

ESF speech (15 minutes) – The European Social Fund in London

This is the first public speaking event I am giving on behalf of the Mayor in relation to his responsibilities for European Funding. What better way to do it that celebrating the launch of the new London ESF programme.

The previous speakers have spoken about the success of the past ESF programme and how thousands of Londoners have benefited from the European funding. And it's great to see so many different kind of organisations here today, a tribute to London's dynamic voluntary and community sector

I want to emphasise that the new Mayor is a great supporter of European money for London. We've heard that the last ESF programme had a very positive impact in London and has played a key role in combating social exclusion and worklessness. However, with London's high worklessness rates there is still lot of work to do.

I can assure you that Mayor Boris Johnson and his team are totally committed to making the most of the new ESF programme, still the largest of any English region. We want to ensure that we learn from the

successes of the last programme and where possible improve on it, to maximise the value for money to London of this significant programme.

THE NEW PROGRAMME AND ROLE OF THE MAYOR

Many of you probably know that in London, for the period of 2007 to 2013, the ESF programme will be directed by the Mayor and administered by the London Development Agency's European Team. This regional devolution is very good news for London. This approach will allow the Mayor to provide strategic direction to the programme, address London's particular needs and ensure a more integrated and coordinated approach.

Despite some current difficulties, London's labour market is the most vibrant, successful and accessible in Europe. People flock to London from all over Europe and the world to gain employment. Yet the paradox is that a significant proportion of Londoners do not benefit from London's booming economy at all. Levels of worklessness for working-age Londoners have remained at around 70% or less for many years now – the worst employment rate in the UK. Worklessness is particularly high for some groups like lone parents

where the rate of worklessness is as low as 55%. This has a huge impact on children's lives and is a key contributor to the fact that 40% of London's children live in families below the national poverty threshold.

The new ESF programme aims to support these people into work, through targeted training and qualifications.

A key group the Mayor wants to increase support for is young people at risk of social exclusion and offending or ex-offenders. In his manifesto Boris promised to make it a top priority to tackle the disengagement of some of London's young people from wider society. Crime, violence and social exclusion are major problem affecting our youth. We expect ESF will be a key tool to help disaffected young people by giving them options and opportunities that provide a purpose to their lives.

Over the next seven years the ESF programme will allocate almost £54 million of ESF funding to the 14-19 agenda. Together with the match-funding a total of £108 million will be spent on young people not in employment, education or training. With this funding, the programme expects to support over 31,000 young people of which about 14,000 will move into education, employment or training.

But beyond this, ESF is a programme from which all Londoners can benefit both young and old. The programme will engage with a variety of groups from London's diverse communities who want to access the labour market, and those who although already working want to improve their skills to have better job prospects. The programme will offer opportunities to all across this range.

ESF projects will provide beneficiaries with a variety of skills from English language, maths or IT, to more specialised skills like support to start up their own business. These projects will act as catalyst that will facilitate beneficiaries' access to the competitive London labour market.

LINK TO THE LSEB

Substantial though they are, the ESF programmes are only one element of London's skills and training funding. The Mayor is fully committed to the wider skills and employment agenda and from day one has been actively engaged in the work carried out by the London Skills and Employment Board which he chairs.

The Board will be publishing the first London Skills and employment strategy in the next few weeks. The

strategy identifies integration of services across the capital and better coordination among delivering organisations as an essential factor to make the skills and employment agenda successful. ESF is one of the programmes which the LSEB will be using as a benchmark towards these goals. So we will be closely working with the four London ESF co-financers to ensure their objectives and prospectuses are adequately integrated and accessible to the voluntary sector and other providers.

ANNOUNCEMENT OF PROJECTS

FROM ALL CO-FINANCERS

In the last few months all the co-financers have been working very hard to launch their prospectuses, and manage their tenders and bidding rounds. I want to congratulate them on doing a great job. It has been the first step towards working in a more coordinated way and it has been largely successful.

However, we recognise that there is further work that can be done to improve the way the co-financers work together. And I want to ensure that we will work with them and with you in the next months to identify how to simplify the ESF process for applicant organisations.

Under the first bidding round, more than 200 projects will be funded. And it's very encouraging to see that of those almost 50% of the projects will be lead by third sector organisations.

Working with voluntary and community organisations is seen by the Mayor as a key forward to tackle poverty, social inclusion and worklessness.

The voluntary sector fulfils a vital function in building and promoting a fairer society. In many cases, the work carried out by third sector organisations complements the role of the statutory sector and provides services that would otherwise not being performed. In others, the voluntary sector is simply best placed to deliver value for money and effective services. We will ensure that the process of working with the voluntary sector is open and transparent and avoids favouring some groups in detriment of others. And we will work with the voluntary sector to ensure value for money

Today, I want to emphasise to you the Mayor's commitment to engaging with London's voluntary sector in a pro-active and meaningful way.

In his Manifesto, Boris promised to set up a Mayor's fund. This fund will bring funding from the private

sector. Its primary objective will be to engage with organisations working with young Londoners. There is already a team working hard to create this fund and we hope to be able to make an announcement with more detail before the end of the year.

The Mayor values very highly all the work that organisations like yours have been doing in the last years. You play a fundamental role in supporting socially excluded groups to integrate in the labour market, and in increasing social cohesion in London. We can assure you that we will keep working closely with your organisations and listen to your voice to help make the new programme a great success.

SMALL VOLUNTARY AND COMMUNITY GRANTS PROGRAMME

The new Mayoral administration also wants to engage particularly with smaller voluntary and community organisations who often have the best links into those communities most needing support. The old *Fast forward grants programme* was a success in doing this.

The Mayor wants to ensure that a funding programme working with small voluntary groups continues. A new ESF programme for small community groups will be

launched, probably with a new name, in the next few weeks. Around £6,000,000 has been allocated for this programme until 2010.

The new ESF small community grants programme will be match funded by the LDA for the period of 2007-10. This is very good news. Unlike in the last programme there will not be a need to look for match funding on a yearly basis. This guarantees the continuation of the small grants programme through to 2010.

The LDA will be publishing more detailed information on this programme in its web page.

ADDITIONAL ESF FUNDING

The announcement from the Minister on additional £26 million for London is excellent news.

I am afraid the current euro/pound exchange rate may be bad news for UK holidaymakers who want to spend their holidays in the eurozone, But I hope it will be some consolation to those of you here that it also means more resources for ESF in London!

Over the next few weeks we will be identifying how best to invest this additional funding in London.

CONCLUSION

To finish, I would like to thank all everybody who's been involved in the ESF programme. Without you the existing programme would have not been a success. We really hope you will keep being engaged in the new programme so that we can make a real difference to the London

I'd like to finish with thank-yous:

Thank you to colleagues at the Department for Work and Pensions and the Government Office for London for the work done to get us to this stage; we look forward to continuing to learn from you and work with you.

Thanks to the European Commission, and in particular to Santiago and Ines for the support and commitment to London and their excellent work in helping us to develop the new ESF programme.

And big thank you to Ray Philips and the London Voluntary Sector Training Consortium for organising today's event. It's no mean feat to get the Government, the Mayor and European institutions all under one roof!

But even more important is the excellent attendance from all of you who are at the centre of delivering change in the lives of Londoners.

Thank you.