsibility for their own health and wellbeing.
- Kent business growth is supported by having access to a well skilled local workforce with improved transport, broadband and necessary infrastructure.
- All Kent's communities benefit from economic growth and lower levels of deprivation

Kent County Council is represented on the LAG and their inputs have been used to develop the CLLD Strategy and ensure strategic alignment.

5.5 Vision for Kent: 2012-2022

The Vision for Kent³⁶ is a countywide strategy for the social, economic and environmental wellbeing of Kent's communities. Leaders of Kent's 14 Local Authorities came together as the Kent Forum in 2011 to set out the priorities for the county. Vision for Kent 2012-2022 is written around 3 big ambitions for Kent:

- **Grow the economy:** This means supporting businesses to be successful, improving skills and career aspirations, providing apprenticeships and training opportunities, and improving Kent's infrastructure to support business, such as good transport and high-speed broadband.
- **Tackle disadvantage:** This means a good quality of life for everyone - helping unemployed people get back into work, encouraging Kent's young people to make the most of opportunities to learn and prepare for their future, and providing choice and quality in health and social care and housing.
- **Put the citizen in control:** This means involving people in making decisions, working with them to design services that meet their needs and suit them, and supporting Kent's voluntary and community sector to do even more to improve the lives of people in Kent.

The CLLD Strategy gives effect to these three ambitions in the localised CLLD area. As mentioned above, the alignment of this Vision and the CLLD shall be championed by the KCC representative on the LAG.

5.6 SELEP Strategic Economic Plan

The South East Local Enterprise partnership (SELEP) has developed an overarching Strategic Economic Plan³⁷ and Growth Deal which sets out an ambition to generate 200,000 private sector jobs and 100,000 new homes by 2021. This will be implemented through a coordinated programme of activity to deliver growth, supported by major new public/private investment funds, and new road and rail infrastructure. The Plan identifies four key SELEP priorities:

- Building on our economic strengths;

³⁶ See https://www.kent.gov.uk/_data/assets/pdf_file/0003/5475/Vision-for-Kent-2012-2022.pdf

³⁷ See http://www.southeastlep.com/images/uploads/resources/SECTION_2_South_East_LEP_-_Growth_Deal_and_Strategic_Economic_Plan_WEB-2.pdf

Alignment with Other Strategies 5

- Boosting our productivity;
- Improving our skills; and,
- Building more houses and re-building confidence.

These priorities are aligned with the national industrial strategy. The Strategy also identifies the sectors with the most growth potential. Those most aligned with the Folkestone area and the CLLD Strategy includes: Creative, cultural and media; Tourism and leisure; Social care and health; Social enterprise and NGO sector.

5.7 SELEP's ESIF Strategy

SELEP has also produced a European Structural and Investment Fund Strategy for the 2014-2020 European programmes³⁸ (ESIF). This supports aspects of the SEP and aims to:

- Develop workforce skills.
- Support innovation and business.
- Tackle social exclusion across the SELEP area.

This fits with the SELEP area Strategic Economic Plan and Growth Deal and identifies clear EU Structural and Investment priorities for investment.

The SELEP ESIF Strategy recognises that there are some coastal towns within the LEP area that 'face a wide range of socio-economic challenges' and are 'areas of significant disadvantage compared with the rest of the SELEP area'. Some of the issues identified include low employment rates, poor skill levels and disproportionately high proportions of adults on benefits. These are all issues which are apparent in parts of central and eastern Folkestone where the CLLD programme will operate, and the programme aims to tackle them through this community-led approach.

SELEP's ESIF Strategy also recognises that in some of the larger coastal towns, such as Folkestone, the population faces entrenched social and economic disadvantages and that there often 'exists a culture of entrenched welfare dependency that requires a comprehensive programme of intensive support in training, job creation and increased access to opportunities to overcome multiple disadvantage'. It is these types of issues that a CLLD programme for Folkestone will seek to overcome and put in place measures to address these on a long term and sustainable basis.

³⁸ See http://www.southeastlep.com/images/uploads/resources/SELEP_ESIF_Refresh_2016.pdf

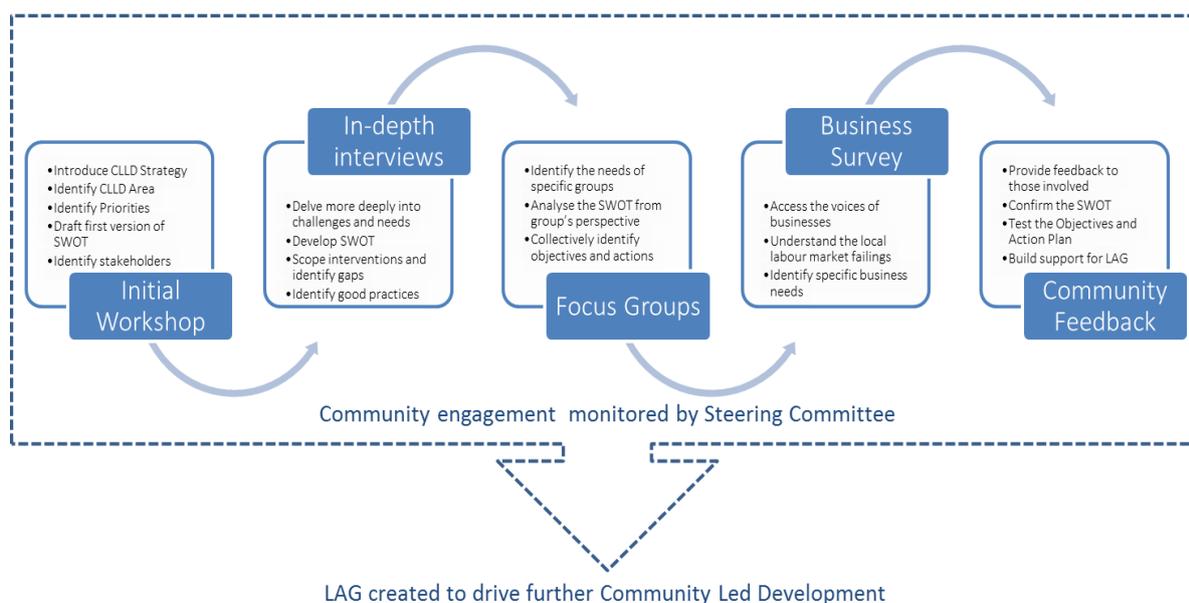
Community Consultation Process 6

The CLLD Strategy has been developed through an inclusive ‘bottom-up’ approach drawing on the inputs of local leaders, local businesses, community organisations, and residents living or working in the intervention area. This section describes how this was achieved.

6.1 Overview of community involvement

In total, 96 people were reached through the methods indicated in the following diagram:

Figure 6.1: Overview of Community involvement process



6.2 Community involvement process

The community consultation and research for developing the CLLD Strategy was launched at the beginning of the period covered by the Pre-election Publicity Restrictions (‘Purdah’) imposed for the EU Referendum into EU membership on 23 June 2016. This severely restricted some aspects of the consultation for the CLLD programme, as no Local Government Officers and their representatives (such as consultants supporting the development of the CLLD Strategy) were able to speak about any possible European funded initiatives with members of the public during this time.

The consultation process for the CLLD Strategy was guided by a CLLD Steering Committee which also helped to identify stakeholders. The consultations were undertaken by consultants CSES and included:

Launch workshop - on 20 May 2016 (just prior to the commencement of Purdah), a launch workshop was held to introduce the CLLD strategy development process. Large maps were printed of the intervention area and participants were asked to identify areas of deprivation based on their own experience. It was in this workshop that participants suggested expanding the intervention area to the North East. This changed boundary was tested with the CLLD Steering Committee and in two further focus groups. The launch workshop was attended by 25 people representing businesses, local resident organisations, churches, volunteer organisations, and NGOs.

Community Consultation Process 6

Focus groups – in a number of focus group meetings, including with specific groups seeking employment, entrepreneurs and businesses wanting to expand, participants were asked to identify the local needs and challenges facing communities within the CLLD area. This was the starting point for the development of a SWOT and any existing schemes that were working well, which could be further developed as part of the CLLD programme, and new initiatives that would address gaps in provision to meet need. Five focus groups were held with people from the following sectors:

- Creative and heritage sectors (representatives of other cultural sectors participated in the interview programme and two workshops).
- Organisations working in social and employment support.
- Organisations working specifically in East Folkestone in the CLLD area.
- People who have been unemployed in the long-term.

A total of 52 people were involved in the focus groups. The aim of these groups was to understand the specific challenges local residents or business sectors face, as well as help to identify specific interventions in a collaborative manner.

Some of the focus groups were specifically designed to help identify the needs and challenges of a specific group. The creative sector focus group looked specifically at activities necessary to stimulate entrepreneurship and specific interviews were held with people working in this sector to understand the interventions that were currently running, as well as needs that are not being met. The focus group with people who had been unemployed for a long period of time helped to identify the specific barriers that hindered their integration into the work force and considered specifically the interventions that might assist this group.

Interview programme – a total of 44 one-to-one interviews were undertaken. These also involved a specific section asking interviewees to identify local needs and challenges and interviewees were asked about community needs and challenges in a more in-depth manner than the workshop and focus groups allowed. Interviewees were selected in a number of ways:

- Recommended by the Steering Group;
- Participation at the workshops, which were promoted through social media, via the www.Folkestone.works website and through other local networks;
- Identified through research as representing community groups or other organisations that have an important role to play in the intervention area; and
- Recommended by others interviewed.

A full list of those interviewed and involved in focus groups is provided in Appendix C and the topic covered and questions asked are set out below

Checklist of Key Interview Questions

CSES (Centre for Strategy & Evaluation Services) has been appointed by Shepway District Council to help develop a Folkestone Community-led Local Development Strategy.

To help develop the strategy, we would like to conduct interviews and focus groups with people from the areas the strategy is likely to cover and those involved in economic and community development in Folkestone. Below is a list of the key questions. Not all questions will be relevant to all discussions and similarly there may be other issues you wish to raise.

In answering the questions, please note that the main focus of the strategy is likely to be: (a) measures to develop skills and employability; and (b) support for entrepreneurship and small businesses that can create jobs for people in the targeted areas.

Community Consultation Process

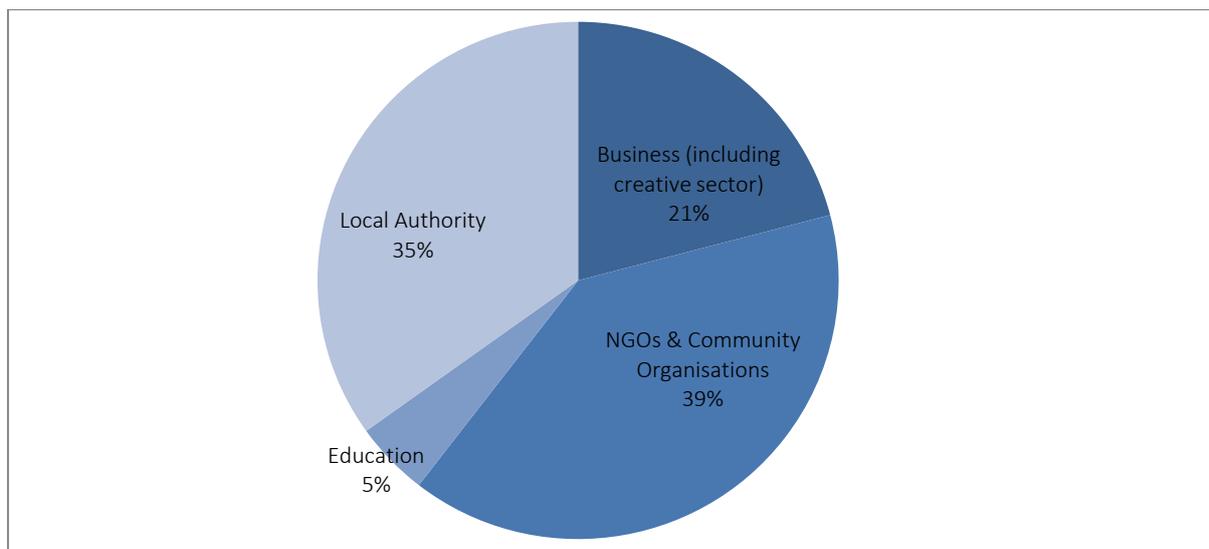
6

Key Questions

1. What do you see as being the **most important issues** that need to be tackled through the Community-led Local Development Strategy?
2. What sort of **existing schemes** are available in the area to tackle these (and other) issues and how effective are they on the ground? What are the strengths and weaknesses?
3. What should the priorities of the **Community-led Local Development Strategy** be in seeking to build on existing efforts to help local communities?
4. What should be the **main target groups** of the strategy in terms of: (a) geographical areas; (b) demographic characteristics; other factors?
5. What sort of **delivery mechanisms** should be used to implement the Community-led Local Development Strategy?
6. Are there any **other points** that should be taken into account in the Folkestone Community-led Local Development Strategy?

