

# London Euroscene Bytesize



London's Voluntary and Community Sector in partnership with Europe  
to promote Social Inclusion

April 2011

## Overview

Further information is now slowly emerging about the ESF Rounds to be launched in the course of 2011. Perhaps, the most interesting information for voluntary and community sector providers is that relating to the preparation of the DWP ESF Programme to be targeted on workless households under the title of "support for families with multiple problems". This may well form a bridge into the next 2014-2020 ESF Programme, which is expected to address the poverty reduction headline target of the Europe 2020 Strategy.

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## LVSTC Programme of Events for May Now Published

Our programme of events on a wide range of issues affecting VCS groups and how they can access the European Social Fund, as well as other funding streams has now been set and so please find below dates for the month of April in a wide range of venues across London, including City Hall. All our workshops are **free of charge for VCS groups** and to book a place, simply reply to this email with the dates you would like and the details of the person/s you would like to book.

### Financial Planning in ESF

*Tuesday 10 May 2011, 9.30am - 12.30pm*

*@ Bromley Hall, 43 Gillender Street, London E14 6RN*

If you're thinking of applying for ESF or for other public funds, you'll be able to get help, here, with making up a project budget, preparing for financial claims, handling cash flow and completing final accounts.

### Running an Organisation under ESF

*Thursday 12 May 2011, 9.30am - 12.30pm*

*@ The Resource Centre, 356 Holloway Road, London N7 6PA*

Do we really need to be a registered charity or company to apply for a small grant? What is the role of my committee and how do we handle contracts of employment for our staff? Do we need to set up special structures if we want to earn income? These and many other similar questions will be answered.

### ESF Regional Conference ~ "Tackling Exclusion & Poverty"

*Thursday 19 May 2011*

*@ Europe House, 32 Smith Square, London SW1P 3EU*

An event, taking place during Adult Learners' Week, to reflect on latest developments with the European Social Fund across Europe, England and London, in particular. The focus will be on the new ESF Programmes to be launched during 2011 and on the preparations for the 2014-2020 ESF Programme, which will be partly targeted on poverty reduction.

**Full details will appear during the week commencing Monday 17<sup>th</sup> April on the LVSTC website. For more information, please contact us at LVSTC.**

## Department for Work & Pensions

In anticipation of their planned ESF Round later in the year, the DWP has just issued a public "Call for Evidence" under the title "ESF: support for families with multiple problems", available from <http://www.dwp.gov.uk/docs/esf-support-for-families-call-for-evidence.rtf> The Call identifies a number of engagement questions linked to specific issues, including: progress activities and measures; family

characteristics; referral mechanisms; delivery features; ongoing involvement.

Significantly, in the section "Progress activities and measures" the Call identifies a range of soft indicators: "We are considering using ESF support to deliver a number of activities that progress customers towards work. Providers would be able to help customers using the appropriate support from a wide menu of possible work-related progress activities. These might include:

- Attitudinal change, such as improved aspirations and motivation
- Life skills, such as time-keeping and coping with authority
- Work place skills, such as problem solving and improved organisation
- Personal skills, such as improved presentation and health
- Basic employment skills, such as brushing up literacy, numeracy or use of IT
- Improved labour market knowledge

And more substantial, measurable progress activities such as:

- A set period of work experience or voluntary work
- Participation in short job-related skills help, such as work-related certification in health and safety, etc."

The DWP is looking to commission employment-focused provision for families with multiple problems, supported through its European Social Fund (ESF) Co-financing (CFO) arrangements. Funding for the provision is limited to England. The funds available across the English regions may vary in scale.

The EU has set out criteria which ESF funded support must meet. In particular, strict accounting rules mean that, as a CFO, the Department is not able to pool ESF funding with funding from other bodies. In addition, all provision must be contracted for in a fair and open competition – funding cannot simply be allocated to existing organisations that are already providing support to families with multiple problems. Clear audit trails are also required, to demonstrate that customers meet eligibility criteria, and that the provision is delivered according to ESF requirements.

The intention is that Local Authorities will be the primary route to identify families who would benefit from the provision, and it is likely that providers and local authorities would work closely together. Under current assumptions, to be eligible, families would have to have at least one member on DWP out of work benefits and a history of worklessness in the family. **Once specifications have been drawn up, provision will be let through the DWP Framework for the Provision of Employment Related Services.**

The provision would offer support focused on moving customers closer to the labour market. In order to achieve this, paid-for outcomes would include the delivery of measures that progress individuals towards work, as well as job outcomes. This support should complement, rather than duplicate, currently available provision.

There are a number of areas of policy design listed below, where input from Local Authorities and other interested parties is welcome. All contributions set out on the Call form should be returned to [ESF.Engagement@dwp.gsi.gov.uk](mailto:ESF.Engagement@dwp.gsi.gov.uk) between 12 April and **6 May 2011**. Only one response representing the collective views of your organisation should be submitted. A response, setting out the chief points raised, will be published, later in May. You do not need to complete every section of the form in order to return it.

