

EUROPEAN SOCIAL FUND 2007-2013 - A FRAMEWORK FOR THE EAST MIDLANDS

CONSULTATION DOCUMENT

Background

The ESF Competitiveness Programme for the East Midlands will run from 2007-2013 and has an indicative allocation of approximately £168.6 million funding. The draft regional ESF Framework has been developed within the context of the England ESF 2007-2013 Operational Programme, the Regional Economic Strategy and the Employment, Skills and Productivity partnership (esp) action plan.

All information and supporting documents can be downloaded from the GOEM website at <http://www.goem.gov.uk/goem/euro/struct-funds/ESF07-13/devesf0713/>

We would welcome views from stakeholders on the issues set out in the questions below. Please respond to any questions which you feel are relevant using the boxes provided - you can answer as many or as few questions as you wish.

Your details

Your name: **Laurie Moran**

Your organisation: **CEFET**

CEFET is the lead body for the Third Sector's involvement in ESF in the Region, and has a network of 2,400 groups all of whom have been informed of the line of this response. In addition we have had explicit discussions in events or directly with 238 organisations who all endorse the thrust of this response – especially, and explicitly, in relation to Answers to Q5.

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How to Respond

The closing date for this consultation is **5pm on 27 July 2007**. Please submit your response by email to: goem_esf_consultation@goem.gsi.gov.uk

Whilst electronic responses are preferred, hard copies can be sent to:

Meryl Whittington, New European Programmes Development Officer, Government Office for the East Midlands, The Belgrave Centre, Stanley Place, Talbot Street, Nottingham NG1 5GG

Confidentiality and Data Protection

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If you have any queries regarding the consultation or any issues regarding data protection, please email us at: goem_esf_consultation@goem.gsi.gov.uk

CONSULTATION QUESTIONS

Strategic context

The purpose of ESF frameworks is to set out how ESF spending will support regional skills and employment needs and add value to existing regional strategies and plans, within the context of the national ESF programme.

1. In light of this, do you feel there are currently any major gaps in provision which could be addressed through ESF funded intervention? If so, please provide details below.

1.1 The whole range of ideas or actions dealing with Social Exclusion is not well served by either Regional Strategy or Partnerships

(See "The Key to Inclusion" (L-POWER, 2007 www.l-power.org.uk).

1.2 Precisely, the excluded are those which current strategy and provision DO NOT REACH. Their **needs** are not well analysed and the fact that 2/3 of Excluded people **will not** participate in provision other than that run by their own peers is a telling one.

1.3 The East Midlands has benefited from provision that is envied by all other regions and many other member states, in focusing specifically at the excluded themselves as the drivers of provision in their own projects. This is in line with the National Action Plan on Social Inclusion.

1.4 This strategic lead brought about through the region's Community Empowerment Strategy ought to be explicitly preserved and built on in the new ESF Framework.

1.5 There is concern that there is not a clear enough "strategic steer" for CFOs within the draft Framework to ensure "that ESF complements and adds value to domestic funding for employment and skills". This is particularly important in the area of activity to combat exclusion and engage/activate the "hard to reach", there is no point in doing MORE OF THE SAME, or similar, mainstream activity to reach those who feel excluded from it. A "major gap" is activity designed and run by excluded communities themselves.

2. To what extent do you feel that the Regional Context section (building on the evidence in the Regional Economic Strategy and esp skills priorities) accurately reflects the employment and skills issues and challenges facing the region?

2.1 It is adequate in Priority Two, although some points are not carried through sufficiently (see Q4 below). However there is a lack of data, analysis and strategy in Priority One. This stems from an over-reliance on skills and economic development ideas and little reflection of experience and expertise on the needs of unemployed people (supply side issues), especially among disadvantaged groups and those "harder-to-reach".

Priorities

The Framework aims to set out an East Midlands focus within the national ESF programme Priorities – Extending Employment Opportunities and Developing a Skilled and Adaptable Workforce. It is important that ESF is targeted effectively to tackle the region's specific employment and skills challenges within the parameters of the national programme.