The sectors represented by those interviewed are shown below:

Figure 6.2: sectors represented by interviewees



Almost 40% of the interviews were conducted with representatives from NGOs or community groups, which included the sport sector, youth organisation, advice, churches, volunteer organisations, children's organisations, business support, homeless support, employment support and neighbourhood groups and collaborations.

A further 35% of the interviewees involved local government and organisations that work directly with the community (e.g. community officers) and those who work with the LEADER programme and businesses in the area. However, we identified a need for more information from the private sector and hence a business survey was conducted.

Business Survey - a survey was sent to over 400 businesses operating in the CLLD area from as comprehensive list as possible, drawing on different databases available to Shepway District Council.

Community Consultation Process 6

The aim was to better understand the challenges facing local businesses and the questions posed in the business survey are shown below. A total of 16 responses were received.

Folkestone CLLD Business Survey Questions

- Q1. Is your business based in the East Folkestone area?
- Q2. How many people do you employ at the site in Folkestone?
- Q3. Do you employ people from the Broadmead, Central, East or Harbour areas of Folkestone?
- Q4. If yes, approximately what percentage of your employees comes from these areas?
- Q5. In your opinion, does the area where you are based provide a favourable environment for businesses?
- Q6. Have you encountered any difficulties recruiting people with the right skills, attitudes and experience from the local area?
- Q7. Which factors (apart from local skills) in the local area are barriers to your business's growth prospects? Please tick the boxes that are important to you
- Q8. Do you provide work experience placements or apprenticeships for young people?
- Q9. What support (if any) is needed to help new businesses and support the growth of existing businesses?
- Q10. Please use the space below for any other comments that you think might help us develop/ implement the Folkestone Community-led Local Development Strategy
- Q11. Do you want to be added to Shepway District Council's contact list to receive future information about the project?

Final workshop – those who participated in the launch workshop and other consultees (the steering group, those involved in the focus groups and interviews) were invited to participate in the final workshop to discuss key elements of the CLLD Strategy. The objectives and actions of this strategy were presented and a discussion followed. The workshop took place on 15 July 2016 and was attended by 27 people. The comments from the workshop were incorporated into the draft strategy which was then shared with the Steering Committee and then distributed to the wider community for feedback and suggestions before the strategy was finalised.

Programme Governance Arrangements

In this section we set out arrangements for the governance and management of the Folkestone CLLD programme, including the details of the key bodies and their responsibilities in the programme.

7.1 Programme Governance

The development of the CLLD Strategy has been guided and supported by a CLLD Steering Committee that was established in April 2016 by Shepway District Council, which was the applicant for the Expression of Interest in the programme application process.

The Steering Committee comprised members and representatives of the local community in Folkestone who have the knowledge and experience of local issues that the programme will seek to address. This group has met regularly through the development of the strategy and has been important in advising consultants, CSES, on the consultation process (see Section 6) and the key themes of the strategy and in establishing the governance and management arrangements for the programme. This Committee evolved into the Local Action Group (LAG), with additional members added to the ranks, as a result of the wider consultation and call for additional LAG members.

In broad terms, the governance arrangements for the Folkestone CLLD Programme is similar to those adopted for the LEADER³⁹ programme and will comprise three elements: the Local Action Group (LAG); a Community Consultation Network Forum (CCNF); and the Accountable Body (AB). Of these elements, only the Accountable Body has legal status and the others, including the Local Action Group (LAG) are informal partnerships.

7.2 Local Action Group

The overarching role of the Local Action Group (LAG) is to:

- *Agree the Folkestone CLLD Programme Strategy.* This was endorsed at the first meeting of the LAG on 24 August 2016.
- *Implement and deliver an effective Folkestone CLLD Programme.* The LAG will oversee the programme to ensure that the required outputs are delivered and that it meets the expectations of the local community, the Managing Authorities and ultimately the European Commission. The programme is expected to commence April 2017, if there is successful completion of Stage 2 of the programme application process.

The Local Action Group is responsible for recommending an effective and robust process for project calls, selection and appraisal to the Accountable Body. This function will be delegated to CLLD Programme Staff or other suitably trained individuals involved in the programme, potentially including those in other SELEP CLLD programmes such as at Hastings and in Thurrock. The broad process to be adopted is outlined in Section 8.

The Local Action Group will receive Programme Staff recommendations on project applications and will be responsible for making decisions and funding recommendations to the Accountable Body. It will ensure that the projects selected for funding: contribute to CLLD strategy objectives; align with ESF and ERDF priorities; represent good value for money in terms of the expectations of the

³⁹ With thanks to Huw Jarvis, Kent County Council's LEADER guru

Programme Governance Arrangements

programme; and make a positive contribution to the ERDF or ESF cross cutting themes of gender, equality and non-discrimination and sustainable development.

Regular financial reports on the progress of the programme and project output and activity reports will be presented by Programme Staff to the Local Action Group and it will make any required adjustments to the projects and programme in response. The Local Action Group will also oversee and receive an evaluation of the strategy and programme of activity at the midpoint of the programme and at the end.

Although CLLD Programme Staff will be employed by the Accountable Body, the Local Action Group will be consulted over the terms of the appointments that are made.

The Local Action Group will oversee the promotion of the programme and will make recommendations on this to the Accountable Body.

The detailed Terms of Reference and Code of Conduct and Declaration of Interest are in Appendix D.

Although at this stage it is unclear whether a national or regional network of CLLD Programmes will be established (as there is for the Leader Programme), but if so, then the Local Action Group will ensure that the Folkestone CLLD Programme plays a full role.

7.2.1 Membership of the LAG

Measures have been taken at the outset to ensure that the Local Action Group is representative of the area's private, public and third sector organisations and that it is representative, as far as possible, in terms of age and gender. Particular attention has been paid ensuring that:

- Public sector members or any single interest group will not have more than 49% of the voting rights during decision-making;
- At least 50% of members with project voting rights come from the non-public sector partners;
- There is a gender balance and have a fair representation of the population of the CLLD area as far as possible;
- At least 50% of votes in an individual selection decision are cast by non-public members; and
- LAG members have the necessary skills and experience to oversee the CLLD programme, including expertise on aspects such as sustainable development.

Membership of the LAG comprises 16 representatives from 14 organisations, of which three are public sector, one is a forum of public sector partners, five are Charities, three are from the private sector and one is an umbrella organisation for resident associations in the East Folkestone (part of the CLLD area). Some individuals represent more than one organisation, so the breadth of organisations involved in the LAG is wider. The gender composition of LAG membership is 62.5% male and 37.5% female.

	Organisation	Representatives	Sector
1	Shepway District Council	Cllr David Monk (Leader; Folkestone Ward); Dr Katharine Harvey (Head of Economic Development; Folkestone CLLD Lead Officer)	Public

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2	Folkestone Town Council	Clr Martin Salmon (Mayor); Jennifer Childs (Town Clerk)	Public
3	Kent County Council	Rob Hancock	Public
4	Roger De Haan Charitable Trust/ Strand House	Peter Bettley	Charity / Private
5	Folkestone Rainbow Centre	Jon Wilson	Charity
6	Citizens Trust	Martin Almand	Charity
7	Folkestone Business Hub CIC /Enterprise Foundation	Joanna Strickland	CIC – Private/ Charity
8	Folkestone Employment & Skills Forum	Zena Cooper	Public
9	East Kent College	Paul Manning	Public
10	Folkestone Rotary	Terry Cooke-Davies	Charity
11	Folkestone Mind	Michael Lake	Charity
12	East Folkestone Together	Steve Shaw	Resident Association
13	Sustainability Connections CIC	Penny Shepherd	CIC - Private
14	Samaritans	Jo Oliver	Charity

Membership of the LAG is liable to change over the course of the CLLD Programme and any LAG member who does not wish to continue will advise Programme Staff in writing. Any new proposed LAG members (which can be through self or other nomination) will be considered by the Chair and will require the agreement of a majority of existing LAG members.

All LAG members may send a substitute from their organisations to LAG meetings, as it is the organisation, rather than the individual, that is generally considered to be the representative on the LAG. If a member or a nominated substitute from an organisation represented on the LAG fails to attend three or more consecutive LAG meetings, both the individual and organisation will be excluded.

Individual LAG members have responsibility to adhere to the Code of Conduct and Declaration of Interest and will be excluded if these are not followed.

LAG members are expected to perform an active role in the CLLD programme, working in the local community to identify and bring forward projects. Members will be expected to bring forward potential projects from their own organisation and to encourage other organisations to do so, where appropriate.

LAG members are expected to promote the CLLD programme through their own organisation's channels of communication and to help signpost the local community to the support available to develop their ideas for CLLD projects. Members will be expected to encourage and foster innovation at the local level through encouraging new ways to tackle issues.

Details of the Terms of Reference for the LAG, the Code of Conduct and Declaration of Interest and Conflict of Interest Statement are in Appendix D.

Programme Governance

Arrangements

In making decisions about projects, LAG members are required to commit to undertaking the necessary work, so that they have a sufficient understanding of a project and to make decisions in a consistent and impartial manner.

7.2.2 LAG Meetings

The Local Action Group had its inaugural meeting on 24 August 2016 and details of this meeting, including the agenda, minutes of the meeting and signed attendance record sheet are in Appendix E.

Once the Folkestone CLLD programme has been confirmed, the Local Action Group will meet every seven- eight weeks with dates agreed for the following calendar year every six months.

LAG members will be required to sign the attendance register at every meeting and the minutes of all LAG meetings shall be agreed at the next regular meeting and then signed by the Chair⁴⁰ Records of the minutes will be kept and made publically available on a website.

A Register of Interests will be kept for all LAG members, Programme Staff and other officers of the Accountable Body involved in any part of the Folkestone CLLD Programme. It is proposed that a request for declarations of interest will be a standing item on the Agenda at every LAG meeting, with the Chair asking if members want to add, change or remove any interests; this will serve as a reminder to LAG members.

LAG members with any direct financial, personal or organisational links to a project under discussion at a LAG meeting shall:

- Declare any Interest at the commencement of the meeting, which will be minuted.
- Take no part in the discussion or in the decision about any such project, and leave the LAG meeting for the duration at the discretion of the Chair.

Where this involves the Chair, then a Deputy Chair will be appointed for the item under discussion, using the procedures for appointing a Deputy Chair set out in the Terms of Reference.

CLLD Programme Staff appointed by the Accountable Body to manage the programme are expected to attend LAG meetings as observers and will not be assigned any decision-making powers. Programme Staff will provide the secretariat for LAG meetings and will be asked to provide advice and guidance as required.

7.2.3 Chair of the LAG

The role of the LAG Chair is to conduct Local Action Group meetings and act in the best interests of the LAG as a whole.

The process for electing the LAG Chair was agreed by the CLLD Steering Committee and followed prior to the Inaugural meeting of the LAG. The process involved the Shepway District Council lead officer seeking nominations for the role of the LAG Chair by email on 18 August. Four candidates were identified from this process. After discussions with the individuals, two of whom did not want to be proposed, the names of the two remaining two candidates were put forward for decision to all

⁴⁰ Minutes of the LAG inaugural meeting are 'draft' until the next LAG meeting where members will be asked to formally agree the minutes.

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LAG members on 23 August by email. The candidate with the highest number of nominations, Terry Cooke-Davies, was informed ahead of the inaugural LAG meeting on 24 August.

The first main item of decision at the LAG meeting on 24 August was on the process to select the LAG Chair (Appendix E, LAG meeting Agenda). This was unanimously agreed and the selected LAG member, Terry Cooke-Davies then took over as Chair for the rest of the LAG meeting (Appendix E, LAG meeting Minutes).

The maximum term of office for the Chair will be two years.

The Chair will have a second or casting vote in the case of an equality of vote in respect of any decisions taken.

The Chair will represent the LAG and will sign off records, such as the minutes of meetings, and documents on behalf of LAG where necessary.

In the event of the Chair not being able to attend a meeting, or being compromised through a conflict of interest, a Deputy Chair will be nominated from amongst the LAG members for that meeting. The Deputy Chair in this instance can be a public sector member provided that the casting vote does not result in the public sector having more than 49% of votes.

7.2.4 Decision-making by the LAG

Attendance of seven voting members⁴¹ of the LAG, including the Chair, is required to achieve a quorum for any decisions made by the LAG.

Each member of the LAG will have one vote per member, except where an organisation is represented by more than one member; in this situation only one member can vote.

Decisions shall be determined by a simple majority of the number of votes of members present and only LAG members attending the meeting can vote. This is necessary to ensure that individual LAG members take decisions in light of a collective discussion to make sure there is a full understanding of a project. Written procedures with regard to the decision to approve or reject funding for projects from members will not be accepted.

