

ESIF Funding around Skills, Employment and Social Inclusion

Background

To achieve the ambitions of Derby, Derbyshire, Nottingham and Nottinghamshire the **D2N2 Local Enterprise Partnership (LEP)** is putting in place the infrastructure and conditions to support business and employment growth. This will include a fit-for-purpose skills and training system which:

- Ensures our young people are properly prepared for work.
- Enables employers to access the skilled workers they need.
- Supports people, including the most disadvantaged, to develop the skills and employability needed to gain, retain and enhance employment and earnings.

Our approach to skills and employment is designed to:

- Avoid duplication with current programmes, instead ensuring they complement what already exists for greater efficiency.
- Ensure education and training systems provide the skills which fit the needs employers have identified in their workforces, both currently and for the future.
- Engage new start businesses and SMEs (small and medium-sized enterprises) in the education and skills agenda.
- Extend and deepen engagement between business sectors and training providers.
- Develop employer-led, added value, flexible provision.
- Remove barriers to employment for people.
- Deliver a step change in skills and employment performance across D2N2 (as outlined in its **Skills for Growth** and ESIF strategies).

Employment and skills are at the cornerstone of D2N2's **Strategic Economic Plan**. The LEP is committed to increasing the number of jobs within the economy and ensuring businesses can access the skilled workers they need, both now and in the future. There is a need to tackle unemployment, reduce the number of residents who are economically inactive and open up routes to employment for those not currently in work.

Too many individuals and families in D2N2 continue to be disadvantaged. Action is needed to ensure that every individual and family is socially included, and can access support to help them out of poverty. The need for lifelong learning is more evident now than ever before. People no longer have jobs for life, with many people changing employers as well as careers during their working life.

The D2N2 Skills for Growth strategy identifies six key priorities:

1. Develop sector growth agreements which make explicit the ownership and shared responsibilities for investment, ICT (information and communication technology), labour market intelligence and impact measures.
2. Improve business leadership, management skills and training needs analysis to help increase productivity and performance.
3. Promote and develop apprenticeships and traineeships, to achieve higher level skills and improve social mobility.
4. Foster enterprise and the characteristics of entrepreneurial behaviour, career adaptability and resilience.
5. Raise the visibility of and access to career insights and specialist careers support for young people and adults; to raise aspirations, participation, retention and achievement in learning and work.
6. Promote graduate recruitment and enable better retention of graduates in the region.

Challenges for employees/learners:

- Mismatch between young people's career aspirations and the reality of the local jobs market.
- 16-23 year olds struggling to compete with older workers, with an ageing population working longer.
- Lack of experience among young people getting into work.
- Only a quarter of businesses offering work experience to young people in education.
- Link between high levels of youth unemployment and low take-up of vocational courses

Challenges for employers:

- **23%** of D2N2 businesses face difficulty in getting experienced staff with expertise in STEM (Science, Technology, Engineering and Maths).
- **41%** of D2N2 businesses don't invest in skills development.
- Lack of skills and training resources among SMEs, who make up **99%** of all employers in the D2N2 area.

Funding to tackle these challenges and priorities

The D2N2 Local Enterprise Partnership will receive £214million over six years (up to 2020) through the **European Structural and Investment Funds** (ESIF), to support projects helping businesses, communities and individuals across the area it covers.

Its ESIF funding is made up of:

- £104m from the **European Regional Development Fund (ERDF)**
- £104m from the **European Social Fund (ESF)**
- £5.5m from the **European Agricultural Fund for Rural Development (EAFRD)**

The ESF money is for projects broadly aimed at developing skills, promoting employment, and in reducing social exclusion.

Accessing ESF funding

ESF funding contracted by the Department for Works and Pension (DWP), which is the managing agent for the fund, will be made available in stages, and through two different routes, beginning in March 2015.

Route One - Open Calls

Open calls will be published by DWP at its website www.gov.uk/european-growth-funding and also announced on the ESIF section of the D2N2 website at www.d2n2lep.org/EUFunding

Bidders will submit an expression of interest followed by an outline application. The application will be assessed by DWP, with advice being given by the D2N2 LEP as to how it fits with the local strategies. A full review of each application assessment and selection will be given to the DWP by D2N2's ESIF Programme Board. All open call contracts will be between the successful bidder and the DWP.

All those bidding for project funding through an 'open call' will need to provide matched funding of 50%, (eg a project asking for £500,000 will have to have matched funding in place of £500,000).

Route Two – Opt Ins

In its ESIF Strategy, D2N2 has agreed to 'opt in' to services from The Skills Funding Agency, the Department for Work and Pensions (DWP), and The Big Lottery Fund.