3. Priority 1 – What are your views on the relative importance of the proposed activities set out in Section 3?

- **3.1** The Framework lacks focus and detail in Priority One.
- **3.2** The key issues are the Objectives (highlighted in **bold** in the draft Framework) - the rest is just a undifferentiated shopping list of activities. Even then an item from the Operational Plan concerning volunteering and community activity [“activities to provide pathways to employment such as pre-vocational and access training, community-based activities, volunteering, environmental activities, practical soft-skills (such as improving aspirations and motivation), work skills and workplace skills (such as team working)”] is weakened in the draft, and should be reinserted.
- **3.3** The effect of a long menu of possible actions seems to obscure rather than illuminate what the Programme will actually do. **Community Empowerment** is a promising exception.
- **3.4** The key strategic tool mentioned is *Community Empowerment*. This should be given greater prominence (it’s a method, bottom-up, which guarantees engagement of those who will not be engaged by other methods. The sort of actions implemented this way should not be specified top-down... that’s the point).
- **3.5** The rationale behind the Community Empowerment Approach is as follows:

- ☞ the desire to place the direction of activity in the hands of the community themselves
- ☞ to recognise that exclusion is about barriers to participation
- ☞ Excluded people themselves know what the barriers are
- ☞ Therefore the correct strategy is to enable communities to mount their own projects to overcome those barriers.
- ☞ Both the *activity* in doing that and the *results* of doing it will combat exclusion.

- **3.6** The entire focus of Priority One is on disadvantaged groups, and this concentration should be more explicit. In addition the principles by which allocation of funds to specific disadvantaged groups ought to be made clear. This must be done on the basis of, and be proportional to need in the region and the *difficulties* of engagement rather than the, converse, possibility of easy achievements. This issue is particularly acute in relation to BME communities whose success rate and involvement in the previous programme is disproportionately low.
- **3.7** There should be some reference to Technical Assistance, particularly in relation to the Third Sector, whose partnership at every level of developing the Programme is (in addition to being required by Article 11 of the ESF Regulations) essential to enabling the CFOs to reach the target communities in Priority 1.

See also Q5 below

4. Priority 2 - What are your views on the relative importance of the proposed activities set out in Section 4?

4.1 There is great concern that there is only a brief note of intention with regard to addressing “the needs of social enterprises, the skills of the third sector and BME enterprises”, with no further detail, or analysis, of need and no indication of activities or relative priority for resources for this area of work. It is very worrying that there is repeated reference throughout the Indicative Activities section to targeting “mainly” at the

listed priority sectors and this does not provide confidence that the needs of the third sector, which includes social enterprises and BME enterprises will be adequately addressed. There continues to be a strong need for workforce development support within the third sector and the Framework needs further clarity about how these needs will be met.

4.2 It should be made clear that voluntary and community groups will also be viewed as small businesses (SMEs).

4.3 There is also a need for support for start up and development of social enterprises (including credit unions) and BME enterprises particularly in economically disadvantaged areas.

4.4 Support for the skills development of trainers, including ESOL, is welcome and a key need in the third sector and will additionally support the aims of Priority One. Also welcome is action to certify the skills of migrant workers. There would be added benefits in terms of community cohesion if this training was to take place with the involvement of the third sector.

4.5 Further ESOL provision for migrant workers is vital and welcomed but it needs to be very flexible appropriate provision and could additionally contribute to building mutual support networks, developing community cohesion and new social enterprises if the provision is delivered by the voluntary and community sector.

4.6 There is a need to address the higher level skill needs of women returners and older people, especially women.

The framework suggests using a community empowerment approach to working with the most excluded people who are furthest from the labour market. This approach was developed in the region during the 2000-2006 ESF programme. The national programme contains a proposal for a Community Grant scheme worth 2.5% of the funding within Priority 1; however some of the wider activities within Priority 1 could also use a community empowerment approach.

5. What are your views on the use of a community empowerment approach for some of the activity within Priority 1? How significant a part of Priority 1 should this be when it comes to allocating funding?

- **5.1** The meaning of Community Empowerment ought to be made clear. This does not require a long treatise but the essential points that it requires should be explicit in the Framework: "An integrated set of small and locally-based projects designed by the target community themselves and founded on their participation and control."

A more explicit picture of what Community Empowerment means should be painted. *Empowerment* means allowing communities to specify need, design projects and **decide on** projects themselves. The *Community* aspect involves the idea that the whole combination of projects, and support systems for them, constitutes a strategic intervention in the community (with multiplier effects) over-and-above the sum of the individual projects. Both these elements must be explicit in the Framework. Much can be learned from Catalyst in this respect: if the example of Catalyst is good enough to be mentioned in the National Action Plan on Social Inclusion (DWP) it is good enough to be mentioned in the ESF Framework.