Should CLLD Programme Staff be unable to attend a LAG meeting for any reason, their comments on a project can be considered by the LAG through written procedure.

Any decisions made by the LAG will be recorded in the minutes of the meeting, although disclosure of the full discussions on an individual project will be at the Chair's discretion.

Where urgent decisions are needed before the next LAG meeting (for example, where a project has been considered at a previous LAG meeting and a decision made in principle, but further clarification is required from the project applicant), the Chair can call a special meeting of a sub group of the LAG to formally make the decision. This sub group will comprise as a minimum the following:

- Chair;
- Accountable Body representative on the LAG;
- One other LAG member;

⁴¹ Where an organisation has more than one representative at a LAG meeting, this will only count as one voting member

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- One Programme Staff member.

Any decisions recommended by the sub group shall be communicated to other Local Action Group members within 48 hours and reported to the next regular meeting of this body.

Feedback on decisions taken by the LAG will be conveyed to the project applicants by Programme Staff. While there will be no right to appeal a decision, applicants will be able to resubmit amended applications taking into account feedback from the LAG.

7.3 Community Consultation Network Forum

To secure wider understanding and involvement of the local community in helping to shape the CLLD Programme over the 5 years of operation, it is important to have direct and regular engagement with the community it serves to support. This will be achieved through establishing a CLLD Community Consultation Network Forum (CCNF) which is open to all residents in the most deprived part (20% decile LSOAs) of the CLLD area and local stakeholders and parties who have a genuine interest in helping to achieve the aims of the programme and are willing to contribute their time and ideas.

The forum will meet twice a year, in September and March, to receive progress reports on the programme and details of the successful project applications over the previous six months. Through debate in workshop sessions, members will contribute to the future direction of the programme, suggest ideas for promoting the achievements and successes of the programme and to provide ideas for new types of initiatives to help deliver the programme outputs.

Forum members with particular expertise may be asked to attend LAG meetings to contribute to the debate on a project application, where the Chair and LAG members feel that their knowledge or expertise would be beneficial. Those attending LAG meetings would be required to declare any Interests or Conflicts of Interest.

7.4 Accountable Body

Shepway District Council has agreed, in principle, to be the Accountable Body for the Folkestone CLLD Programme (Appendix F Letter of agreement).

The Accountable Body will be responsible for:

- Submission of the stage 2 funding applications for ERDF and ESF support for the CLLD programme.
- Signing the Funding Agreements with the Managing Authorities.
- Achievement of the programme outputs through delivery of the programme.

The role of the Accountable Body is to support the Local Action Group through the appointment of Programme Staff who will be employed by Shepway District Council to work directly and indirectly with the Local Action Group.

Day to day management of Programme Staff will be provided by Shepway District Council and, where appointed on a full time basis, will be line managed by the council's Head of Economic Development. For other staff appointed to undertake roles on a part time basis (such as officers in the Finance, Legal and Communications teams), the Head of Economic Development will liaise directly with their team line managers to ensure satisfactory performance and compliance.

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Shepway District Council will be responsible for ensuring that there is openness and transparency in the design of the project selection and appraisal process which is recommended by the LAG and that the assessment of projects is undertaken in a correct and appropriate way.

The Accountable Body will ensure that projects proposed for ESF and ERDF funding through the CLLD programme are eligible expenditure and, taking account the recommendations of the LAG, will determine the appropriate cycle and frequency of local grant claims and payments. The Accountable Body will be required to pay grants to projects as set out in individual project Funding Agreements and to claim back all eligible ERDF and ESF funding on a quarterly basis.

Shepway District Council will implement appropriate monitoring systems, as recommended by the LAG, ensuring that these meet European requirements. It will ensure that the monitoring and verification regime is proportionate and reflective of the scale, complexity and risk of a project.

Shepway District Council will ensure that appropriate financial and activity monitoring records are kept, maintained and retained (relating to 100% project funding) over the required period; this will include all documentary evidence demonstrating that all projects have been assessed against the agreed selection criteria.

It is recognised that it is the responsibility of the Accountable Body to ensure that the correct procedures are carried out by all the parties involved in the CLLD programme, including local grant recipients for projects who will be required to retain original evidence in line with European requirements.

The Accountable Body will bring to the LAG's attention any matters likely to pose a risk to the implementation of the programme, e.g. long term sickness of staff.

Shepway District Council, as the Accountable Body, will have the final say in matters of detail that relates to personnel issues and the financial probity of projects relating to the Folkestone CLLD Programme. This is because it will be ultimately responsible for ensuring that the CLLD Programme spend is eligible and that outputs and results agreed in the Funding Agreement are achieved.

7.5 CLLD Programme Staff

Programme Staff will be appointed and employed by Shepway District Council, as the Accountable Body, to provide the secretariat and management support for the CLLD Programme. Programme staff will be the main conduit to the LAG, ensuring that that LAG runs effectively and discharge its responsibilities capably.

Programme Staff will work with the local community to help bring forward relevant project applications for the CLLD programme through an animation/facilitation role. This will specifically aim to encourage and foster innovation at the local level and to ensure that all sections of the community are engaged with the programme. This may involve Programme Staff being physically located within the CLLD area in order to undertake this role effectively (for example, potentially at the Community Hub).

Programme staff will be responsible for administering all project-related processes for the programme, including:

- The promotion and publicity of the call for project;
- Receiving project applications;

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- Appraising projects, ensuring that the correct processes and project selection criteria are used, as recommended by the LAG and approved by the Accountable Body;
- Making recommendations on projects to the LAG;
- Providing advice and guidance on projects when called upon to do so at LAG meetings;
- Informing project applicants of the funding decision;
- Organising Grant Funding Agreements;
- Processing payments to projects and maintaining financial records in accordance with ESF and ERDF requirements;
- Implementing LAG and Accountable Body project decisions, liaising with project leads and monitoring project spend and outputs;
- Providing project monitoring reports to the LAG and responding to LAG decisions.

Programme Staff will be responsible for providing regular reports on the progress and implementation of the CLLD programme to the LAG, the Community Consultation Network Forum and the Managing Authorities.

Programme Staff will be responsible for ensuring that an evaluation of the CLLD programme is undertaken effectively at both the mid-point and end of the programme. The results of these evaluations will be conveyed to the relevant authorities, including the LAG, CCNF, Accountable Body and Managing Authorities and that any required action is undertaken.

It is recognised in the guidance that as a minimum, the functions of the Programme Staff requires three people to be involved, in order to ensure that:

- The person that assesses a project does not approve it;
- The person who has checked a grant claim does not authorise payment of the claim;
- The person who has approved a project does not also authorise payment of associated grant claims

However, it is proposed that Programme Staff will also be required to work with potential applicants to develop a project to the application stage, so there is also a requirement that:

- The person involved in the development of a project application does not assess or approve it.

It is proposed that at the commencement of the CLLD programme, two full time staff members are appointed and officers in Shepway District Council's Legal, Finance and Communications teams are identified to work on a part time or ad hoc basis in specific roles.

Both full time Programme Staff will be line managed by the Head of Economic Development at Shepway District Council, with one being the Programme lead, who will directly liaise with the LAG Chair and the second will be a supporting officer. It is envisaged that both roles will cover a similar range of duties, but there will be a separation of duties for any one project. For example, a staff member involved in an animation/facilitation role during the development of a project, for which a funding application is subsequently made, will not undertake any part of the assessment and decision recommendation to the LAG.

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It is proposed that an officer in Shepway District Council's Finance Department is used on a part time basis for the Folkestone CLLD programme and will be responsible for checking any grant claim that is administered by the full time Programme Staff and for ensuring that all financial records are maintained correctly.

The approval for funding will be the responsibility of Shepway District Council's Head of Finance and authorisation of the payment will be granted by Shepway District Council's Head of Economic Development.

From time to time there may be a requirement for legal advice for the CLLD Programme and this will be provided on an ad hoc basis by the council's Legal Team. Similarly, although most of the promotion and publicity for the programme will be undertaken by the full time Programme Staff, some support may invariably be required from the council's Communications Team.

Records of the costs incurred by Shepway District Council for managing and administering the Folkestone CLLD Programme will be processed and maintained by the full time Programme Staff, with Finance officers providing checks that all financial records are maintained correctly.

Public sector funding for the Management and Administration of the CLLD Programme will be drawn from a combination of sources – potentially from Shepway District Council itself and from 'top slicing' the public sector match that project applicants will be required to contribute. All of these records will be maintained by CLLD Programme Staff.

7.6 Equal Opportunities

The European Structural and Investment Fund Regulations (Article 7 of the Common Provision Regulations: Regulation (EU) No 1303/2013) require all European Regional Development Fund and European Social Fund programmes to promote gender equality and equal opportunities. These are also required to comply with the Equality Act (2010) and, in particular, pay due regard to the General Duty of the Public Sector Equality Duty. This is especially important in Community-led Local Development as it will focus on disadvantaged neighbourhoods and people and a robust approach to equalities is vital to ensure that all available talents and abilities are harnessed.

The LAG will be responsible for enabling and ensuring equality of opportunity within the CLLD programme and this will be delivered through:

- Ensuring that LAG membership is gender balanced and inclusive, as far as possible, and represents the widest possible cross section of the local community.
- Promotion of the programme and the encouragement of applications specifically to individuals and groups who have or share one or more 'protected characteristics'. For example, the programme will be promoted through the networks with the ethnic minorities in the area, for example at the Roma Hub run by SDC.
- All applicants, beneficiaries, partners, stakeholders, the public and colleagues will be treated with fairness, respect and honesty.
- Particular efforts to support individuals who lack experience and wish to make project applications in completing funding applications. This may include residents with a disability or long term illness (including mental health) and single parents who have been identified as significant groups in the CLLD area that require support from the programme.
- Ensuring that the application process is as straightforward as possible and that the selection procedure is non discriminatory and transparent.

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- Decisions on project to be funded will be made with due regard to equal opportunities and that everyone has an equal opportunity to receive funding.
- All organisations receiving CLLD funding will be required to have an equal opportunities policy that is compliant with EU regulations.

The LAG will adhere to Shepway District Council's Equality Policy which sets out the organisations vision and commitment to acting positively to create and promote access to services to all irrespective of age, disability, gender, maternity, race, ethnicity, religion or belief, gender, sexual orientation, culture, social or economic background.

7.7 Environmental Sustainability

The European Structural and Investment Fund Regulations (Article 8 of the Common Provision Regulations: Regulation (EU) No 1303/2013) require all European Regional Development Fund and European Social Fund programmes to support sustainable development and, in particular, support environmental sustainability by delivering activities in a way which helps preserve, protect and improve the quality of the environment.

Integrating environmental sustainability in to the CLLD programme is important and the need for understanding environmental sustainability has been considered in membership of the LAG, which includes a representative from Sustainability Connections CIC, a Folkestone-based social enterprise whose mission is to support local communities to live more sustainably. The representative, Penny Shepherd, has a depth of experience in local sustainability, is a former member of the Mayor of London's Sustainable Development Commission and has been awarded the MBE for services to sustainable economic development.

The need for sustainable development has been taken into account in developing the CLLD strategy and it was concluded that the strategy did not require a formal sustainability appraisal.

Environmental sustainability will be taken into account in the CLLD programme in the following ways.

- The project application form will include specific questions that will require the applicant to set out the environmental impacts (negative, positive and neutral) of the project.
- The project selection criteria will ensure that a project funded through the programme does not lead to deterioration or loss of assets or resources.
- All organisations applying for CLLD funding will be required to have sustainable development policies and implementation plans.
- Projects that have a strong environmental focus, whilst also supporting the strategic needs, will be encouraged and supported through the project selection criteria adopted.
- Projects will be encouraged to include environmentally positive aspects within the project (e.g. reduced use of paper; use of public transport as opposed to private, virtual communication etc).

7.8 Communications and publicity

Good communications and actively publicising the Folkestone CLLD programme is very important to ensure that the target population within the CLLD area is aware of the programme and is actively

Programme Governance Arrangements

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engaged in developing initiatives to address the issues. A formal communications plans will be prepared for the programme following approval of this strategy.

All project recipients of ERDF and ESF funding through the CLLD Programme will adhere to the formally required Branding and Publicity Requirements under relevant the EU Regulations.

Project Selection and Management

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In this section we set out the arrangements for developing projects that address the strategic themes of the CLLD programme (see section 4) and the project selection arrangements.

8.1 Project Development

An important component of community led local development is that it is a 'bottom-up' programme that involves a cross-section of the targeted local community in finding solutions to local issues. Further work will be undertaken to promote the aims and objectives of the programme and encourage ideas for projects and initiatives amongst the local community, once the programme has been approved. This is particularly important in view of the Pre-EU Referendum Restriction Period (Purdah) and the restrictions this imposed on local authority officers and their consultant's⁴² engagement with the public on any potential European funded programme at that time.

