

**NORTH LANARKSHIRE COUNCIL
REPORT**

To: POLICY & RESOURCES (REGENERATION & INFRASTRUCTURE) SUB COMMITTEE	Subject: European Social Fund Employability Programmes 2016-2018
From: HEAD OF EDUCATION (SKILLS, LIFELONG LEARNING & YOUTH EMPLOYMENT)	
Date: 19 May 2016	Rep: 1853/PK

1. Introduction

1.1. The purpose of this report is to

- (i) Update Committee on the progress made on securing EU funds for future employability programmes;
- (ii) Seek approval for the implementation of these EU funded employability projects for 2016-2018.

2. Background

2.1 European Social Fund Applications – North Lanarkshire Employability Services

As previously reported to Committee, EU funding is gradually being made available across Scotland to local authority led employability services with, in the West of Scotland, additional EU funds available for providing support to 16-29 year olds. The Council has used EU funds to support its regeneration activities for a number of years and has an excellent track record of delivery of results as well as compliance with the complex financial regulations associated with this funding.

Two applications for ESF (European Social Fund) to support future employability services within North Lanarkshire were submitted in March 2015 and since then the Council has been in negotiation with the Scottish Government to secure its share of these funds. These are North Lanarkshire's Youth Employment Initiative (NLYEI) aimed at 16-29 year olds and North Lanarkshire's Working Employability Pipeline (NLWEP) aimed at those unemployed residents who are over 29 years of age. In recent weeks the Scottish Government has confirmed its intention to issue offers of grant for these projects.

The process of gaining approval for EU funded projects across Scotland has taken over 12 months as EU funding regulations and the focus for future EU funds has gradually emerged from the Scottish Government. In that period the Council has been working to design these two projects to meet the medium term aims of the North Lanarkshire labour market as well as fit with funding model and strategic aims of EU funds in Scotland.

It is important to note that in the period when no EU funds have been available to the Council, from January 2015 until March 2016, the Council has continued to fund its key employability services to ensure there was no hiatus in the support offered to unemployed residents seeking to enter the labour market.

3. Considerations

3.1 North Lanarkshire's EU Funded Employability Programme 2016-2018

While two separate applications for EU funding have been made to the Scottish Government and these projects are administratively separate in terms of finance and monitoring for EU funding purposes, they would be promoted as one employability service to unemployed residents. The structure of both is described below alongside their targets in terms of engagements with the projects and numbers into a positive outcome of employment, training or continued education.

North Lanarkshire's Youth Employment Initiative: Employability Services, Routes to Work, and Community Learning and Development staff have been designing a joint approach to implementing the Youth Employment Initiative project across North Lanarkshire which will meet the needs of those 16-29 year olds who are job ready and those who have barriers to employment. In addition there will be an employer recruitment incentive which will be used to support those participants with multiple barriers into employment and all participants will receive intensive in-work support to ensure that opportunities are sustained.

North Lanarkshire's Working Employability Pipeline: Employability Services and Routes to Work have been designing a joint approach to implementing the Employability Pipeline project across North Lanarkshire which will meet the needs of those unemployed residents who are 30 years of age or over and have multiple barriers to employment. There will also be an employer recruitment incentive which will be used to support participants into employment and all participants will receive intensive in-work support to ensure that opportunities are sustained. A key part of this project will also be the engagement of the Third Sector to deliver additional support in recruiting participants to the project and offering additional support where required.

In addition, due to the nature of the barriers which a number of participants will face in terms of financial inclusion, two full time debt and money advice workers from the Council's Advisory Services will be funded by the project.

For administrative reasons set by the Scottish Government the CPP Monitoring & Compliance team and the Management Information System used to monitor all participants progress will be funded from the Employability Pipeline project but will also carry out the same function for the Youth Employment Initiative project.

The table below summarises the targets for each project from 2016-2018:

Programme	Engaged on programme	Gaining Qualifications	Leaving into Employment, Training or Education	In Employment, Training or Education 6 months after leaving
NLYEI 16-29 year olds	2400	768	1800	1260
Employability Pipeline 30+	4860	1556	2104	1362
Totals	7260	2324	3904	2622

As can be seen from the figures above this funding aims to deliver large scale engagement and employability support across North Lanarkshire geared toward supporting those furthest from the labour market.

4. Corporate Considerations

4.1 Financial Implications

In order to draw down grant on both projects it is necessary for the Council to commit significant match funding to both projects. With approval for both projects arriving a year after their original start dates then it is unlikely that any grant will be able to be claimed for the period 2015/16, however, in the event that opportunities present themselves to claim ESF for the previous 12 months then these will be taken. The required match funding assigned to the projects will be drawn from the budget NLC Match Funding which is allocated for ESF funded employability projects.

Together these projects would offer £11,755,353 of total investment in employability services in North Lanarkshire with ESF grant of £6,052,603 alongside £5,702,750 of Council Match funding.

The current match funding available in the allocation in this 33 month period is £6,116,000 and would cover the employability services match funding, including costs for two Advisory Service posts dealing with financial inclusion and employability costs which are ineligible for ESF grant such as Routes to Work core organisational costs. Match funding within YEI for those aspects delivered by Community Learning & Development would not be allocated from this source.

A breakdown of the match funding, ESF grant and total costs for each project, is included in Appendix 1 of this report.

4.2 Next Steps

The Council has been briefing other employability partners and employers about its new programmes during this current transition and once offers of grant are accepted will be communicating the opportunities available in more detail alongside an engagement programme to potential participants.

Alongside these activities a process for engaging Third Sector organisations will be launched which will meet the Council's procurement guidelines and standing orders.

5. Recommendations

5.1 It is recommended that Committee;

- (i) Note the progress made on securing EU funds for future employability programmes;
- (ii) Approve the implementation of these EU funded employability projects for 2016-2018.



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Members seeking further information on the contents of this report are asked to contact Paul Kane, Employability Services on 01236 632867.

APPENDIX 1

Match funding & ESF Grant Financial Year

NLYEI 2016-Mar 18	2016/17		2017/18		Total		Total Project Costs
	Match Funding	ESF Grant	Match Funding	ESF Grant	Match Funding	ESF Grant	
TOTAL	£821,408	£1,667,707	£829,157	£1,683,440	£1,650,565	£3,351,147	£5,001,712

NLWEP 2016-Dec 18	2016/17		2017/18		2018/19		Total		Total Project Costs
	Match Funding	ESF Grant	Match Funding	ESF Grant	Match Funding	ESF Grant	Match Funding	ESF Grant	
TOTAL	£1,443,268	£962,179	£1,460,210	£973,473	£1,148,708	£765,804	£4,052,185	£2,701,456	£6,753,641

Totals

NLYEI	Employability Services Match	CLD Match	ESF	Totals
2016-Mar 18	£1,221,815	£428,750	£3,351,147	£5,001,712

NLWEP	Employability Services Match	ESF	Totals
2016-Dec 18	£4,052,185	£2,701,456	£6,753,641