

**ESF 2000-2006 OBJECTIVE 3**  
**OPERATIONAL PROGRAMME FOR**  
**ENGLAND AND GIBRALTAR**

**(1999GB 05 3PO 03)**

**PROGRAMME**  
**COMPLEMENT**

**SECOND EDITION**  
**SEPTEMBER 2002**





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# INTRODUCTION

## Purpose

The Programme Complement describes how the Managing Authority and wider ESF partnership use Objective 3 of the European Social Fund (ESF) to support employment and human resource activities in England.<sup>1</sup> It follows on from three documents which shape how the ESF is implemented in the UK and England:

- **Policy Frame of Reference for the UK:** This is informed by the National Action Plan for Employment and provides a policy framework for all Structural Fund expenditure to promote employability and human resource development in the UK.
- **Objective 3 Community Support Framework for Great Britain:** This provides a rationale for the use of ESF to support national policies, in line with both the European and national employment agenda. It also provides an analysis of labour market needs. It was informed by a nation-wide consultation exercise on the priorities for ESF funding.
- **Objective 3 Operational Programme for England and Gibraltar:** This flows from the Community Support Framework and sets out how Objective 3 money is to be targeted in England and Gibraltar. It provides a detailed labour market analysis and a description of the policy fields and measures. It also provides an overview of how the funds will be implemented and address the horizontal issues that apply across all the Structural Funds. (There are separate Operational Programmes for Scotland and Wales.)

The Programme Complement describes the strategy for implementing the measures in the Objective 3 Operational Programme for England and Gibraltar (reference no. 1999GB 05 3PO 03; decision reference C1115 of 19.7.2000).

## Section 1: Policy Fields, Measures and Indicators

The first section of the Programme Complement describes each of the policy fields<sup>2</sup> and measures through which ESF support is channelled. Each policy field has one or two strategic objectives. There is also a summary of the key factors that have informed the choice of activities to be supported. These are the UK policy priorities, the labour market context, the lessons from previous programmes and the results of an extensive consultation process.

Within each policy field there are two or three measures which deliver the strategic objectives. The description of each measure includes the justification, the main target groups, the main types of activity and the monitoring indicators that are used to gauge progress.

## Section 2: Selection Process

This section sets out how projects are selected. It describes: 'direct bidding' to Government Offices; the co-financing system that was introduced from September 2001 to improve the strategic impact and delivery of ESF; and Global Grants to facilitate access for small organisations.

## Section 3: Finance and payments

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<sup>1</sup> Article 18.3 of Structural Fund Regulation 1260/99 sets out the content of the Programme Complement.

<sup>2</sup> Policy fields are referred to as 'priorities' in some programme documents and the financial table.

This section contains the financial table and describes the process by which funds are allocated to the English regions and to central and national projects. It also describes how funds are passed on to applicants.

#### **Section 4: Publicity**

This section introduces the publicity strategy which is set out at Annex 4.

#### **Section 5: Exchange of Data**

This section describes the arrangements for exchanging data with the European Commission.

#### **Annexes**

The annexes provide information on the categorisation of fields of intervention, types of final beneficiary, the publicity strategy, the evaluation strategy and Technical Assistance for effective delivery and the dissemination of best practice.

#### **Preparation and Revision of the Programme Complement**

The Programme Complement is prepared by the Managing Authority, European Social Fund Division in the Department for Work and Pensions (DWP). Revisions are made during the life of the Operational Programme as improvements are sought and delivered in implementation structures.

The first Programme Complement was adopted by the England Objective 3 Monitoring Committee at its meeting in July 2000. This document is the first revision of that Programme Complement. It takes account of the development of the programme, papers approved by the Monitoring Committee and new Commission regulations. Changes have been made to:

- reflect the transfer of ESF Division from the former Department for Education and Employment to the new Joint International Unit of DWP and the Department for Education and Skills, following the June 2001 General Election;<sup>3</sup>
- incorporate the list of performance indicators;
- take account of the Technical Assistance and publicity strategies which were approved by the Monitoring Committee in December 2000;
- take account of the introduction of co-financing;
- reflect new guidance from ESF Division on regional development plans, Global Grants and audit certification;
- indicate how the measures focus on the needs of Objective 2 areas;
- provide further information on how the horizontal themes are taken into account in project selection;
- record the action being taken to ensure that relevant parts of the programme are covered by the European Commission's Training Aid block exemption regulation (68/201) which came into force after the Programme Complement was first approved, as an additional option for conforming with EU competition rules alongside notified schemes and the de minimis rules;
- update the financial table to reflect the virement within priorities agreed by the

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<sup>3</sup> In addition, ESF Division re-located from London to Sheffield during 2001.