It is also recognised that to develop true 'bottom-up' proposals, there may be a need to use some of the allocated Management and Administration (M&A) programme funding to help communities develop project initiatives to meet the identified needs. While there is not any specific intention to focus on this during the early stages of the projects, there is recognition that over the course of the programme this may be required. This element has therefore been accounted for in the amount of allocated funding for Management and Administration (24%) at this stage.

It is envisaged that support for project development will be provided by Programme Staff in the form of developing an initial project idea into an Expression of Interest (EOI) submission to the Local Action Group and also potentially helping to develop this into a full ERDF or ESF application for CLLD funding.

8.2 Project Management

The CLLD Strategy will be implemented through a continual open 'call for projects' throughout the duration of the programme. It is envisaged that the call will be opened as early as possible in 2017 so that programme spend can start soon after the programme commences from 1st April 2017.

A key determinant of the success of the CLLD Programme will be the promotion and publicity for the call for projects and the work undertaken by the Programme Staff and the Accountable Body to ensure that relevant projects which deliver the required outputs and achieve the aims of the programme come forward.

There will be a two stage project application process designed to identify early on projects that are eligible but need more development work. This process will be managed by the Programme Staff and LAG.

- **Stage 1:** a call for expressions of interest (EOIs) for projects that will address the CLLD Strategy's three objectives. Recommendations will be made by Programme Staff on next steps, following an initial eligibility assessment. EOIs and these recommendations will be considered by the LAG, with the options under consideration being to:

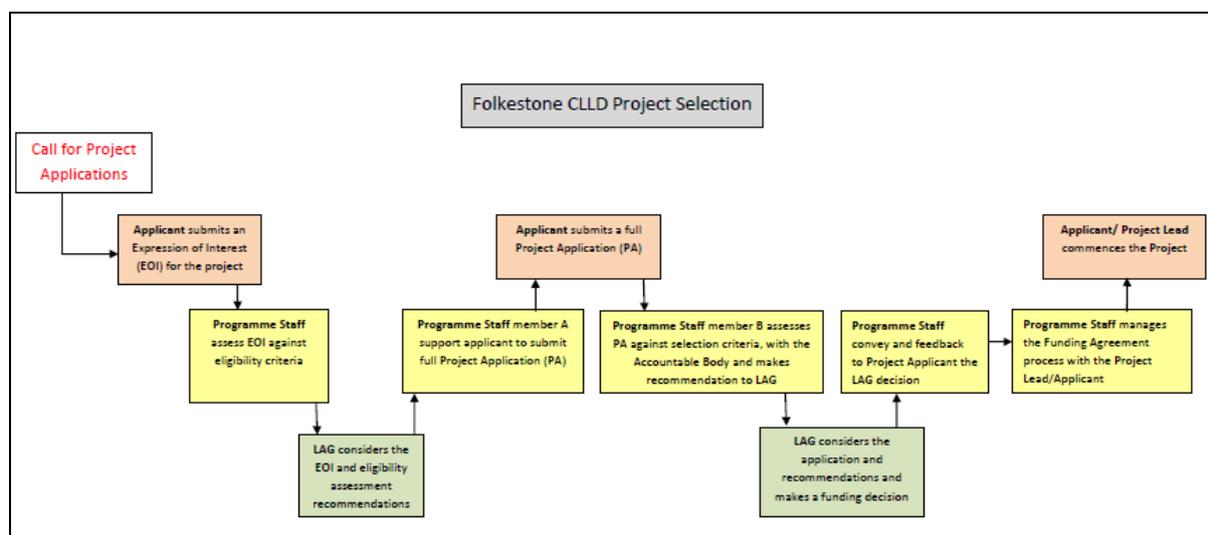
⁴² Legal advice indicated that restrictions imposed on local authority officers applied equally to their representatives and that the consultants appointed to undertake this commission were viewed in this way

Project Selection and Management

- Invite a full application; and/or
 - Assign of a full time Programme Staff member to work with the project applicant to support the development of the project and an application; or
 - Indicate the unsuitability of the EOI for the CLLD Programme.
- **Stage 2:** submission of a full project application. Calendar date deadlines for full project applications will be made public, so that all applicants are aware of when applications need to be submitted by for consideration by the LAG at a specific meeting. The appraisal of full project applications will be undertaken by a Programme Staff member not involved with the applicant at Stage 1.

The project selection process is shown graphically below.

Figure 8.1: Project selection process for CLLD Programme



8.3 Project Appraisal and Selection Criteria

The process for appraising a project at the Expression of Interest stage will consider a number of factors including that the project:

- Addresses the Objectives of the Folkestone CLLD Strategy.
- Beneficiaries are resident or located within the Folkestone CLLD area.
- Does not duplicate existing ERDF or ESF activity or could be funded through mainstream ERDF and ESF funding.
- Activities are eligible for ERDF or ESF funding.
- Will meet the required public sector match funding for the requested ERDF or ESF contribution and at the required intervention rate, ensuring that no ERDF or ESF funding has been matched at source by the organisation (such as with DWP and the Big Lottery).

Project Selection and Management

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For the full project application, the selection criteria adopted, in addition to those required for the Expression of Interest above, will include:

- Evidence that the project has the support of the local community (the stronger the evidence, the higher the score).
- It promotes one or more of the CLLD Strategy's objectives and actions (project promoting more than one objective and/or action will score higher).
- Project costs demonstrates value for money, i.e. the cost per output compared with benchmarks or other projects (the lower the cost, the higher the score) and leverages other funding (the more leverage, the higher the score).
- The project will generate outputs and results corresponding with one or more of the CLLD Strategy's list of intended outputs and results (the higher the number of outputs and results, the higher the score).
- The project demonstrates innovation and added value.
- The project does not lead to a deterioration or loss of environmental assets or resources and that the lead applicant organisation has appropriate equal opportunities and sustainable development policies in place.

8.4 Project Selection

Each full project application will be assessed against the agreed criteria by Programme Staff who will also prepare a recommendation report for the LAG. The criteria will reflect the eligibility criteria in ESF and ERDF national eligibility rules⁴³

The Local Action Group will make the final decision on whether a project should be funded after a full discussion on the project at the LAG meeting. This may include inviting the applicant to answer questions or inviting an expert from the Community Consultation Network Forum to provide advice.

The decision will ideally be made by consensus, but if this is not possible then by a majority vote.

For projects that are not selected for funding, applicants will be given feedback and, where appropriate, will be encouraged to address any shortcomings and to re-apply for support.

The minutes of the LAG meeting will generally only record the decision made, although this will be at the discretion of the Chair.

It is proposed that LAG members involved in all SELEP CLLD Programmes can be used on each other's programmes to independently assess large contract value projects, or where conflicts of interest are at such scale, an independent assessment is prudent. The requirement of independent assessment will be at the discretion of the LAG board and accountable body in each area.

8.5 Programme and Project Monitoring

⁴³ ESF National Eligibility Rules, March 2016

Project Selection and Management

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The Grant Funding Agreement between the Project lead organisation and the Accountable Body will, amongst other things, set out the spending profile for each project and the profile for delivering the required outputs. This will include milestones so that progress of the project can be monitored by Programme Staff on a regular basis.

The timeframe for reports on the progress of individual projects will be established as part of, or alongside, the Grant Funding agreement and Programme Staff will provide regular progress reports to the LAG, with recommendations for action, should further specific action be required.

The overall progress of the CLLD programme with respect to spend and the achievement of outputs and results will be reported as a regular item on the agenda of each LAG meeting and any corrective action advocated by the LAG will be implemented by the Programme Staff. The Programme Staff will be responsible for updating the Accountable Body of progress and relay any feedback to the LAG.

Reports on the progress on the programme will be reported at each six monthly CLLD Community Consultation Network Forum.

8.6 Programme Evaluation

Based on the assumption that a five year CLLD programme is approved, then a mid-term evaluation of the CLLD Programme will be undertaken in 2019/2020. This mid-term evaluation will highlight progress towards objectives and any actions that need to be taken to ensure that the outputs and results are ultimately achieved. It is envisaged that this evaluation will be undertaken by an organisation independent of the programme, overseen by the Programme Staff. The results will be presented to the LAG which will recommend actions, and will then be reported to the Accountable Body and at the Community Consultation Network Forum.

There will be a final evaluation on the outcomes achieved/likely to be achieved by the CLLD programme, drawing on data provided by project promoters, key stakeholders and other research (e.g. impact assessment). This will include not only expected results, but unexpected – good or bad or neutral. It will also analyse value for money of projects.

The evaluation reports will be reviewed by the LAG and the Accountable Body and will be made publically available.

The cost of undertaking the programme evaluations will be borne through the Management and Administration allocation for the CLLD Programme.

Financial Plan & Outputs

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This section sets out the financial plan for the CLLD Programme and the Outputs and Results that the strategy will seek to achieve.

9.1 Financial allocations

The following table provides indicative financial allocations for delivering the Folkestone CLLD programme. In accordance with the guidance, the table shows the ESF and ERDF allocations as part-funding towards a total cost for the various actions.

Table 9.1: Indicative financial allocations (£000s)

CLLD Strategy objectives and actions	Total		European Funds		50% Public Sector match funding (£)
	%	£	ESF (£)	ERDF (£)	
Objective 1 - Enhancing work-readiness and well-being					
Action 1: Work experience and job preparation for young people	14%	720	360	0	360
Action 2: Getting people back into work	16%	800	400	0	400
Action 3: Promoting emotional and physical well-being	6%	280	140	0	140
Action 4: Promoting financial wellbeing	3%	150	75	0	75
Subtotal – Objective 1 (£):	39%	1,950	975	0	975
Objective 2 - Promoting local business and social enterprise					
Action 5: Promotion of social enterprise	3%	162	0	81	81
Action 6 Support for business start-ups	13%	646	0	323	323
Action 7: DIY Space /incubation	11%	540	0	270	270
Subtotal – Objective 2 (£):	27%	1,348	0	674	674
Objective 3 - Integrated delivery mechanism for the strategy					
Action 8: Setting up and operating the Community Hub	10%	500		250	250
Programme management costs:	24%	1,200		600	600
Grand total (% or £)	100%	4,998	975	1,524	2,499

The total cost of the Folkestone CLLD Programme is £4.998m and the total European funding sought is £2.499m, of which 43% would be funded by the ESF and the remainder (57%) by the ERDF.

At this stage some 24% of the total programme costs have been identified for the Management and Administration (M&A) of the programme. While it is not envisaged that the costs for the Programme Staff outlined in section 7.5 will require this level of funding, there has been financial capacity built in to potentially draw on M&A resources to appoint community workers to help develop new and innovative projects to address the strategic themes and identified needs. Should the full M&A allocation not been drawn upon over the course of the programme, these resources will be redirected to projects that address the programme's objectives.

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The assumptions underpinning the calculations for the financial allocations against themes are set out in section 9.3 below. In some cases (Actions 1, 2, 5 and 6) the starting point was defining the target group and then giving what is considered to be a reasonable average allocation of funds per individual or business to obtain a package of assistance. In other cases (Actions 3, 4, and 8) the financial allocations are based on the estimated costs of employing people to deliver services. In both cases, an alternative to providing funding directly to beneficiaries is to allocate a sum equivalent to the total allocation to the action in question to support a call for proposals.

The overall financial allocation for the programme has been split across the five year programme as follows:

Table 9.2: Indicative financial allocations across programme period (£000s)

Expenditure (£000s)	2016	2017	2018	2019	2020	2021	2022
(a) LAG Management and administration	30	195	195	195	195	195	195
(b) LDS Project Expenditure	0	380	684	684	684	684	684
Total LDS expenditure (a+b)	30	575	879	879	879	879	879

(a) 2.5% in 2016 then spread evenly over period 2017-22;

(b) 10% in 2017 and 2022 and remainder spread evenly over period 2018-21

Funding (£000s)	2016	2017	2018	2019	2020	2021	2022
(a) ESF (including M&A)	30	309	247	247	247	247	247
(b) ERDF		185	148	148	148	148	148
(c) ESIF total (a+b)	30	494	395	395	395	395	395
(d) Public sector match funding	30	494	395	395	395	395	395
Funding total (c+e)	60	998	790	790	790	790	790

(a) LAG M&A in 2016, then 20% in 2017 and the rest spread evenly over the period 2018-22

(b) 20% in 2017 and the rest spread evenly over the period 2018-22

Note: totals may not equal sum of years because of rounding

While some expenditure from the Management and Administration allocated is anticipated for 2016, this will be eligible spend incurred by the Accountable Body to take forward the stage 2 application for the CLLD programme.

