

**LONDON EUROPEAN SOCIAL FUND CONFERENCE
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**Speech by James Plaskitt MP
Parliamentary Under Secretary
Department for Work and Pensions**

“The ESF moving forward”

I am delighted to speak to you today at the home of Chelsea football club I am given to believe.

I'm relieved I'm not having to speak about football itself because I must confess I know next-to-nothing about it.

I hope that's not the equivalent of blasphemy in these hallowed surroundings!

Anyway, it's a fabulous stadium and very appropriate – because you could actually fill it with Londoners who have had – or who will have – some involvement with ESF programmes!

That's the scale of what we are talking about today.

I am proud to be the UK Minister for the European social fund. Because it does great work in London and throughout.

It's about tackling exclusion, and promoting employment opportunity for all.

So that everyone can fulfil their potential.

Already across London, we have seen thousands of projects financed resulting in transformed opportunities for hundreds of thousands of our citizens.

Last year we launched the next phase of ESF programme around the country and in London.

It will last from 2007-2013.

It will build on the many successes of the 2000-2006 programme.

And today I am pleased to announce that 205 new projects are starting in London.

The first to be given the green light were 33 projects co-financed by the London Councils.

And last Friday [30 May] my Department announced its first 11 successful bidders in London who will be working with over 60 partner organisations.

I'm particularly pleased that about half of the 205 new projects in London will be led by the third sector.

That's a great achievement, and recognises the crucial role the sector plays in reaching the most disadvantaged.

Furthermore, small voluntary and community groups will benefit from the new ESF community grants in London. ESF community grants will build on the success of Fast Forward grants. In the 2000-2006 programme, over 1,100 Fast Forward grants were awarded to community groups - helping about 17,000 excluded people move towards jobs.

ESF – justifying changes

Since its inception in 1957 ESF has kept up with the times.

In its early years it helped workers to adapt to the new common market.

Then in the 1970s and 1980s it tackled high levels of unemployment – including back then - in England.

However the days of 3 million unemployed are thankfully a thing of the past!
So since 2000, ESF has focused on giving the people of Europe the jobs and skills to compete in our global economy – as set out in the ‘Lisbon Agenda’.

In the UK, ESF has augmented current policies to help move people from welfare to work.

Our employment rate - at 74% - is already one of the highest.

But we want to go further and achieve full employment and embed world class skills across the workforce.

The next phase of ESF will help us meet those ambitions.

Over the next seven years, ESF will invest £2 billion in England, matched to £2 billion of national funding.

To tackle its employment and skills challenges, we allocated London the largest regional share of ESF funding in England – £324 million.

I’m pleased to announce today that London will benefit from a further £26 million ESF funding over the next three years – as a result of the sterling revaluation of the programme. We will shortly begin discussions with the Mayor’s Office and Co-financing Organisations on how this new money should be used.

Reduction in funding

Of course, like other richer member states, we have seen our ESF funding reduce. We’ve not disguised the fact that funding for England in 2007-2013 is half the amount it was for 2000-2006.

And this reduction is for a very good reason.

Since 2004 the Union has expanded to include 12 new, less prosperous countries from central and eastern Europe. Their average GDP per head is less than half that of the 15 older member states.

Just as we benefited from European funding after our entry in 1973 – so it is right that we now show solidarity with the new accession states.

07-13 is different

So this new round of ESF is different.

There is less money, so it needs to be more carefully targeted, and everyone will need to continue to work to tight budgets.

It is even more important that we spend every single pound effectively. To help this, we have set two priorities to focus the projects that will emerge from this round of ESF funding.

These priorities are high level and not overly prescriptive, so they give organisations the flexibility to be innovative and tailor solutions to local situations.

Priorities and targets

The first priority is “extending employment opportunities” for unemployed and disadvantaged people.

This priority targets groups who face the biggest barriers to work.

For example, disabled people, ethnic minorities and young people not in education, work or training.

It will also focus our efforts on those with low skills. We know that those with low skills are 40% less likely to be in employment.