Monitoring Committee in March 2002 and the model table provided in the Commission's Vademecum;

- update the texts on central and national projects;
- address some inconsistencies in the 'fields of intervention' in the original Programme Complement (the system that the Commission uses to categorise activities);
- identify types of 'final beneficiary' (the organisations responsible for commissioning operations); and
- update the information on evaluation.

The labour market analysis and evaluation information in section 1 have not been revised as these relate to the ex-ante evaluation of the programme measures. Updates on labour market and skills trends are provided in the Annual Implementation Reports.



# 1. POLICY FIELDS, MEASURES AND INDICATORS

## 1.1 Overview

This section begins with an explanation of how the monitoring indicators were developed. It then describes the policy fields and measures that deliver Objective 3 ESF support in England. The description of each policy field contains: the strategic objectives; the labour market context; the lessons from the evaluations of previous programmes; and the results from the consultation exercise. The measures include: the overall justification; the broad target groups; the types of actions that can be supported; the relevant field of intervention (described in annex 1); and monitoring indicators to measure progress in terms of implementation, results and the impact.<sup>4</sup>

## 1.2 Indicators

The Operational Programme sets out a number of indicators of the expected average annual outcomes of the programme. Most of these indicators are monitored annually, although a few will not be monitored until the mid term review. The latter are mainly the indicators on the net impact of the programme.

The development of the indicators was informed by Commission guidance and the experience of monitoring previous ESF programmes. Learning from past successes and failures provides a useful basis for establishing a more effective system of monitoring post-2000. The indicators also take account of the development of indicators within the National Action Plan guidelines.

The development of indicators post-2000 follows the main recommendations made in the Final Evaluation of Objective 3.<sup>5</sup> This report recommended that the monitoring system post-2000 should be characterised by requirements for greater stability and transparency of information. Greater stability would help programme managers, evaluators and those within projects who are responsible for developing systems to provide monitoring data. The report suggested that “whatever monitoring system is developed, it should be guided by a commitment to promote a robust and reliable system which is consistent over time and place and imposes the minimum burdens on projects necessary to have the maximum impact on policy development and monitoring.” More generally, it argued for: a reduction in the volume of information requested from projects; research to track beneficiaries through ESF support to enrich understanding of the programmes; softer indicators of success to help record a wider range of achievements; and better information on what projects actually do.

It is important to stress that there are areas that cannot be measured through a single point indicator. Consequently, there are some notable absentees from the list of indicators. Certain forms of assistance to develop structures and systems do not lend themselves easily to quantification. Projects that focus on, say, generating specific improvements in local training infrastructure cannot easily be quantified, particularly on an annual basis. More importantly, it may not even be desirable or justified to focus on annual outcomes for certain types of activity. Some areas are best left until mid-term evaluation when a more qualitative assessment of impacts can be carried out. Nevertheless, it is important to recognise that these forms of ESF

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<sup>4</sup> The labour market analysis and evaluation relate to the data available when the programme measures were originally designed in 1999 and 2000. Updates on labour market trends are provided in the Annual Implementation Reports on the Operational Programme.

<sup>5</sup> Final Evaluation of Objective 3 in Britain (1994-99), DfEE Research Report (164)

activity contribute towards achievement of the wider objectives of the Structural Funds even if formal targets cannot be established at this stage.

