

# Greater Manchester ESF 2014-2020



# Greater Manchester Strategy

*“By 2020, GM will have pioneered a new model for sustainable economic growth...where all residents are able to contribute to and benefit from sustained prosperity”*

## **Preventing and reducing youth unemployment**

### **Employer-led skills system**

### **An integrated skills and employment offer**

- GM Growth and Reform Plan – programmes that respond to GMS priorities
- Skills and Employment Partnership – responsible to developing and delivering S&E programmes

# The Greater Manchester ESIF

- ✓ GMS defines activities, ESIF implements
- ✓ Part of wider growth and reform plan
- ✓ Match via SFA, DWP, Big Lottery, local & private
  
- **Responding to three EU thematic objectives:**
  - Employment & supporting labour mobility
  - Education, skills & lifelong learning
  - Social inclusion & combating poverty
  
- **Funding allocation**
  - In July 2013, BIS allocated the GM LEP €415m for the 2014-20 Programme
  - This is approximately £356m which is split as follows
    - £195m ERDF (55%) / £161m ESF (45%)
  - Minimum 20% dedicated to social inclusion
  
- **Challenges/Issues**
  - Eligibility – ESF won't fund everything
  - Additionality – delivering the best, most impactful programme for GM
  - Links to GM Growth & Reform Plan – GMS strategic alignment
  - Match Funding/opt in restraints – need this to access ESF resource

# GM 2014-20 European Structural & Investment Funds

## **Update & Key timings**

The GM Investment Plan was submitted to Government in January 2014.

At the national level the English Operational Programme (OP) and UK Partnership Agreement (PA) is being agreed with the European Commission and was originally anticipated by the end of 2014.

The UK Partnership Agreement has been signed off by the European Commission, but it is looking increasingly likely that the Operational Programmes (OPs) for ESF will not be signed off until July 2015 at the earliest.

This is a later start date than anticipated and will mean the prospect of a real gap between the 2007 and 2014 programmes.

Call's will be sent to the market via an opt in organisation: in the case of GM this is mainly the Skills Funding Agency as they offer the most influence and involvement for GM at appraisal, monitoring and performance management stages.

Exchange rate changes may impact the ESF Allocation.

# Devolution

## ESF

GM's ambition was to ensure projects fully supported an integrated pathway of employment and skills support, which included removal of barriers for people at each stage of their progression. This has not been possible given the Opt in's inability to merge funding streams – for example DWP (who fund employment support) will not allow SFA funded provision (mainly around skills support) within a DWP procured project.

This had led to more 'lots' (as per previous A3 template) are being split out and the ESF breakdown looking overly complicated so as to ensure activity is additional and targets the right residents.

Through devolution and the current time delays being experienced with the approval of the Operational Programme and the Financial Framework, GM has now used this opportunity to rethink and simplify our ESF calls and lots given there is potentially more funding within our control through devolution.

## Support for Working Well

- Work is currently in its final stages to model an approach to delivering support to groups who may benefit from an up-scaled Working Well programme.
- In order to do this will require funding and appropriate interventions to support varying groups of residents. Those in scope fall into the eligibility criteria for ESF, as they are the most socially excluded and require additional support to help them move into employment.
- In the original framework for ESF there were two large scale 'lots' to support both young people aged 18-24 and adults 24+ to enter and sustain in employment. They would have needed to be procured separately due to the opt in models and the type of activity they would require.
- There were also separate 'lots' which enhanced Working Well, Mental Health, Troubled Families and Youth Contract Extension. Due to the inability for the opt in to manage external match we had to split these into their 'lot' which does look overly complicated.
- Due to devolution GM has taken the opportunity to merge these 'lots' into one coherent package to ensure GM meets the ambition of the 50,000 but also doesn't have 5 projects all overlapping in cohorts. It will also integrate employment & skills outcomes.