The Call closely follows the recent publication of the Coalition Government's new Child Poverty Strategy: ***A New Approach to Child Poverty: Tackling the Causes of Disadvantage and Transforming Families' Lives.*** This sets out the Government's approach to tackling poverty for this Parliament and up to 2020. "At its heart are strengthening families, encouraging responsibility, promoting work, guaranteeing fairness and providing support to the most vulnerable. This strategy meets the requirements set out in the Child Poverty Act 2010, focuses on improving the life chances of the most disadvantaged children, and sits alongside the Government's broader strategy to improve social mobility. The core ways to achieve this are:

- A stronger focus on ensuring that families who are in work are supported to work themselves out of poverty, families who are unable to work are able to live with dignity and not entrenched in persistent poverty, and that those who can work but are not in work are provided with services that will address their particular needs and help them overcome barriers to work.
- A stronger focus on improving children's future life chances, by intervening early to improve the development and attainment of disadvantaged children and young people throughout their transition to adulthood.
- A stronger focus on place and delivering services as close to the family as possible, by empowering local partners and ensuring that local diversity can be recognised, and developing strong local accountability frameworks.

This Strategy provides a powerful springboard for progress both towards the income targets over the long term, and towards minimising socio-economic disadvantage for children. Our more detailed measurement and monitoring - including lead indicators and gap measures - will tell us whether we are making an impact and where we need to adjust the approach.

The Government launched a consultation in December 2010 to inform the strategy. The Government's

**Response to the Consultation** is available online. An equalities statement will be published shortly."

Meanwhile, new research published by the Department for Work and Pensions (DWP) explores the relationship between work and parenthood, as well as the role of the support available to parents in helping them overcome any constraints to working.

"The main summary findings are:

- **Full Time Parenting and Decisions about Returning to Work** – The decision to stay at home to look after children was often reported to be a conscious choice, in order to enable parents to provide the care and support their children need to develop emotionally and educationally. Other parents explained decisions to stay at home in terms of a lack of employment prospects, which were sometimes attributed to personal barriers such as poor health and a lack of suitable childcare.
- **Job search** - Four themes emerged as key influences on the experiences of parents searching for work. These included constrained job opportunities, work experience and confidence, gendered roles and the availability of family and household support.
- **Easing the Transition into Work: Transitional and In Work Benefits** - Recent policies concentrated on ensuring that work pays, supporting the transition into work; and providing advice and assistance about moving into work were found to have had only limited effect on the concerns of parents about leaving out of work benefits and the financial uncertainties they associated with being in work.
- **Experiences of Work** – Parents who had returned to work reported both positive and negative experiences. Several factors were reported to support a return to work and to aid job retention. These included working part time, support from family and friends, the flexibility of employers and job satisfaction."

**If you want to keep up to speed with these DWP/ESF developments, please register for the forthcoming LVSTC/GLE Workshops on Partnership Development under ESF, shortly to appear on the LVSTC/GLE websites after Easter.**

## Skills Funding Agency

In their Update Issue 52, special mention has been made of the **use of SFA funds as match-funding for a provider's own application for other European funding:**

"We have recently been approached by several providers requesting to use our funding as match funding for their applications to other European funding such as the European Integration Fund. We regret that we are unable to support provider's requests of this nature.

As the Agency has primary responsibility for the delivery of skills provision in England, we currently access the breadth of our provision to identify match funding for our own European Social Fund (ESF) Co-financing provision.

We include a clause in all our contracts that reserves the right to use payments made under the agreement as match funding for European Social Fund Co-Financing Projects. This approach also applies to YPLA funding that may be used as match funding for ESF NEET provision.

We are committed to continuing to explore practical means by which we can support providers with match funding for EU programmes other than ESF in future. We do recognise the funding constraints faced by providers in the current economic climate, and we will provide further information when available."

The SFA have released **Guidance Note 7**. Excerpts, included below, cover some areas of particular significance to voluntary & community sector providers. However the full transcript is at <http://readingroom.lsc.gov.uk/SFA/GN7-final-11april2011.pdf>

### "Minimum Contract Level (MCL)

5. Government is keen that the introduction of MCL drives greater efficiencies across the sector and supports a stronger and more autonomous provider base. At the same time, there is a clear commitment to ensuring that high quality specialist provision is not lost to learners as a result of this change.

6. The Minister has therefore agreed the following circumstances where providers can make a case for an exemption:

- Where there is a risk of specialist provision being lost, or where there will be a significant impact on the choice available in particular localities, for example, in rural communities
- Where to enter into any subcontract or consortia arrangement is detrimental to delivery, or is less efficient in terms of the resources which are focussed on learners
- Where there are no sensible or suitable subcontracting or consortia arrangements to pursue, either because of the geographical or sectoral/specialist nature of the organisation and/or its provision.

Please note that evidence will have to accompany requests for exemption....