Project promoters have voiced concerns over the choice of performance indicators to assess the success of previous ESF programmes. The traditional approach emphasises measures of positive outcomes (jobs, self-employment, further training) and qualifications. These remain important indicators of success post 2000. However, it is important to acknowledge that, taken in isolation, they fail to take full account of the positive contribution which activities funded through ESF can make in helping to bring people closer to the labour market. Given the nature of labour market disadvantage faced by much of the typical ESF client group, a fuller assessment of the success of projects might come from looking at the progress of individuals against their own aims set while on the project. Some measure of the *distance travelled* towards labour market integration might provide a more complete measure of the wider contribution of ESF in supporting some of the more disadvantaged members of the Objective 3 target group. Although measures of *distance travelled* by the more disadvantaged beneficiaries could usefully feature in project monitoring, it would not be appropriate to set national targets at this stage given both the uncertainties over the degree of disadvantage beneficiaries might have and the need to establish a reliable method of measurement. The ESF Evaluation Team has commissioned external researchers to carry out further work in this area.

ESF performance within previous programmes provides much of the baseline information used in deriving output forecasts. Both monitoring data from the final claims database and leavers' survey data generated as part of the evaluation of Objective 3 underpin the forecast impact. Quantifying the impact of the measures is further complicated by the overlap between some policy fields. For example, an unemployed beneficiary with multiple labour market disadvantages carrying out some form of learning as part of a package of active labour market measures could arguably fall under three different policy fields. Disentangling the effects of any one is not therefore straightforward. To avoid double counting, the forecasts look only at the impact of the ESF funding allocation within each policy field. However, this may underestimate the actual impact of the policy field across the programme as a whole. Consequently, it is important to view the estimates as indicative.

### **Performance Reserve Indicators**

Council Regulation 1260/1999 (Articles 7.5 and 44) provides for a performance reserve for each Structural Fund Operational Programme or Single Programming Document. The reserve is set at 4% of commitment appropriations. Performance will be reviewed after the mid term evaluation of the programme, which is to take place in 2003. Subject to satisfactory assessment of performance as measured against a number of performance indicators the reserve can be released. The indicators are monitored annually so that progress can be reviewed and remedial action taken if necessary prior to the mid-term evaluation.

The performance reserve indicators for the England Objective 3 Operational Programme are listed below. They were chosen in consultation with the European Commission and cover programme effectiveness, programme management and financial implementation.

| <b>Performance Indicators</b>   | <b>Targets</b> |
|---|----------------|
| <b><i>Effectiveness</i></b>   |                |
| <b>Overall</b>  |                |
| % in work on leaving  | 41%            |
| % gaining positive outcomes on leaving  | 80%            |
| % young people unemployed less than 6 months  | 87%            |
| % adults unemployed less than 12 months   | 36%            |
| % beneficiaries completing their courses  | 75%            |
| % gaining a qualification   | 50%            |
| <b>Active labour market policies</b>  |                |
| % women receiving support   | 42%            |
| <b>Social inclusion</b>   |                |
| % women receiving support   | 42%            |
| <b>Lifelong learning</b>  |                |
| % women receiving support   | 50%            |
| % working towards a qualification   | 100%           |
| <b>Adaptability and entrepreneurship</b>  |                |
| % women receiving support   | 33%            |
| <b>Gender equality</b>  |                |
| % women beneficiaries   | 100%           |
| <b><i>Management</i></b>  |                |
| <b>Quality of monitoring systems</b>  |                |
| % projects providing financial and monitoring data.   | 100%           |
| <b>Quality of financial control</b>   |                |
| % expenditure to be covered by annual financial and management audits                                       | 5%             |
| <b>Quality of project selection systems</b>   |                |
| % expenditure committed to projects selected competitively using identified selection criteria              | 100%           |
| <b>Quality of evaluation system</b>   |                |
| Mid-term evaluation of the programme is independent and acceptable to the UK ESF Evaluation Steering Group. |                |
| <b><i>Financial</i></b>   |                |
| <b>Absorption of funds</b>  |                |
| % funds taken up in programming year, measured 2 years afterwards   | 100%           |

## **1.3 Active Labour Market Policies**

### **1.3.1 Strategic Objectives**

- *To reduce long term unemployment in England through the use of active labour market measures and assist the unemployed and economically inactive (back) into employment*
- *To reduce the flows into long term unemployment in England through the use of active labour market measures targeted at those recently unemployed or about to become unemployed*

### **1.3.2 Labour Market Analysis**

Between 1994 and 1999, the employment rate has increased to 74.4 per cent, the ILO unemployment rate has fallen to 5.9 per cent (its lowest rate since the early 1980s) and the economic activity rate has increased to 79.1 per cent.