The spend profile for CLLD projects has been assumed to be a relatively flat spend profile across the five years, with slightly more expenditure being allocated in the first year of the programme as it gets off to what is anticipated to be a good start.

9.2 Outputs and Results

As highlighted in the baseline analysis (Section 2) 31,406 people live in the CLLD intervention area and 65% (20,521) are resident in the twelve LSOAs that rank in the most deprived 20% areas in the country according to the IMD 2010. The residents in this most deprived 20% decile (20,521) will be the main beneficiaries of Objective 1 of the strategy and the ESF component of the programme funding will be focused on this group.

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For Objective 2, the grants, assistance and support for small businesses and entrepreneurs will focus on the whole CLLD area and will create jobs and stimulate local economic development. It is in this broader area that businesses and new business growth opportunities provide employment opportunities for the residents in the most deprived part of the area.

The following table provides an estimate of the outputs and results using the categories stipulated in the guidance.

Table 9.3: CLLD Strategy outputs and results

ESF Output Indicators	Number
Number of participants	2,000
Participants that are unemployed including long-term unemployed	743
Participants that are inactive	357
Participants that are aged over 50	271
Participants that are from ethnic minorities	n/a
Participants that have disabilities	320
Result	
Participants in education or training on leaving	385
Unemployed participants in employment, including self-employment on leaving	260
Inactive participants into employment or job search on leaving (36% success rate)	187

ERDF Outputs Indicators ⁴⁴	Number
Number of existing enterprises receiving support	160
Number of new enterprises receiving support	125
Number of potential entrepreneurs assisted to be enterprise ready	125
Square metres public or commercial building built or renovated in target areas	400

The output for square metres of public building relates to Action 8, renovating or adapting an existing building for use as a community hub and/or providing accommodation for start-ups/social enterprises.

Whilst it is not possible to calculate the number of jobs that will be created directly from this investment, the CLLD Programme will make a significant contribution to support people from the intervention area to get directly into job opportunities or further along the pathway that will ultimately lead to employment through the provision of training and or other support.

The cost per beneficiary for the primary outputs is likely to be £2,045 per unemployed persons (i.e. £1,520,000 cost of Actions 1 and 2 / 743 Participants that are unemployed including long-term unemployed) and £1,971 per assisted enterprise (i.e. £808,000 cost of Actions 5 and 6 / 160 Number of existing enterprises receiving support + 125 Number of new enterprises receiving support + 125 Number of potential entrepreneurs assisted to be enterprise ready). This would appear to represent good value for money.

The following table provides a breakdown of the estimated outputs by year. It has been assumed that 10% of the outputs would be generated in Year 1 with the remainder being produced in equal amounts in each of the following four years. The lower volume of outputs in the first year reflects the time it will take for projects to deliver outputs.

⁴⁴ We have assumed a 35% success rate

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Table 9.4: Outputs by year

ESF Output Indicators	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Number of participants	200	450	450	450	450	2,000
Participants that are unemployed including	74	167	167	167	167	743
Participants that are inactive	36	80	80	80	80	357
Participants that are aged over 50	27	61	61	61	61	271
Participants that are from ethnic minorities	0	0	0	0	0	n/a
Participants that have disabilities	32	72	72	72	72	320
Result						
Participants in education or training on leaving	39	87	87	87	87	385
Unemployed participants in employment, including self-employment on leaving	26	59	59	59	59	260
Inactive participants into employment or job	19	42	42	42	42	187

ERDF outputs	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Number of enterprises receiving support	16	36	36	36	36	160
Number of new enterprises receiving support	9	20	20	20	20	90
Number of potential entrepreneurs assisted to be enterprise ready	16	36	36	36	36	160
Square metres public or commercial building built or renovated in target areas	0	0	400	0	0	400

The outputs compare to Thematic Objective 9 of the SELEP strategy on Poverty and Inclusion⁴⁵ (which includes the CLLD targets) in the following way:

Table 9.5: Contribution to SELEP targets

	SELEP target	Folkestone CLLD target	% SELEP
Number of participants	5,620	2000	36%
Participants that are unemployed	3,930	743	19%
Participants that are inactive	1410	357	25%
Participants that are aged over 50	1050	271	26%
Participants that are from ethnic minorities	940	n/a	n/a
Participants that have disabilities	1200	320	27%

There is no target for participants from Ethnic Minorities as the analysis of the CLLD area shows that they make up a relatively small proportion of the local population. The baseline analysis shows that only 6% of the population is non White British in the CLLD area compared to 8.7% in the South East LEP area and 13% in England as a whole.

The Folkestone CLLD outputs compare to the targets for SELEP ESIF Strategy's Thematic Objective 3 (SME Competitiveness)⁴⁶ in the following way:

⁴⁵ See page 76 of SELEP ESIF Strategy

⁴⁶ See page 43 of SELEP ESIF Strategy

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	SELEP target	CLLD target	% SELEP
Number of enterprises receiving support	505	160	32%
Number of new enterprises receiving support	353	190	25%
Number of potential entrepreneurs assisted to be enterprise ready	1,413	160	11%
Square metres public or commercial building built or renovated in target areas	1,207	400	33%

As indicated above, on average the CLLD interventions will reach approximately 25% of the targets for the SELEP. Considering that the Folkestone CLLD area encompasses approximately a quarter of the LSOAs in the lowest two deciles in the SELEP area this target seems appropriate.

9.3 Financial Assumptions

This section sets out the assumptions for the financial section and targets mentioned above.

Outputs

The table below sets out the output targets per action and the average cost for the target group:

Table 9.6: Output targets per action and the average cost for the target group

	Target	Unit	Approximate cost/ target	Cost /action
Action 1	824	Young people, 15-25 year olds, NEETs	874	720,000
Action 2	1000	Unemployed people, inactive people, careers, NEETs	800	800,000
Action 3	120	Families	2,333	280,000
Action 4	360	Households	417	150,000
Action 5	132	New/existing social enterprises & entrepreneurs	1,216	160,500
Action 6	528	New/existing enterprises & entrepreneurs	1,216	642,000
Action 7	180	Percentage of Action 5 and 6 groups	3,000	540,000
Action 8	1	Hub to serve all target groups above	500,000	540,000

It is assumed that there will be some double counting between Actions 1, 2, 3, and 4 as the target groups overlap. Also, a percentage of the SMEs and entrepreneur's in action 5 and 6 will benefit from action 7.

Financial Assumptions

Objective 1

Action 1: Work experience and job preparation for young people:

There are 4,120 young people aged 16-25 in the CLLD area. The aim is to reach 900 participants (including some NEET, inactive or unemployed) which is 22% of the 16-25 year olds in the CLLD area. Young people in the most deprived 20% area will be the main target - as illustrated below:

Table 9.7: Target group for Action 1

Age	Population in CLLD area	Population in LSOA Decile 1 & 2	% targeted over 5 years	Number
16-25	4,120	2,964	22%	900

It is assumed that there will be an average package of assistance of £800 per person over the five-year period (or that a sum equivalent to the total allocation to Action 1 would be used to support a call for proposals).

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Action 2: Getting people back into work:

There are some 1,000 individuals in this target group. Altogether there are 16,140 people aged 25-65 in the CLLD area. Of these 11,412 people aged 25-65 reside in the most deprived 20% area. Based on the average unemployment rate for the area (8.6%) and the inactivity rate (31%) it is possible to calculate the size of target group. This is set out in the table below (we have separated by age categories for reporting purposes):

Table 9.8: Target group for Action 2

Age	CLLD Area	Decile 1&2	Unemployed (8.6%)	Target (a)		Inactive (31%)	Target(b)		Target (a +b)
				%	No		%	No	
16-25	4,120	2,964	255	60%	153	919	8%	74	227
26-50	10,651	7,873	678		407	2,441		195	602
50-65	5,489	3,539	305		183	1,097		88	271
Total	20,260	14,376	1,238		743	4,457		357	1,099

Due to the nature of long-term unemployment and the need for holistic, integrated support services, it is assumed that a package of assistance equivalent to a total of £800 per person will have to be made available to each individual over the five year period (or that a sum equivalent to the total allocation to Action 2 would be used to support a call for proposals).

Action 3: Promoting emotional and physical well-being

It is assumed that the CLLD strategy will part-fund the costs of employing two people to provide outreach support of a 5-day per week basis for five years (£28,000 x 2 x 5 = £280,000) or that a sum equivalent to the total allocation to Action 3 would be used to support a call for proposals.

Based on the information from the Trouble Families programme, it is assumed that there are approximately 200 families in need in the CLLD area (in Shepway 693 families met the criterion and expert advice from the programme managers suggest that 35% of the families reside in the CLLD area). The CLLD Strategy would aim to target 60% of these families through the employment of two workers who might each manage a case load of 12 families per year amounting to a target group of 120 families. This works out at approximately £2,300 per family. The aim of these roles is to support family members towards employment.

Action 4: Promoting financial wellbeing:

As mentioned in Section 3, the 2012 BIS Debt Track survey found that 12% of households were in one or more months in arrears on bills and credit payments. Hence it can be calculated that in the CLLD area, of the households in the 20% decile approximately 1,190 could be in debt as shown below:

Table 9.9: Target group for Action 4

	CLLD area	Decile 1&2	% indebted	total	% target	Output
Households	14,504	9,914	12	1,190	30	357

The CLLD Programme would aim to target 30% of this group over the 5 years, amounting to approximately 360 households. The aim of the hub would be to provide a venue for the delivery of other CLLD funded initiatives, such as debt counselling to provide free and impartial advice to help people get out of debt and, therefore move them closer to employment by removing a significant barrier.

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Objective 2

Action 5: Promotion of social enterprise and Action 6: Support for business start-ups:

In Shepway, there are approximately 400 new business started per year. This activity would aim to help those new start up and businesses in their first year (there is a 70-80% survival rate for the first year and this amounts to approximately 700 businesses).

In the CLLD area we expect there to be approximately 210 start ups and businesses in their first year (30% of the Shepway total) per year. The CLLD Programme would aim to assist a 15% of these each year through a variety of support measures. This amounts to almost 160 start-ups over the five years. This is approximately a quarter of the target for the SELEP region. As it is believed that social enterprise offers particular opportunities for the CLLD area, it is expected that 20% (approx 32) of new start-ups to have a 'social enterprise' dimension

In the CLLD area, we expect there to be approximately 210 start ups and businesses in their first year (30% of the Shepway total) per year. The CLLD Programme would aim to assist a 15% of these each year through a variety of support measures. This amounts to approximately 160 start-ups over the five years which is approximately a quarter of the target for the SELEP region.

The CLLD Programme would also seek to help 500 entrepreneurs to become 'enterprise-ready' and 125 existing businesses.

Of these, it is assumed that 20% of new start up (approximately 32) and entrepreneurs will be have 'social' dimension to their business (approximately 100) and 20% existing businesses or NGOs that would like to include a social enterprise aspect in their activities (approximately 25). For Action 5 it is assumed an average assistance package of £1,500 for each new start-up and existing business and £750 for support for each entrepreneur.

For Action 6, it is assumed the average assistance package for the 128 businesses will be an average of £2,000. Approximately £750 per entrepreneur has also been allocated for services to make them 'enterprise-ready'. This is summarized below:

Table 9.10: Target group for Actions 5 and 6

Social enterprises/Social Entrepreneurs	Unit	Cost/unit	Cost
Number of new enterprise supported	32	1,500	48,000
Number of entrepreneur supported	100	750	75,000
Number of existing businesses supported	25	1,500	37,500
Action 5 Total	157	3,750	160,500

SMEs/Entrepreneurs			
Number of new enterprise supported	128	1,500	192,000
Number of existing enterprise supported	100	1,500	150,000
Number of entrepreneur supported	400	750	300,000
Action 6 Total	528	1,216	642,000

Action 7: DIY Space /incubation

Of the enterprises and entrepreneurs assisted by Actions 5 and 6, a percentage will be targeted for incubation support as set out in the table below. It is assumed that this incubation support would last 2-3 years and cost £3,000 per enterprise:

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Table 9.10: Target group for Action 7

Incubation support group	% total target (action 5&6)	Number	Cost/unit	Total
Number of new enterprises incubated	30%	64	3,000	192,000
Number of existing enterprises incubated	30%	41	3,000	123,000
Number of Entrepreneurs incubated	10%	75	3,000	225,000
Total		180	3,000	540,000

Action 8: Setting up and operating the Community Hub

it is assumed that the CLLD Programme will part fund the costs required to adapt existing premises for use by the Community Hub with on-going costs of £15,000 p.a. in maintenance and service charges (£200,000 + (15,000 x 4 years) = £260,000). There will be an emphasis on making the Community Hub financially self-sustaining beyond the period of CLLD funding period. This will be written into the business plan with targets for income generation (e.g. from renting space for meetings, sponsorship from local organisations and companies, running a café, etc).