- **5.2** If possible the 5-point summary (abstracted from the last Community Empowerment Strategy and included in the L-POWER national research project) could be included. These outline the logic of a Community Empowerment approach or the Community Empowerment strategy thus:
 - Exclusion is not just a problem experienced by individuals, but it has a community dimension.
 - Exclusion is about barriers to participation. People who are excluded best know their needs and problems.
 - Projects to address exclusion should be designed by excluded people themselves.
 - Activity to address exclusion should be run by organisations close to and controlled by the community.
 - Where the community lacks the capacity to help itself, it should be assisted to develop that capacity.
- **5.3** It also ought to be made clear that this isn't a token or marginal activity but a central plank in the strategy to deliver the key Objectives under Priority One. The appropriate vehicle for this approach is a raft of relatively small organisations composed of and embedded within excluded communities
- **5.4** It also ought to be made clear that this Empowerment delivery will involve a high number of small and very small projects specified and chosen – as far as possible – by the target communities themselves. This approach will not easily fit ordinary tender systems but will require the assistance of Co-ordinating bodies to shelter them from excess bureaucracy, and aggregate and account for results to the managing agencies (CFOs). Good practice examples of this method can be found in the last ESF Programme. [The need to put in place systems that will support communities, allow access-when-ready and manage and aggregate as many as 1,300 projects over the whole Community Empowerment intervention \(if the proposal below is followed\) should be made explicit in the Framework. For at least the first two strands: an Intermediary Body approach seems the only possible method.](#)
- **5.5** The sector supports and re-iterates its established position that approximately **25% of all Priority One ESF funds** (therefore 12½% of the whole value of the Co-Financed Priority One Programme) should be allocated to implementing the Community Empowerment Strategy with the following ESF allocations to strands:

Strand 1	Local Social Capital	£7m - over the full length of the Programme
Strand 2	Community Mobilisation	£7m - over the full length of the Programme
Strand 3	Community Employability	£14m - over the full length of the Programme

[Over the last 14 months CEFET has developed, in partnership with Catalyst Programme, the TIGER Fund, and their constituent projects \(600 and 50 respectively\), and L-POWER, a comprehensive model of how such a Community Empowerment 3 strand programme could work. This includes roll-on / roll-off profiles for 28 communities, integration patterns between the strands, full cost analyses, participation, progression, employment, retention, learning, and output profiles and economic "green-book" analysis of how much such a programme would save the regional economy \(up to 4x the cost of the Programme\). All this data and modelling is available to the Programme to use.](#)

[The existing regional Local Social Capital Programme Catalyst has worked in the period 2001-2007 at a volume of £4.3m \(2004 prices\) and informs us that any diminution in the Programme will make it economically unviable. Given 7-year inflation rates from the last programme to the new programme cycle, Catalyst state that anything less than £5.3m would compromise the principles and effectiveness of a](#)

Local Social Capital approach. In the light of this the use of the “Community Grants” reserve in the new Programme is a red herring. The 3-tier Community Empowerment Programme should be developed as a strategic, central focus of Priority 1, and the place of Community Grants (if any) used to fill out or complement that strategy.

- **5.6** These strands should be integrated. Ideally they should operate each for 3 years in a range of specific excluded communities (of place or interest), following each other at one year interval, making a five year intervention for the target community. In a time-framed programme, of course, particular arrangements will be required for the opening and closing periods. This could (at the beginning of the new Programme) be achieved by involving and integrating communities already benefiting from this type of work in the last Programme.
- **5.7** To ensure strategic impact and integration and to overcome contracting difficulties, these programmes should be let as 3 specific Community Empowerment regional tenders but with sub-regional and local proposals for target communities required in the tender responses.
- **5.8** The central principle of developing activity done **by** community members rather than **to** community members ought to permeate the whole structure of Priority One with other activity building on and providing pathways from explicit, distinguished, Community Empowerment actions. **This should be expressed explicitly in the Framework**
- **5.9** In summary we strongly support a Community Empowerment Approach as detailed above and want to see, **clearly expressed within the Framework**, its meaning and a commitment to carrying it out at an effectively resourced level and under appropriate arrangements.
- **5.10** Given that the partnership of – particularly small – Third Sector organisations will be essential to making the Community Empowerment Strategy work, it is important that Technical Assistance is deployed to assist in information to and learning from these organisations in development of the Programme. Some reference to this need and the use of TA to meet it should be included.

Cross cutting themes.

There are two cross cutting themes in the ESF programme: equal opportunities and sustainable development. The framework aims to set out an East Midlands focus for the cross cutting themes.

6. What are your views on the regional issues identified within the cross cutting themes? How can the cross cutting themes be effectively integrated into the programme?

6.1 There is concern that focus on cross-cutting themes, especially equal opportunities, while important should not mask the specific work of combating exclusion and engaging with people and communities who are not engaged.

6.2 Similarly there is anxiety that focus on sustainability of provision should not detract from the issue of *sustained intervention* to help those that are most excluded through several stages of development towards the labour market. The 3 strand Community Empowerment approach is designed to solve this problem.