By 2013, in London, we aim to help at least 35,000 people into jobs and see 24,000 of the most disadvantaged make positive progress toward entering the labour market.

We also aim to re-engage 14,000 disadvantaged young people in learning or a job.

The second priority is “developing a skilled and adaptable workforce”.

We will target those who are less likely to receive training – such as people without level 2 qualifications, and part-time women workers.

By 2013, we aim to see 49,000 employees gain basic skills and other qualifications.

Examples: success stories

Behind these statistics are countless numbers of success stories.

On my visits to projects, I've met many people whose lives have been changed thanks to ESF projects.

One that stands out is the Ilderton Motor Project here in London – the first project I visited after becoming Minister for ESF.

The project works with socially excluded youngsters. Some of whom have a history of offending.

But, they all share an interest in cars and the project uses that as a hook to re-engage them in learning.

I met a youngster called Cory, who had been struggling at school and had been short on confidence. Through this project, he gained a motor maintenance qualification, and secured a job.

The boost this had to his self confidence and well-being is immeasurable. Without the help of this project, he freely admitted he could have been drawn into crime and potentially into a downward spiral of exclusion.

He is just one of the three quarters of a million Londoners who – since 2000 – have improved their job prospects and skills thanks to ESF.

A few weeks back I was pleased to present awards at Adult Learners' Week.

Two of the ESF winners are worth a mention here.

Milton Wacha won the “ESF Outstanding Learner of the Year”.

At 15 he was expelled from school, drifted into a life of drugs and crime and was known as one of the most prolific criminals in west London.

Yet in a few years, with intensive help from Action Acton he has turned his life around. Through learning new skills, engaging with different people, he stopped committing crimes, has gained in confidence and recently secured full time employment.

I gave the “Opening Doors award” to the YMCA Fitness Industry Training project. The project is helping ethnic minority women in London gain jobs in the health and fitness sector.

One of the participants was Amreena Husain Ali. Through the project Amreena was provided with specialist help and training to enable her to become a fitness instructor. She has now set up numerous women only fitness classes that benefit her local community.

Cory, Milton and Amreena stand out as just three shining examples. But there are so many others with equally inspiring personal stories – thanks to ESF.

Incidentally, the next time you read the customary, ill-informed Europe-bashing in sections of our media, and someone says to you “what has Europe ever done for us?” – mention the ESF.

Olympics

Despite my rather pitiful ignorance of all things football, I am, let me assure you, an enthusiastic follower of many sports – and a firm believer in the benefits they bring.

So it is perhaps fitting to be speaking to you at a sporting venue, because this year is an Olympic year and of course in just four years time the Games will be coming to London.

As we approach 2012, it will be important to ensure all sectors of society can get involved in and benefit from the Games.

We must maximise opportunities to make sure the Games do not just pass people by, especially those who deserve to be involved.

So one of my challenges to you today is to see more ESF projects that address the employment and skills needs and opportunities required to ensure the 2012 Games are a success.

For instance, a project called Personal Best is using the prospect of volunteering for the Games to encourage workless and socially excluded individuals to gain new skills, engage in their communities, raise their aspirations and move nearer to the job market.

It’s a great initiative but as the Games present such an opportunity to London, I am keen to see more initiatives like this one.

Conclusion

Many of you in the room have already made a big impact in tackling exclusion and disadvantage, and I thank you for that.

We cannot do this alone, European and Government money is essential but it is your work on the ground, at a local level that gets the real results.

Together we can continue to transform lives of hundreds of thousands of people.

As we move to the next funding round, we know we have made good progress with previous money. But now we also know there is less money for this new round.

So there's an obvious challenge then. It means we must make sure every pound counts and that we focus our energies on those people with the greatest needs.

So that in 2013, we can look back on this chapter of ESF funding with as satisfaction as we can the previous round.

And the ultimate test is the same: we are all in the business of turning lives round, of firing - up self – confidence, of proving to people their worth, of unleashing potential.

And London can do it. For the thousands of our citizens just waiting for the opportunity.

Thank you.