Setting up the Community Hub project will create training and employment opportunities for individuals from target groups such as the long-term unemployed, young people who are NEETs. The project could pair local tradespeople with trainees. Examples of match funding that could be available are the DCLG Community Buildings fund and Jewsons Building Better Communities grants.

The Folkestone community has a track record of successfully delivering community buildings. Sunflower House ⁴⁷, previously a disused former chapel, has been renovated by the local community and is now established as a key community asset and is self supporting. It meets a specific need in the area and is already widely utilised.

9.4 Match funding

The programme operating model for the Folkestone CLLD will require project applicants to contribute at least 50% match funding towards the total cost of the project from other public sector sources. This will meet the requirement for ERDF and ESF funding to be 50% matched by public sector sources.

Through the consultation process, a number initiatives have already been identified which are new and/or at a very early stage of development and some of these already have match funding sources potentially identified and some examples of these are shown below.

Examples of Potential Match Funding

- The **Rotary Club** has secured funding for a scheme to establish a Debt Crisis Hub and this could form part of the Folkestone CLLD Strategy. Around £50,000 has been committed by the Rotary movement, which could serve as match.
- The Economic Plan prepared by the Folkestone Coastal Communities Team, with support from DCLG identifies a number of initiatives that address the issues identified in this CLLD Strategy. A recent application to the Coastal Communities Fund round 4 call for projects could, if successful, provide match funding for some initiatives including:

⁴⁷ <http://sunflowerhouse.org.uk/>

Financial Plan & Outputs

9

- **Folkestone Business Hub** - supporting innovation, start-ups, SMEs and young people through incubation (£120,000)
- **Folkestone markets** - supporting diverse economy, small business and year round activity (£15,000)
- Festivals - maximising year-round visitor economy, creating start up opportunities (£150,000)
- Skills development and apprenticeships, young people, jobs growth, SMEs (£12,000)

Roger De Haan Charitable Trust could be a source of match funding for projects relating to arts and culture, education, health and welfare, sport, young people, heritage and other regeneration projects. In the 2014/15 financial year the trust spent £3.96mill on charitable activities. This could provide a significant source of the public sector match funding for the CLLD Programme.

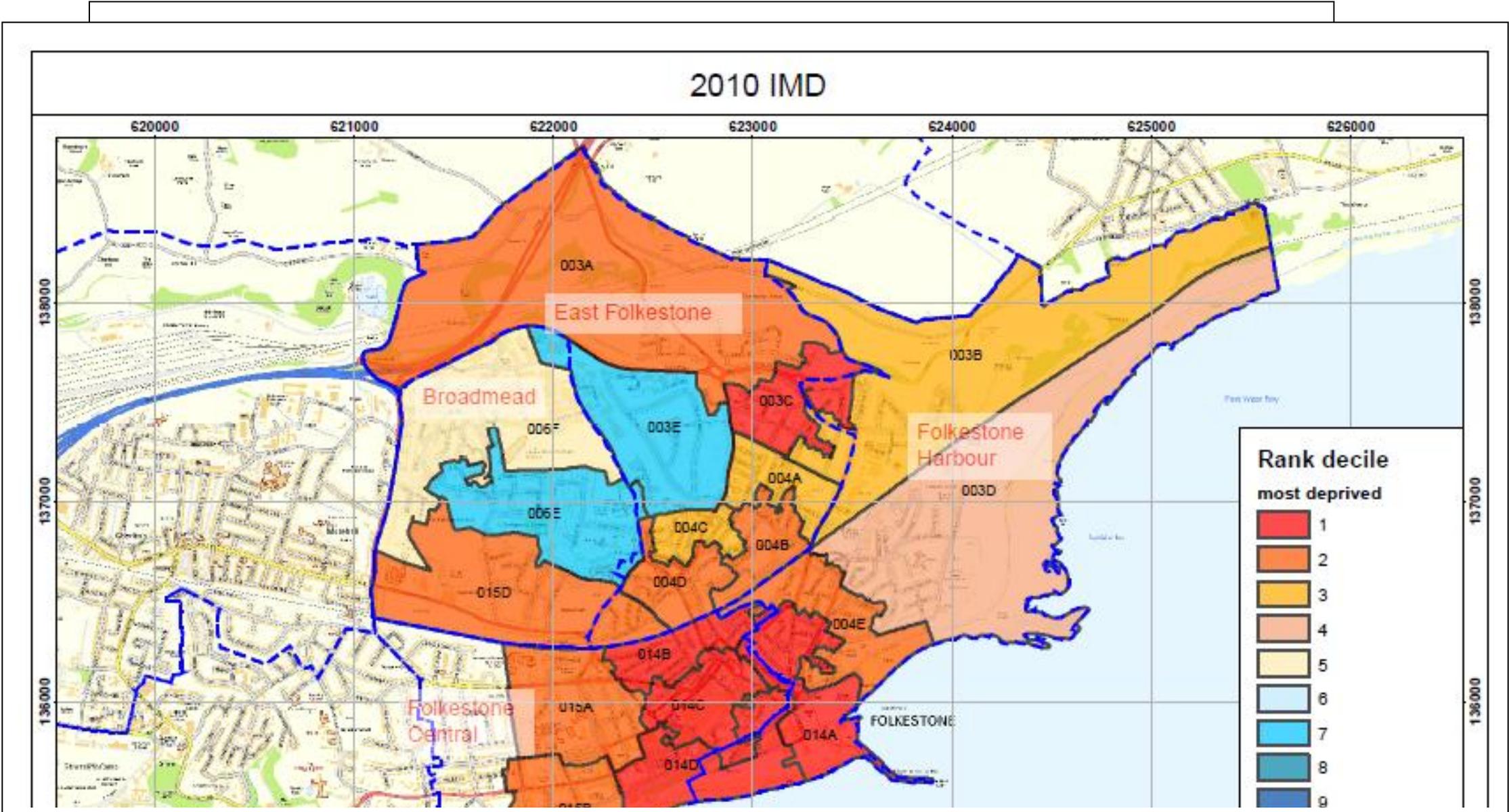
Several charities have also come forward with examples of projects that might fit under the strategy. For example, **Citizens Trust, Citizen Advice, Tomorrows People, Folkestone Mind, Kent Foundation.**

Other existing projects that could be further developed through the CLLD programme include projects such as the **Folkestone Sprucer, Green Gym, Rainbow Centre**, the **Troubled Families programme**, Volunteer Shepway's **Passport for Employability** and Shepway Sports Trust's and Shepway District **Councils' apprenticeship schemes**

Public sector match funding for the Management and Administration component of the CLLD Programme will be drawn from a combination of sources – potentially from Shepway District Council itself and from 'top slicing' the public sector match of projects funded through the same European funding stream as the Management and Administration component.

Folkestone CLLD Area

A



Mapping Interventions

B

Skills, Education & Employment Support

- Shepway Apprenticeship scheme
- East Kent College Campus skills offer and expansion
- Schools including the Glassworks Sixth Form
- The Cube – adult education
- Shepway Business Advisory Board
- Kent Adult Education
- Job Centre Plus
- Folkestone Business Hub
- Folkestone Baptist Job club

Business Growth

- Shepway Business Advisory Board
- Start-up and Business Support (Enterprise First, Proactive)
- District Council discretionary business rates relief scheme
- Inward investment and Locate in Kent
- Strategic and Key sites for retail and employment use (Local Plan, Employment Land Review)

Trusts, NGOs and Community organisations

- Action for Children
- Activate Folkestone
- Christians Against Poverty
- Church organisations and support groups
- Citizen Information Board
- Citizens Advice Shepway
- Communities in Rural Kent
- CXK charity
- East Folkestone Together
- Folkestone Mind
- Folkestone Rotary
- Green Gym
- KCC Early Help
- Kent Foundation
- Porchlight
- Prince Trust
- Rainbow Centre
- Residents organisations
- Roger De Haan Charitable Trust
- Samaritans
- Shaw trust
- Shepway Foodbank
- Sunflower House
- Sure Start Centre
- The Salvation Army
- Town Sprucer Scheme
- Volunteer Shepway

Creative Organisation

- Creative Foundation
- Creative Quarter

Mapping Interventions

B

- Folkestone's HEART (HLF)
- Townscape Heritage Initiative (HLF)

Regeneration

- Folkestone Harbour and Seafront Regeneration
- Folkestone Town Team
- Town Centre Management Company
- Heritage Strategy
- Up on the Downs
- White Cliff Countryside Partnership
- A Town Unearthed
- Great British High Street – Rising Star Award

Marketing Branding and Events

- Triennial arts festival
- Growing calendar of other events (e.g. Book festival, Air Show, Charivari Folkestone Fringe)
- Folkestone Town Council promotional and civic activities
- Tourism Destination Management Plan (in process of development)
- Visit Folkestone & Folkestone Works websites (in development)
- Trans-national partnerships (BOSCO with Boulogne)

Strategic Assets

- Heritage and the built environment
- Environment and coast (e.g. The Leas, Coastal Park, Folkestone Warren and beaches)
- Channel Tunnel (and managing Operation Stack)
- Road infrastructure
- Rail infrastructure (High Speed 1)
- Broadband and connectivity
- Excellent sports infrastructure and leisure facilities, cycle paths, walking routes, sea sports
- Housing
- Strategic development sites (Shorncliffe Garrison, Harbour and seafront)
- Empty Homes and Property Initiative
- Opportunitas (District Council regeneration and housing company)
- Numerous examples of high quality Victorian and Edwardian housing especially in West End of Folkestone

Community Consultations for the Strategy

C

Below is a list of people consulted through workshops and interviews. It should be noted that 10 people who have been long-term unemployed did not want to be listed. Those individuals listed with an asterisk are part of the steering committee.

Interviewee	Organisation	Type organisation	Engagement
Jon Clarke	Activate Folkestone	Resident Group	Interview
Alastair Upton	Business	Creative sector	Interview
Andi Elliott	Business	Creative sector	Workshop
Jim Lockey	Business	Creative sector	Workshop
Luke Jones	Business	Creative sector	Workshop
Ross Patrick	Business	Creative sector	Workshop
Val Conway	Changing Lives Kent'- Oh Crumbs!	NGO	Workshop
Martin Almand*	Citizen Information Board	NGO	Interview
Sue Day	Citizens Advice Shepway	NGO	Interview
Steph Hadlow	Communities in Rural Kent	NGO	Workshop
Jyotsna Leney*	Community Safety , SDC	Local authority	Interview
Tanya McCormack	Creative Foundation	Creative sector	Interview
Jane Batchelor	CXK	NGO	Workshop
Paul Manning	East Kent College	Education	Interview
Stephen Shaw	East Folkestone Together	NGO	Workshop
Pat Turley	EKH	Housing	Workshop
Chris Houghton Budd	Finance Folkestone	NGO	Interview
Joanna Strickland	Folkestone Business Hub	Business	Interview
Helen Gear	Folkestone Early Years Centre	NGO	Workshop
Lewis Biggs	Folkestone Festival	Arts	Interview
Clare Elliot	Folkestone Jobcentre Plus	Public Sector	Workshop
Michael Lake	Folkestone Mind	NGO	Interview
John Burgess	Folkestone Rainbow Centre	NGO	Workshop
Richard Bellamy	Folkestone Rainbow Centre	NGO	Workshop
Terry Cooke	Folkestone Rotary	Volunteer Group	Interview
Jennifer Childs*	Folkestone Town Council	Local authority	Interview
Susan Chivers	FTC Tourism	Tourism	Workshop
Giles Bernard	Green Gym	NGO	Interview
Carl Adams	Growth Rings	NGO	Interview
Roger Joyce*	HEART Forum	Business	Interview
David Hughes	KCC Business Support	Local authority	Interview
Julia Easton	KCC Early Help ("The Hub")	Business	Interview
Lisa Barrett-Smith	Kent Adult Education	Education	Interview
Frank McKenna	Kent County Council	Local Authority	Workshop
Rob Hancock*	Kent County Council	Local authority	Interview
Guy Robinson	Kent Employability Programme	NGO	Workshop
Paul Barron	Kent Foundation	NGO	Interview
Huw Jarvis	LEADER	Local authority	Interview
Tim Goss	mcch Aspirations	Creative Sector	Workshop
Sarah Hagues	Media	Media	Workshop
Ivan Rudd	SDC	Local authority	Interview
Debbie Bishop	Police	Police	Workshop
Wendy Checksfield	Porchlight	NGO	Workshop
Julie Hargreaves	Porchlight – Live Well Kent	NGO	Workshop