To ensure that activity funded under the 'opt ins' responds directly to local needs and priorities outlined in the ESIF strategy, D2N2 makes in principle commitments to each opt-in on the understanding that by doing so D2N2:

- Will determine the specification and timing of what is procured or delivered, building on a detailed process of co-design.
- Secures 'pre-match' funding at source which minimises risk of under-spend and ensures that activity procured or delivered is driven by the ESIF strategy, and not just the availability of a match.
- Expresses financial commitments which are indicative at this stage and will be finalised before the point of delivery.
- Does not impose added restrictions on who and what is funded or delivered, using D2N2 ESIF funds beyond those that would anyway apply from the managing authority.
- Ensures that no activity will be commissioned or delivered using D2N2 ESIF funds without the explicit endorsement of the D2N2 ESIF Programme Board.

Bidders whose projects come under the 'opt in' route will **NOT** need to provide matched funding, as this will be provided by the opt-in organisation.

D2N2's 'opt in' partners for ESF funding are:

- **Skills Funding Agency (SFA)** – for projects tackling education and training provision.
Information for projects through the SFA will be made available through its web-based e-tendering portal service, called BravoSolution. For further information contact the Agency direct at: procurementhelp@sfa.bis.gov.uk
- **Department for Work and Pensions (DWP)** – for projects aimed at employment provision.
Information for projects through the DWP will be made available through its web based e-tendering service, with all opportunities worth over £10,000 in value also appearing on its 'Contracts Finder' website. Further information is available at the DWP website www.gov.uk/government/organisations/department-for-work-pensions/about/procurement
- **Big Lottery Fund** – for projects aimed at tackling poverty and social exclusion.
Applications through the Big Lottery Fund, Building Better Opportunities. One East Midlands, the regional network for the voluntary and community sector in the East Midlands, has been commissioned to raise awareness of ESF funding opportunities for those working in the voluntary, community and social enterprise sector in the D2N2 area. For more information on activities which address priorities identified in the D2N2 Social Inclusion Framework see www.oneeastmidlands.org.uk/d2n2lep

For further information on the Building Better Opportunities programme see
www.oneeastmidlands.org.uk/d2n2lep

YOUR D2N2 CONTACT

If you wish to further discuss skills and employment training in the D2N2 Local Enterprise Partnership area, or our **Skills for Growth Strategy**, please contact our Commissioning Manager for Skills and Employability, Katrina Woodward, on 0115 9578757 ext 3162 or email: katrina.woodward@d2n2lep.org

CURRENT AND FUTURE CALLS

Access to Employment (OPEN CALL) – Now Open

One of the investment priorities for the ESF is to promote the sustainable integration into the labour market of young people, in particular those who are **Not in Education, Employment or Training (NEETs)**. This will be reinforced by the new Youth Employment Initiative (YEI) which requests activity across a broad range of themes.

For more information, download the call specification at www.gov.uk/european-structural-investment-funds/access-to-employment-project-call-in-nottingham
For D2N2 LEP information, download the strategic overview shortly to appear on the D2N2 website at www.d2n2lep.org

- Location - The Youth Employment Initiative project must cover Nottingham area only.
- Value - Up to £6.4million in funding is available (including the YEI allocation).
- Deadline – The outline application deadline is May 22, 2015.
- Completion – The project must be completed no later than July 31, 2018.

EMPLOY Local (SFA OPT-IN) – To open in May/June 2015

Creating opportunities and matching people to jobs, apprenticeships and graduate jobs.

For D2N2 LEP information, download the strategic overview:
www.d2n2lep.org/EUFunding/ESF

Contracting and funding allocation:

There will be two contracts, sharing the total £6m funding allocation from ESF and The Skills Funding Agency (the opt-in agency):

- D2 – Derby and Derbyshire
- N2 – Nottingham and Nottinghamshire

SKILLS Local (SFA OPT-IN) – To open in May/June 2015

Supporting workforce development and business growth
For D2N2 LEP information, download the strategic overview at www.d2n2lep.org/EUFunding/ESF

Contracting and funding allocation:
There will be one contract of a £7m funding allocation from the ESF and Skills Funding Agency (the opt-in agency).

SOCIAL INCLUSION PROGRAMME (BLF OPT-IN) – To open in June 2015

To deliver integrated and innovative solutions which tackle the root causes of social exclusion, address barriers to work, provide pathways to employment, and allow all adults to play an active role in the labour market, lifting people out of poverty wherever they live; including overcoming persistent pockets of poverty and supporting active inclusion through the use of local initiatives.

For D2N2 LEP information, download the strategic overview on the D2N2 website

Contracting and funding allocation:
There will be approximately £15.6million in Building Better Opportunities funding available in the first three years of the programme. This investment will need to put in place activity to address the priorities identified in the D2N2 Social Inclusion Framework.

What's the Big Idea?

D2N2 wants to hear from anyone developing a 'Big Idea' which they think might be suitable for ESF or ESIF funding in future.

Initial thoughts can be sent to us by using our online 'Big Idea' template, on the D2N2 website at www.d2n2lep.org/EUFunding/Ideas

Completed templates can be sent back to: richard.kirkland@d2n2lep.org

All Big Idea template submissions will be treated in strict confidence. We cannot advise which projects will or won't be successful but can provide initial advice and guidance.



Derby
Derbyshire
Nottingham
Nottinghamshire



European Union
European Structural
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