# ESF Timetable

CALL SPECIFICATIONS	CALL SPECS PUBLISHED FOR PARTNER INPUT	CALL SPECS ISSUED BY OPT INS/GM
<b>CALLS AGREED June- July 2015</b>		
<p><b>LOT A2 – Early Intervention Programmes for 15-18 Year Olds (particularly NEET)</b> 20% of the beneficiaries supported will be 15-16. <b>Value: £12m</b></p>	April 15	July 15
<p><b>LOT C1 – Provision to support sustainable employment and promote the in-work progression of employed individuals</b> including those with low skills through the delivery of work related skills training. <b>Value: £20m</b></p>	April 15	July 15
<p><b>LOT C2 – Skills provision to remove the barriers some people face when entering employment.</b> The pilot will deliver a programme of activity to support those aged 18+ who face multiple barriers to entering the labour market and sustaining employment. <b>Value: £12m</b></p>	April 15	June 15
<p><b>LOT E2 – Social Innovation Driver. Value: £2m : ON HOLD</b></p>	ON HOLD	
<p><b>Lot E1 – Innovative programme for marginalised groups to help bring them to / support them to be more socially included,</b> targeting specific communities, groups or ethnic minorities with high level of poverty (pre support). <b>Value: £10m</b></p>	Live tender	Live Tender
<b>CALLS AGREED July-Sept 2015</b>		

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<p><b>LOT A1 (DEVOLUTION) – Seeking to deliver targeted, tailored support to GM residents aged 18+ within the context of their family or social networks</b>, enabling them to develop the skills, attitude and experiences needed to be resilient in the labour market. <b>Phase 1 value: £20m</b>  <b>Phase 2 value: £20m (post-17)</b></p>	Phase 1 June 15	July 15
<p><b>LOT B2 – Structured progression into sustainable employment with enhanced Information, Advice and Guidance through NCS</b> with particular focus on disadvantaged / priority groups. <b>Value: £5m</b></p>	July 15	Sept 15
<p><b>LOT C4 – Support for activities to start and grow a business</b>, including promoting entrepreneurship, self-employment and leadership &amp; management training/advice to SMEs (particularly linked to GM growth &amp; ERDF sectors). <b>Value: £?</b></p>	Draft tender June 15	Sept 15
<p><b>LOT D1 – Ensuring Skills provision is more responsive to the needs of the local economy</b> and helps more individuals’ progress into or within skills provision, through increased employer engagement. <b>Value: £15-£20mm</b></p>	More work required	Sept 15
<p><b>LOT C3 – Increase access to advanced (higher level) skills . Value: £16m</b></p>	Link to devo	Sept 15



# Progress and Next Steps

- All calls should be out to market by December (subject to SFA & Managing Authority)
- First calls due out July/August that cover NEETs, In work progression & Local Growth Fund to support skills for those furthest away from the labour market
- GM calls but will encourage a diverse supply chain and innovation
- Working Well will give GM the ability to integrate skills and employment in a way we haven't been able to previously
- Devolution & ESF is already driving collaborative behaviours in the market e.g. GM Futures
- GM will monitor the impact and take a robust approach to performance management alongside the SFA.

# Overview of first identified 'lots'

# Early Intervention Programme for 15-18 year old (NEETS)

- The NEET picture for 16-19 year olds across Greater Manchester is improving, but there are still around 4000 NEET young people in this age group. In particular NEET at 17 and 18 is twice that of those at 16 and Not Known's is a growing concern.
- This 'lot' can support early intervention programmes for 15-18 year olds across GM to prevent them from becoming NEET or to re-engage them quickly thus reducing the risk of becoming long-term unemployed at a later point in the future.



# Skills Support for those in work

- This provision is to support sustainable employment and promote the in-work progression of employed individuals with low skills through the delivery of work related skills training. GM is seeking to fund provision that will raise the level of attainment achieved by these individuals, enabling them to improve their employment status and to move them on to undertake higher levels of training.

## **The purpose of this provision is to:**

- respond to local skills priorities, identified by Local Enterprise Partnerships(LEPs)
- meet the needs of employed adults in the local workforce by adding value to existing provision - including Adult Skills Budget (ASB)
- increase participation by employed adults in education, employment or training (including Apprenticeships) through locally defined, delivered and where appropriate innovative interventions.
- Increase progression in work for employees
- Provide responsive training for employers to help them improve employee productivity and wage levels
- Target low pay, low skilled employees to progress to L3 qualifications or work relevant level.
- Respond to risk of redundancy by re skilling
- Respond to the needs of older workers.



# Local Growth Fund: Skills to Support Reform

- The programme will offer a bespoke package of support according to the referral route (to recognise the support already provided to different types of learner through the above programmes). The programme will offer high quality, individualised skills support delivered in an innovative manner designed to engage individuals over a significant period of time during which they will progress from having little confidence and low skills levels to holding the skills necessary to gain and sustain employment. Support could include both accredited and non-accredited learning, Functional Skills, ESOL, vocational skills, employability skills, confidence-building and motivational activities and complementary support to tackle wider barriers e.g. debt or health.
- Payments will be based more around outcomes.