Community Consultations for the Strategy

C

Teresa Snowden	Porchlight – Live Well Kent	NGO	Workshop
Dee Turner/Anna Webb	Prince Trust	NGO	Interview
Jon Wilson	Rainbow Centre	NGO	Interview
Don Gregor	Remembrance Line	Heritage	Workshop
Richard Moffatt	Remembrance Line	Heritage	Workshop
Annie McGovern	Residence Group	Residence Group	Workshop
Peter Bettley*	Roger De Haan Charitable Trust	NGO	Interview
Shannon	Romney Resource Centre	NGO	Workshop
Daniel Keeling	Rotary Club	Volunteers	Workshop
Alex Wallington	Shepway Children Centres	NGO	Workshop
Emily Ghassempour	Shepway District Council	Local authority	Interview
John Collier	Shepway District Council	Local authority	Interview
Katharine Harvey*	Shepway District Council	Local authority	Interview
Mary Lawes	Shepway District Council	Local authority	Interview
Sarah Robson*	Shepway District Council	Local authority	Interview
Stephen Arnett	Shepway District Council	Local authority	Interview
Zena Cooper	Shepway Employment Forum	Employment Org	Interview
Laurence Hickmott	Shepway Sports Trust	NGO	Interview
Viv Kenny	Shorncliffe Trust	Heritage	Workshop
Phillip Clapham	Smith Woolley Perry	Business	Interview
David Taylor	Sprucer/Cycle Shepway	NGO	Interview
Anthony Bowler	Sprucers	Community member	Workshop
Brian Hardstone	Sprucers	Community member	Workshop
Chris Knight	Sprucers	Community member	Workshop
James Courtney	Sprucers	Community member	Workshop
Pebe	Sprucers	Community member	Workshop
David Wilson	St Peters Church	Church	Interview
Penny Shepherd	Sustainability Connections	Business	Interview
Stephanie Karpetas	Sustainability Connections	Business	Interview
Michael Stainer	The Grand	Business	Workshop
James Avery	The Workshop	Local authority	Interview
Philippa Wall	Threads	Creative sector	Workshop
Jan Thomlinson	Tomorrows People	NGO	Interview
David Weiss	Troubled Families	Local authority	Interview
Janet Johnson	Volunteer Shepway	NGO	Interview

*Member of the Steering Committee

Local Action Group: Terms of Reference, Declaration Statement and Code of Conduct

D

Folkestone CLLD Local Action Group: Terms of Reference

The overarching role of the Local Action Group (LAG) is to:

- *Agree the Folkestone CLLD Programme Strategy.*
- *Implement and deliver an effective Folkestone CLLD Programme.*

The LAG will oversee the Folkestone CLLD programme ensuring that the required outputs are delivered and that it meets the expectations of the local community, the Managing Authorities and ultimately the European Commission...

The Local Action Group is responsible for recommending an effective and robust process for project calls, selection and appraisal for the CLLD programme to the Accountable Body and this function will be delegated to CLLD Programme Staff or other suitably trained individuals involved in the CLLD Programme.

The Local Action Group will receive Programme Staff recommendations on project applications and will be responsible for making decisions and funding recommendations to the Accountable Body, ensuring that the projects selected for funding:

- Contribute to CLLD strategy objectives;
- Align with ESF and ERDF priorities;
- Represent good value for money in terms of the expectations of the programme; and
- Make a positive contribution to the ERDF or ESF cross cutting themes of gender, equality and non-discrimination and sustainable Development.

Regular financial reports on the progress of the programme and project output and activity reports will be presented by Programme Staff to the Local Action Group and it will make any required adjustments to the projects and programme in response.

The Local Action Group will also oversee and receive an evaluation of the strategy and programme of activity at the midpoint of the programme and at the end.

Although CLLD Programme Staff will be employed by the Accountable Body, the Local Action Group will be consulted over the terms of the appointments that are made.

The Local Action Group will also oversee the promotion of the programme and will make recommendations on this to the Accountable Body

Although at this stage it is unclear whether a national or regional network of CLLD Programmes will be established (as there is for the Leader Programme), if any are established, then the Local Action Group will ensure that the Folkestone CLLD Programme plays a full role.

Membership of the LAG

The Local Action Group will be representative of the CLLD area's private, public and third sector organisations and representative, as far as possible, in terms of age and gender.

There is a requirement that:

- Public sector members or any single interest group will not have more than 49% of the voting rights during decision-making;

Local Action Group: Terms of Reference, Declaration Statement and Code of Conduct

D

- At least 50% of members with project voting rights come from the non-public sector partners;
- There is a gender balance and have a fair representation of the population of the CLLD area as far as possible; and
- At least 50% of votes in an individual selection decision are cast by non-public members.

The LAG will comprise representatives from 14 organisations, but it is recognised that membership of the LAG is liable to change over the course of the CLLD Programme

Any LAG member who does not wish to continue will advise Programme Staff in writing. Any new proposed LAG members (which can be through self or other nomination) will be considered by the Chair and require the agreement of a majority of existing LAG members.

All LAG members may send a substitute from their organisations to LAG meetings. However, LAG members who infringe the Code of Conduct and Declaration of Interest and Conflict of Interest Statement may be excluded. For example, if a member or a nominated substitute fails to attend for three or more consecutive LAG meetings the organisation will be excluded.

LAG members are expected to perform an active role in the CLLD programme, working in the local community to identify and bring forward projects. Members will be expected to bring forward potential projects from their own organisation and to encourage other organisations to do so, where appropriate.

LAG members are expected to promote the CLLD programme through their own organisation's channels of communication and to help signpost the local community to the support available to develop their ideas for CLLD projects.

Members will be expected to encourage and foster innovation at the local level through encouraging new ways to tackle issues.

All LAG members will be required to abide by the Code of Conduct and Declaration of Interest and Conflict of Interest Statement.

In making decisions about projects, LAG members are required to commit to undertaking the necessary work so that they have a sufficient understanding of a project and make decisions in a consistent and impartial manner.

Local Action Group Meetings

The Local Action Group will meet every seven- eight weeks with dates agreed for the following calendar year every six months.

LAG members will be required to sign the attendance register at every meeting and the minutes of all LAG meetings shall be agreed at the next regular meeting and then signed by the Chair. Records of the minutes will be kept and made publically available on a website.

A Register of Interests will be kept for all LAG members, Programme Staff and other officers of the Accountable Body involved in any part of the Folkestone CLLD Programme.

LAG members with any direct financial, personal or organisational links to a project under discussion at a LAG meeting shall:

- Declare any Interest at the commencement of the meeting, which will be minuted.

Local Action Group: Terms of Reference, Declaration Statement and Code of Conduct

D

- Take no part in the discussion or in the decision about any such project, and leave the LAG meeting for the duration at the discretion of the Chair.

The Folkestone CLLD Programme Staff appointed by the Accountable Body to manage the programme are expected to attend LAG meetings as observers and will not be assigned any decision-making powers.

Chair of the Local Action Group

The role of the LAG Chair is to conduct Local Action Group meetings and act in the best interests of the LAG as a whole.

The process for electing a Chair of the LAG is as follows:

1. Nominations for the Chair will be sought from LAG members by email.
2. All LAG members will be asked by email to nominate their choice of LAG chair from the list of candidates by return email.
3. The candidate with the highest number of nominations will be selected as Chair.

The maximum term of office for the Chair will be two years.

The Chair will have a second or casting vote in the case of an equality of vote in respect of any decisions taken.

The Chair will represent the LAG and will sign records, such as the minutes of meetings, and documents on behalf of LAG where necessary.

In the event of the Chair not being able to attend a meeting, or being compromised through a conflict of interest, a Deputy Chair will be nominated from amongst the LAG members for that meeting.

Decision-making by the LAG

For decisions to be made by the LAG, attendance of seven voting members⁴⁸ of the LAG, including the Chair, is required to achieve a quorum.

Each member of the LAG will have one vote per member, except where an organisation is represented by more than one member; in this situation only one member can vote.

Decisions shall be determined by a simple majority of the number of votes of members present and only LAG members attending the meeting can vote.

Should CLLD Programme Staff be unable to attend a LAG meeting for any reason, their comments on a project can be considered by the LAG through written procedure.

Any decisions made by the LAG will be recorded in the minutes of the meeting, although the full discussions about an individual project will be at the Chair's discretion.

Where urgent decisions are needed before the next LAG meeting (for example, where a project has been considered at a previous LAG meeting, but where further clarification is required from the project applicant), the Chair can call a special meeting of a sub group of the LAG to make the decision. This sub group will comprise as a minimum the following:

- Chair;
- Accountable Body representative on the LAG;

⁴⁸ Where an organisation has more than one representative at a LAG meeting, this will only count as one voting member

Local Action Group: Terms of Reference, Declaration Statement and Code of Conduct

D

- One other LAG member;
- One Programme Staff member.

Any decisions taken by the sub group shall be communicated to other Local Action Group members within 48 hours via email and formally reported to the next regular meeting of this body.

Feedback on decisions taken by the LAG will be conveyed to the project applicants by Programme Staff. While there will be no ability to appeal a decision, applicants can resubmit amended applications that take into account feedback from the LAG.

Local Action Group: Terms of Reference, Declaration Statement and Code of Conduct

D

Folkestone CLLD Local Action Group:

Declaration of Interest and Conflict of Interest Statement

This policy sets out the responsibility of both the Folkestone CLLD Local Action Group (LAG) members and the Accountable Body programme staff to declare any personal or pecuniary interest which they may have in an item on the agenda either at the beginning of the discussion or when the interest becomes apparent.

The policy starts from the position of trusting the integrity and professionalism of the LAG and Programme Staff members. The LAG and Programme Staff are expected to act in the best interests of the Folkestone CLLD programme at all times. There will, however, be occasions when a LAG member or Programme Staff member has more than one legitimate interest. Such interests may conflict with those of Folkestone CLLD programme. In order to protect themselves and programme, a LAG member or Programme Staff member should always declare a conflict of interest.

Conflicts of Interest arise when the interests of LAG members or Programme Staff (their own, their family, friends or other organisations with which they are involved) are incompatible with, likely to benefit directly from, or in competition with, the interests of the Folkestone CLLD programme. Such situations present a risk that LAG members or Programme Staff members could make decisions based on these external influences, rather than the best interests of the Folkestone CLLD programme, or that others, perhaps outside the programme could allege that LAG members or Programme Staff might have made decisions based on their external interests or influences.

Conflicts of Interest may come in a number of different forms;

- Direct financial gain (pecuniary) or benefit such as the award of a contract or benefit to a project or organisation in which a LAG member or Programme Staff has an interest e.g. *where the interest may arise because they work for, or are in receipt of remuneration from, the body seeking assistance, or because they have an investment in the body – usually (but not exclusively) in the form of a partnership, directorship or shareholding.*
- Indirect financial gain such as awarding a contract or benefit to a partner or relative of a LAG member or Programme Staff e.g. *where the interested party holds a non-financial but influential position – a committee member or trustee- of an organisation which is seeking assistance.*
- Non- financial or personal conflicts where a LAG member or Programme Staff receive no financial benefit but may be influenced by external factors e.g. *awarding contracts to friends or associates, benefitting from access to new or enhanced activities or suffer inconvenience.*

Dangers of Conflicts of Interest; There are circumstances when possible conflicts of interest could arise that may give rise to any of the following;

- Giving the impression that Folkestone CLLD has acted improperly.
- Impacting negatively on the reputation of Folkestone CLLD or individuals by attracting adverse publicity.

Local Action Group: Terms of Reference, Declaration Statement and Code of Conduct

D

- Prejudicing effective decision making or inhibiting free discussion.

The Code of Practice is designed to stop this happening. The most important point to remember is that LAG members and Programme Staff should always disclose an activity if they are in any doubt whether it represents a conflict of interest.

Declaring Conflicts of Interest;

The first point of disclosure is the Register of Interests form. This will be updated whenever a new interest is identified and will be completed annually. It will be submitted with the annual Folkestone CLLD Delivery Plan. Programme Staff will maintain a register of interests from completed forms. This will be processed in accordance with the data protection principles as set out in the Data Protection Act 1998.

The second point of disclosure is at the start of each LAG meeting. Each meeting will contain a standing item for the declaration of interests that may be relevant to the business being discussed at the meeting.

Process;

1. A member must declare an interest as soon as it becomes apparent, disclosing the existence and nature of that interest as required.
2. A member who has declared a direct personal or pecuniary interest may, at the discretion of the Chair, speak on an item to give background information, give evidence or answer questions, but may not vote on an item. In certain circumstances the member may be asked to leave the room for the item.
3. In circumstances where the LAG Chair has a direct, indirect personal or pecuniary or non-pecuniary interest in an item for discussion or decision, he/she will step down for that item and be replaced as Chair by another member of the LAG. The procedure in points 1 and 2 will then apply.
4. In circumstances where the Accountable Body has submitted an application, it will be processed by Programme Staff, but the appraisal process will be undertaken by a suitably skilled alternative which could be a Folkestone CLLD LAG member or Programme Staff from a similar programme (e.g. the Hastings or Thurrock CLLD Programmes) before submission to the Folkestone CLLD LAG for decision.
5. LAG members and Programme Staff must not accept gifts or hospitality from actual or prospective project applicants.