Innovation

An element of funding within Priorities 1 and 2 will be set aside to support innovative approaches to delivering ESF priorities. (NB Please note that the term “innovation” is used in ESF in a different sense to that used in the East Midlands Innovation Strategy. In ESF it means trying new and/or creative ideas or approaches to address skills and employment needs). Dedicated innovative projects will be encouraged to establish trans-national links. Themes for innovative projects will be chosen from a national list. The East Midlands ESF framework proposes themes for inclusion in this list based on views expressed in earlier consultation with stakeholders.

7. What are your views on the proposed themes to be addressed through innovative and/or trans-national activities?

7.1 There is concern that opportunities for Transnational work and mutual learning with other member states will be missed, for example in the role and impact of work on Social Enterprises as a basis for moving excluded communities forward (of which there are good examples in this region and well developed examples in other EU countries).

Links with other funding streams

The ESF programme should complement and add value to other funding streams available to the region - it should not displace or duplicate other funding programmes.

8. To what extent will the proposed areas of activity in the framework allow for consistency and alignment with regional, sub-regional and local initiatives e.g. Local Area Agreements, Neighbourhood Renewal programmes?

8.1 LAA and NR Programmes have very uneven records on Community ownership, engagement and impact. On-the-ground communities themselves should be engaged in defining the connections and inter-relationships between ESF and these Programmes, rather than top-down formulaic structures. Resources to enable strong participation by communities, particularly disadvantaged and excluded communities, in all funding programme structures are needed.

9. How can ESF be effectively integrated with the European Regional Development Fund programme in the East Midlands, in terms of strategy and implementation?

9.1 ERDF will, partly, identify spatial communities that require assistance on the basis of high IMD scores. The ERDF assistance will concentrate on “demand-side” economic development. However all research shows that poor and excluded communities do not benefit proportionately from economic development or regeneration initiatives in their own spatial areas – rather the new money “bounces out” of the community. This can be avoided by the development of community Local Social Capital and encouraging other “supply side” measures *within* the communities. The Community Empowerment strategy does just this, and possible synergising of some of ESF (spatial) targeting with ERDF spatial targeting holds out promise for those very disadvantaged communities.

Co-financing

All ESF funding in the East Midlands will be delivered through the co-financing system. Co-financing was introduced in the 2000-2006 ESF programme and channels ESF through public bodies that match ESF with domestic public funding and then let contracts to organisations to deliver projects. Co-financing organisations will develop co-financing plans based on the priorities identified in the framework. These plans will set out in more detail how ESF will be delivered locally.

10. To what extent does the framework give a sufficient strategic steer to co-financing organisations?

10.1 There is a pressing need to develop the Capacity of CFOs to write, and assess, flexible and high quality tender specifications, building on the best practice of the last Programme and in partnership with the Third Sector, to enable appropriate delivery bodies to participate without obstacles. This will be key in a Community Empowerment Programme.

In order to achieve this, fuller – and earlier – involvement of the Third Sector in partnership with the CFOs in filling out the parameters of the CFO processes will be essential. This process should be iterative throughout the Programme and Third Sector involvement in this Partnership approach will need resourcing through Technical Assistance.

10.2 The Framework ought to stipulate standards of engagement for the CFO's in general in this partnership work, and specifically allow intermediary or co-ordinating NGO involvement in delivering Community Empowerment. It is quite clear that about 80% of Third Sector organisations that can involve their communities (and often **only** they can involve their communities) in the sort of activity required by ESF Priority1, cannot or will not be in a position to respond directly or in partnership to CFO tenders. So specific "gateway" proposals to allow staggered, supported engagement by these group to the Community Empowerment elements of the fund will be essential. This issue is strategic and ought to have reference in the Framework.

10.3 If there is a move to bigger tenders in the next programme, there needs to be special care that this doesn't exclude voluntary and community groups who are already linked in to the target groups, and it is preferable that any tenders for provision that will involve the voluntary and community sector should go to bodies that are an integral part of, and trusted by, the sector. This is particularly important with tenders for work with the most disadvantaged, vulnerable and excluded target groups. The intermediary body approach used in Community Empowerment work in this programme (for example in Catalyst and Tiger) is a very successful model.

10.4 The integration and **synergy** of ESF with mainstream funding programmes should concentrate on complementing and filling gaps, rather than replicating mainstream activity. This is particularly important in work to engage and support the most disadvantaged, excluded and "hard to reach" target groups where "more of the same" would not be successful. ESF would here be most usefully deployed in providing activity that overcomes barriers, and provides appropriate effective alternatives to and Pathways into mainstream activity. The Framework should be clear on this point and give detail that will reassure concerns that this distinction will carry through into design and delivery of tenders.