12. Local authorities, which deliver Informal Adult and Community Learning and which are affected by MCL but require more time to enter into new contract arrangements, will be granted an extension beyond the existing deadline. The Agency will accept a request for current service arrangements to roll forward in 2011/12 where there is a clear indication (for example, supported by a documented commitment and short action plan) to move to new contracting arrangements in advance of the 2012/13 funding year.

13. The Agency will 'ring-fence' funding for a local authority which enters any new collaborative arrangements in order to protect the geographical aspect of the funding. That is, whilst this funding might change in value, in line with other funding decisions, the proportion of the contract value will always be identifiable as being for a particular local authority area, unless all partners agree to a different split...

### **Subcontracting**

25. The Agency is working to simplify systems to enable colleges and training organisations to respond more efficiently and effectively to local demand. The Agency has therefore removed the maximum delivery threshold for subcontracting (previously known as the 51% rule).

26. This change, coupled with the introduction of the MCL, means that there may be an increase the volume and breadth of subcontracting arrangements in place, supporting direct contracts. The Agency recognises that increased levels of subcontracting can present additional risks. These will need to be managed carefully, across the whole of the sector. The Agency is therefore working with sector representatives to review its subcontracting strategy so that it can manage risk robustly and promote good practice. Further guidance on this will be published later this year.

27. The Agency's contractual funding requirements make it clear that the lead provider/contractor has ultimate responsibility for all aspects of the provision that it chooses to subcontract. All lead providers must have a legally binding agreement with each of their subcontractors and all subcontractors must be registered on the UK Register of Learning Providers (UKRLP).

28. Lead providers will remain responsible for checking the details provided by subcontractors and the Agency will not accept any liability in respect of the suitability of the subcontractor. Providers are expected to complete their own due diligence assessment process before entering into a contract.

29. The Chief Executive of Skills Funding reserves the right to refuse funding for any subcontracting arrangements...

### **Opening up the single Adult Skills Budget for training organisations**

34. The single Adult Skills Budget allows all providers to offer a range of learning and training that meets the needs of learners, employers and communities. From August 2011, this means that training organisations that have previously only offered Apprenticeships and/or workplace learning may also be able to deliver other provision delivered outside the workplace. This will allow training organisations to maximise the flexibility of the single Adult Skills Budget, including delivering training that meets the needs of unemployed learners, and helps those wishing to move into Apprenticeships.

35. Training organisations wishing to be considered for delivering wider further education provision (previously referred to as ALR) need to register for this on ACTOR in the single Adult Skills Budget ITT.

36. Training organisations will be funded for this delivery (paid on actuals) through the normal Employer Responsive route, where the additional learning aims will be available through the Learning Aims Reference Application (LARA) which replaces the Learning Aims Database (LAD) in 2011/12.

37. The Agency and the Association of Learning Providers are currently holding a series of seminars for all training organisations interested in delivering this wider offer. Following these events, the Agency will publish a Technical Briefing Note to report on the issues raised and provide further information on how this will work in 2011/12...."

**For full information, please contact: [www.skillsfundingagency.bis.gov.uk](http://www.skillsfundingagency.bis.gov.uk)**

### **London Development Agency**

The LDA has now received a clear indication of its final settlement from the Department for Business, Innovation and Skills. The overall economic development settlement for the capital is a single pot for London and covers three years – beyond the closure of the LDA in March 2012 – and totals £388 million. The sum of funding post-2011/12 will pass to the GLA as the LDA will be closed.

The LDA is now working closely with the Mayor and the GLA to finalise which projects will continue and the allocation of resources that will be required to deliver the Mayor's priorities during 2011/12.

Contingency discussions regarding the four specifications of the LDA's ESF Youth Programme 2011-2013: Pan-

London NEET Provision, Training to Work, Volunteering in Employment, Education or Training or Opportunities for Vulnerable Young People (NEET) have now been completed with the GLA, the European Programmes Management Unit (EPMU), the Skills Funding Agency (SFA), Young Peoples Learning Agency (YPLA) and 14-19 Regional Planning Group. It has been agreed that, in order to ensure provision for young people not in employment, education or training (NEET) is in place for the coming academic year, the Skills Funding Agency will launch the procurement exercise to deliver this round of NEET specifications. The LDA and SFA are working together to deliver the objectives of the LDA's ESF Youth Programme 2011-13.

Should any organisation or consortia wish to submit an application to deliver one of these specifications, they should initially register on the SFA e-tendering portal: <https://skillsfundingagency.bravosolution.co.uk/web/login.shtml> in order to access the relevant documents when launched.

## London Councils – Community Grants

It is anticipated that a new round of Community Grants will be launched in June 2011. However it is not expected to run in all London boroughs.

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**This e-bulletin is edited by Geoff Robinson**

**Views expressed herein are not necessarily those of LVSTC.**

**If you would like to have an item included in the bulletin or have any feedback then please email [geoffr@lvstc.org.uk](mailto:geoffr@lvstc.org.uk)**

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