Unemployment has fallen significantly - by 865,000 since 1994 - across all regions of England. In 1999, just over a million people were registered as unemployed in England. This includes 233,000 unemployed young people (aged 18-24 years) and 246,000 men and women who had been unemployed for twelve months or more. Unemployment and worklessness remains concentrated amongst particular groups and households.

The proportion of people of working age who are inactive has remained fairly constant over the 1990s at just over a fifth of the working-age population. Approximately 1.7 million working age men and women in England want a job but are classed as inactive because they are not actively seeking work or are not available to start work.

One significant feature of both the English and the UK labour markets is that they are very dynamic, with around 250-300,000 people joining and leaving the UK claimant count each month. Most people who join leave again quickly: over half leave within three months, three quarters within 6 months, and nine out of ten within a year. The probability of leaving the claimant count decreases significantly with duration of unemployment.

### **1.3.3 Evaluation Results**

The review of evaluation conducted as part of the ex ante evaluation has highlighted a number of pointers to the development of ESF support for active labour market policies post-2000. The continued use of more integrated packages of support appears to offer a successful means of helping people back to work - particularly for those facing significant labour market disadvantage. However, the approach is more costly. Careful targeting of this more resources-intensive approach on those most likely to gain most from it will help maximise the potential scale and effectiveness of ESF support.

Those elements of particular projects which the evaluation suggests work best are effective job search activity, help finding contacts to look for a job and wage subsidies. Evidence from other domestic and OECD studies broadly confirms the value of these sorts of activities. Analysis of targeting under the previous Objective 3 programme suggests that more could be done to support the needs of older workers and, in particular, the longer term unemployed. This finding mirrors the conclusions of a Commission report on evaluation results from across all Member States which recommended greater concentration on the long-term unemployed.

### 1.3.4 Summary of Consultation Response

Target groups: there was a high level of support for the targeting in the draft Policy Frame of Reference on the needs of the unemployed and in particular young people. However, over a third of those replying asked for support to be broadened to those in employment, especially those threatened with redundancy.

Types of support: the most common response was to support activities which widen access to and develop skills. Several identified the need to focus on real needs of employers and work with young people at risk of exclusion.

### 1.3.5 Measure 1

***To provide advice, guidance and support to enable people to develop active and continuous job search strategies and prevent them from moving into long term unemployment***

#### **Justification**

The dynamism of the labour market means that blanket support for all those recently unemployed would result in a high level of dead weight. However, the likelihood of (re) gaining work decreases with the duration of unemployment. This means that it is necessary to focus support for those people most likely to become long term unemployed in the early stages of their unemployment.

The evaluation of the 1997-99 programme suggests that support for this target group should be focused on effective job search activity, help finding contacts to look for a job and wage subsidies.

In keeping with the European Employment Strategy, adults unemployed for less than one year and young people unemployed for less than six months are the broad target group for this measure.

#### **Broad target groups**

Adults who have been unemployed for less than one year facing the risk of long-term unemployment

Young people who have been unemployed for less than six months facing the risk of long-term unemployment

Especially:

People who lack appropriate skills to return to work, or have no or outdated qualifications

Older people

Young people without skills, or with low levels of skills, or who have not worked

Young people leaving care

Unemployed people living in rural communities

People who previously worked in declining industries

## Types of actions

Supporting additional measures to enhance the UK's comprehensive active benefits regime. Enhancing advice, guidance and community education through innovative systems and approaches.

Involving businesses in schools to encourage employability and motivation.

Early interventions, including advice and guidance, using new forms of IT.

Training for Employment Service staff to deliver improved modernised services.

Improving job brokerage to enable a better match between supply and demand.

## EU field of intervention

21 Labour market policy

## Monitoring indicators

| <i>Indicator</i>                                 | <i>Forecast/impact</i> |
|--|------------------------|
| Number of beneficiaries                          | 80,606                 |
| % of young people receiving help before 6 months | 86%                    |
| % of women receiving support                     | 42%                    |
| % of adults receiving support before 12 months   | 33%                    |

### 1.3.6 Measure 2

***To improve the employability of the unemployed, particularly the long term unemployed, returners, those inactive in the labour market and young people through targeted intervention to enhance vocational and other key skills and removing external barriers to labour market entry.***

#### Justification

Many of the target groups for this measure will have already received support from England's active benefits regime and Welfare to Work initiatives but still need additional support before they can (re) enter the labour market. The target groups below are those groups more likely to be long term unemployed.