Adjudicating possible conflicts of interest;

This will be undertaken by the LAG Chair or a substitute at the meeting with the support of Programme Staff.

The Accountable Body, with its overall responsibility for the compliance of the Folkestone CLLD programme, has the authority to overrule a decision of the LAG, the Chair or their

Local Action Group: Terms of Reference, Declaration Statement and Code of Conduct

D

representatives if the outcome will conflict with the Conflict of Interest code of practice or bring the Folkestone CLLD programme into disrepute.

Any complaint received by the LAG in writing stating that there has been a breach of this code, will be dealt with in accordance with the Accountable Body's Complaints Procedure.

Folkestone CLLD Programme: Code of Conduct of Local Action Group Members

The responsibilities of LAG members are to:

- Abide by this Code of Conduct and Declaration of Interest and Conflict of Interest Statement
- Commit to attending Local Action Group meetings or nominate a substitute from the same organisation. If a LAG member, or nominated substitute, misses 3 consecutive LAG meetings, then the LAG member will be excluded from the LAG at the discretion of the Chair.
- Promote the CLLD programme through their own organisation's channels of communication.
- Bring forward potential projects from their own organisation where appropriate.
- Work with the local community to identify and bring forward projects to the CLLD Programme, where appropriate, or help signpost to support to develop their ideas for CLLD projects.
- Encourage and foster innovation in projects coming forward
- Commit to understanding the projects under consideration
- Work effectively with other LAG members and take collective responsibility for decisions made
- Provide impartial and consistent decision making.

Local Action Group: Inaugural Meeting

24 August 2016

E

Folkestone

CLLD

Community Led Local Development

LOCAL ACTION GROUP (LAG) MEETING

Date: 24/08/2016
 Time 13.00-14.30
 Venue Middleburg Room, Civic Centre, Folkestone

Invitees:

Katharine Harvey, SDC (acting Chair)
 Cllr David Monk, SDC
 Rob Hancock, KCC
 Zena Cooper, Shepway Employment and Training Forum
 Martin Almand, Citizens Trust
 Peter Bettley, RDHCT and Folkestone Harbour Company
 Jennifer Childs, Folkestone Town Council
 Cllr Martin Salmon
 Paul Manning, East Kent College
 Terry Cooke-Davies, Rotary
 Jo Strickland, Folkestone Business Hub
 Jon Wilson, Rainbow Centre
 Penny Shepherd, Sustainability Connections
 Jo Olliver, Samaritans
 Michael Lake, Folkestone and District Mind
 Stephen Shaw, East Folkestone Together
 Alex Sansom, SDC
 Lynn Dockar, SDC

AGENDA

- | | |
|--|-------|
| 1. Welcome and introductions | KH |
| 2. Apologies | AS |
| 3. Election of LAG Chair process | KH |
| 4. Introduction of LAG Chair | KH |
| 5. Folkestone CLLD Strategy | Chair |
| - Discussion of Draft Strategy | |
| - Agree LAG Terms of Reference | |
| - Endorsement and Approval process for final version | |
| 6. Next meeting | AS |
| 7. AOB | |

Local Action Group: Inaugural Meeting

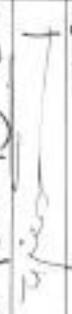
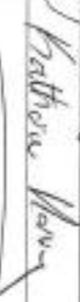
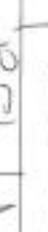
24 August 2016

E

Folkestone CLLD LAG Meeting

Attendance Sheet

Date: 24th August 2016

Name	Organisation	Signature
Cllr David Monk	Shepway District Council	
Jennifer Chads	Folkestone Town Council	
Joanna Strickland	Folkestone Business Hub/ Enterprise Foundation/ Strickland Accountancy	
Jo Oliver	Samartians	
Jon Wilson	Rainbow Centre	
Katharine Harvey	Shepway District	
Martin Almond	Citizens Trust	
Cllr Martin Salmon	Folkestone Town Council	
Michael Lake	Folkestone Mind	
Paul Manning	East Kent College	
Penny Shepherd	Sustainability Connections	
Peter Bettley	Strand House/ Roger De Haan Charitable Trust	
Rob Hancock	Kent County Council	
Stephen Shaw	East Folkestone Together	
Terry Cooke-Davies	Rotary	
Zena Cooper	Folkestone Employment & Skills Forum	

Local Action Group: Inaugural Meeting

24 August 2016

E

Folkestone

CLLD

Community Led Local Development

LOCAL ACTION GROUP (LAG): MINUTES OF MEETING

Date: 24/08/2016
 Time: 13.00-14.30
 Venue: Middleburg Room, Civic Centre, Folkestone
 Date: 24/08/2016
 Time: 13.00-14.30
 Venue: Middleburg Room, Civic Centre, Folkestone

Attendees:

Katharine Harvey (KH), SDC, CLLD Lead Officer (acting Chair)
 Cllr David Monk (DM), Leader, SDC
 Rob Hancock (RH), KCC
 Jennifer Childs (JC), Town Clerk, Folkestone Town Council
 Cllr Martin Salmon (MS), Mayor, Folkestone Town Council
 Terry Cooke-Davies (TCD), Folkestone Rotary
 Jon Wilson (JW), Rainbow Centre
 Penny Shepherd (PS), Sustainability Connections
 Jo Olliver (JO), Samaritans
 Michael Lake (ML), Folkestone and District Mind
 Stephen Shaw (SS), East Folkestone Together
 Alex Sansom (AS), SDC, CLLD Project Coordinator
 Lynn Dockar (LD), SDC, CLLD Project Support

1. WELCOME AND INTRODUCTION

- 1.1 KH welcomed the group to the inaugural meeting of the Folkestone CLLD Local Action Group (LAG). She explained that many members were previously part of the CLLD Steering Group that had been established back in March to help steer the work on developing a strategy for the Folkestone CLLD Programme. New members were welcomed to the group.
- 1.2 KH asked everyone to introduce themselves and round table introductions followed.

2. APOLOGIES

- 2.1 A number of apologies were received from members unable to attend this meeting: Peter Bettley (RDHCT and Folkestone Harbour Company), Paul Manning (East Kent College), Jo Strickland (Folkestone Business Hub), Martin Almand (Citizens Trust) and Zena Cooper (Shepway Employment and Training Forum).
- 2.2 Based on the proposed Terms of Reference, which requires 7 'voting' members of the LAG to be in attendance, the meeting was deemed to be quorate.

3. ELECTION OF LAG CHAIR PROCESS

Local Action Group: Inaugural Meeting

24 August 2016

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3.1 KH explained the proposed process for appointing the Chair of the LAG, which is set out in the Terms of Reference. These were handed out to Members but also were contained in the Draft Programme Strategy document that had been circulated to members with the meeting agenda prior to the meeting agenda on Friday 19th August.

3.2 KH asked whether there was agreement to adopt the proposed process and asked for members to vote. There was unanimously agreement in favour of this.

4. INTRODUCTION OF CHAIR OF THE LAG

4.1 KH explained that this process to appoint the Chair of the LAG had been adopted prior to the meeting and the result was a majority in favour of Terry Cooke-Davies for the role of Chair. KH welcomed TCD to this role and TDC took over chairing the meeting from this point.

4.2 TCD thanked LAG members for their vote of confidence in appointing him as Chair.

5. FOLKESTONE CLLD STRATEGY

5.1 The draft Folkestone CLLD Strategy had been previously circulated to LAG members for comment and discussion at this meeting.

5.2 TCD asked KH to provide an update of the feedback received from the SELEP appointed CLLD Programme 'critical friend', Shelagh Powell and Lorraine George, SELEP's lead for European programmes.

5.3 KH explained that the feedback had been generally positive but that there were four key areas that need to be addressed:

- i. Too much of the analysis focuses on IMD 2015 data rather than the IMD 2010 data. It was the 2010 data that had been used to determine the appropriateness of areas for a CLLD programme and so more was needed on this.
- ii. There was concern about too much focus on working with youngsters still in full time education. This was felt to be outside the domain of this programme from DWP and DCLG's perspective who are the Managing Authorities for ESF and ERDF respectively.
- iii. The Community Hub proposal mustn't be perceived as an opportunistic attempt to lever in major funding to develop a new building, but rather it should be made more explicit that the emphasis would be for building renovations and minor alterations.
- iv. There needs to be greater emphasis on funding for projects which offer new innovations and ways of working, rather than funding for existing initiatives, albeit those that are working well but where resources are limiting their impact.

5.4 KH explained that these and other comments received from LAG members prior to the meeting would be addressed in the final version of the Strategy.

5.5 TCD invited other comments and views on the Draft Strategy from LAG members.

5.6 JO suggested that some of the figures in section 9 did not add up. KH explained that this was because the table did not show the public sector match requirement specifically and this would be inserted.

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- 5.7 RH requested that the consultants, CSES, (who had prepared the Draft Strategy) be requested to provide an Executive Summary which could be used to inform wider stakeholders about the Strategy.
- 5.8 KH asked members whether the strategy should include more of the project ideas that had come forward through the consultation process, to give a better flavour of the types of initiatives that the programme could deliver. RH suggested that rather than providing more detail about these individual projects, a sentence to collectively indicate how many projects and their total value should be added.

LAG TERMS OF REFERENCE

- 5.9 TCD explained that there was a specific requirement for members to agree the Terms of Reference for the LAG at this meeting. KH was invited to outline the key elements of the TOR and the following points and suggestions were made during the discussions.
- 5.10 DM suggested that the TOR explicitly indicates that the Chair of the LAG cannot be selected from Public Sector members. This was agreed.
- 5.11 TCD raised the question of who would chair the meeting should he be required to leave the LAG meeting, if a project submitted by his organisation was under discussion. It was agreed that in these circumstances, a Deputy Chair would be appointed by the LAG members attending that meeting and that this could only be public sector member, if the casting vote did not result in the public sector having more than 49% of votes.
- 5.12 PS suggested that a sentence should be added about members of the LAG needing to have appropriate skill sets for the role.
- 5.13 In response to questions about membership, it was agreed that membership is with the organisation and not the individual and that this should be made clear in the TOR.
- 5.14 It was clarified that the length of LAG membership is envisaged to be for the duration of the programme, but the TOR does include a process for resignation and replacement with new members.
- 5.15 It was agreed unanimously to accept the TOR with the amendments agreed at the meeting. It was proposed that the Chair should ensure that these changes are made and provide the final sign off of the Terms of Reference on behalf of the LAG. This was unanimously agreed.

APPROVAL OF THE FINAL FOLKESTONE CLLD PROGRAMME STRATEGY

- 5.16 KH proposed that LAG members delegate the final sign off of the final version of the CLLD Programme Strategy, taking account of the points made during the discussions at the meeting, to the Chair. This was unanimously agreed.
- 5.17 KH agreed to circulate the final version of the CLLD Programme Strategy, due to be submitted to DCLG and DWP by 31st August, to LAG members.

6. NEXT MEETING

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6.1 KH proposed that at this stage to keep the dates of 21/09/2016 and the 19/10/2016 in the diary for the next LAG meetings. However, this will be subject to a response from the government and KH will communicate with LAG members and reconfirm dates as appropriate.

7. AOB
None

Accountable Body: Letter of Agreement from Shepway District Council

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Ref: Folkestone CLLD Programme AB
Direct dial: 01303 853315
Email: susan.priest@shepway.gov.uk
Date: 30/08/16



Astrid Jenkins
Local Growth Delivery Team Leader
Department for Communities and Local Government
2, Marsham Street
London
SW1P 4DF

Dear Astrid,

Folkestone CLLD Programme 2017-2022

I can confirm that Shepway District Council will be making a formal decision on 14th September 2016 at a meeting of its Cabinet to take on the role of Accountable Body for the Folkestone Community Led Local Development Programme 2017-2022. I anticipate this will be approved and that the Folkestone CLLD Programme Strategy will be endorsed.

We understand that DCLG and DWP require that there is formal approval of the above, before any approval of the Programme Strategy, required as an output from stage 1 of the CLLD programme, can be granted.

If you need anything further from me before 14th September, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Susan Priest'.

Dr Susan Priest
Corporate Director – Strategic Development

Accountable Body: Letter of Agreement from Shepway District Council

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Ref: Folkestone CLLD Programme AB
Direct dial: 01303 853315
Email: susan.priest@shepway.gov.uk
Date: 30/08/16



Joanna Wright
European Social Fund Contract Manager
Department for Work and Pensions
Finance Group
Bedford JCP
Wyvern House
53-57 Bromham Road
Bedford
MK40 2EH

Dear Joanna

Folkestone CLLD Programme 2017-2022

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