The evaluation of the previous Objective 3 programme underlines the benefits of a more integrated, flexible package of support to those facing the greatest labour market disadvantage. The long-term unemployed appear to gain most in terms of subsequent labour market success from more intensive personalised help. Whilst this measure focuses on those who have been out of work for a long time, support will also be available to assist other target groups who require more intensive support.

#### Broad target groups

Long-term unemployed people especially:

People who lack appropriate skills to return to work, or have no or outdated qualifications

Older people

Young people without skills, or with low levels of skills, or who have not worked

Young people leaving care

People living in rural communities

People who previously worked in declining industries

## **Types of actions**

Providing support through integrated approaches, including the provision of vocational social and key skills.

Encouraging unemployed people to start their own businesses

Encouraging local partnership approaches to Intermediate Labour Market projects to assist unemployed people into the open labour market.

Support to improve the capacity for community development, where this leads to improved labour market access for those excluded from the labour market.

## **EU field of intervention**

21 Labour market policy

## **Monitoring indicators**

| <i>Indicator</i>  | <i>Forecast/impact</i> |
|---|------------------------|
| Number of beneficiaries   | 84,377                 |
| Number receiving ESF training                                       | 74,302                 |
| % of young people receiving help before 6 months                    | 86%                    |
| % of women receiving support  | 42%                    |
| % of beneficiaries completing their courses                         | 71%                    |
| % of adults receiving help before 12 months                         | 33%                    |
| % working towards a qualification                                   | 60%                    |
| % positive outcomes on leaving (and at 6 months)                    | 70%                    |
| % in work on leaving (and at 6 months)                              | 40%                    |
| % moving into self-employment                                       | 3%                     |
| Number of unemployed in work after ESF support (net of dead-weight) | 4,458                  |

### **1.3.7 Indicative Financial Allocation**

It is anticipated that the resources allocated to each of the measures will be in the region of:

Measure 1: 10%

Measure 2: 90%

## 1.4 Equal Opportunities for All and Promoting Social Inclusion

### 1.4.1 Strategic Objectives

- *To reduce the impact of disadvantage faced by excluded groups and support their integration into the labour market through target group or area based approaches.*
- *To promote equality through research into direct and indirect discrimination in the labour market and support follow on actions to combat the institutional aspects of discrimination.*

### 1.4.2 Labour Market Analysis

Although rates of unemployment are declining in Great Britain, certain groups are harder hit than others through higher incidence of inactivity and unemployment (tending often towards long term unemployment).

**People with Disabilities:** There are 5.5 million disabled people in England, accounting for slightly less than one-fifth of the population of working age. Proportionately more older people are disabled than young people. The employment rate of those with disabilities stood at 49% in summer 1999, compared with 81% for non-disabled people and the unemployment rate of disabled people was almost twice that of the working age population. Disabled people have fewer qualifications than non-disabled people.

**Minority Ethnic Groups:** In 1998 2.2 million people of working age in England belonged to ethnic minority groups, accounting for 7.4% of the working population of England. Ethnic minorities are less likely to be employed and their unemployment rate is more than double that of non ethnic minorities. Part of the explanation for poorer participation rates is access to training and education. Ethnic minorities have fewer qualifications than their non ethnic minority counterparts. Significant variations occur between ethnic minority groups in terms of labour market participation rates, employment and unemployment rates.

**Ex-offenders:** The labour market figures generally relied upon are provided by the Association of Chief Officers of Probation (ACOP). The figures suggest that about 55% of ex-offenders are unemployed (compared to about 6.4% of the general population). Evidence also suggests that ex-offenders are probably twice as likely to be long term unemployed as unemployed people as a whole. Ex-offenders often have a range of interconnected problems such as poor basic skills, low self esteem, behavioural or health problems which will further reduce their employability.

**Homeless People:** Being homeless makes it difficult to enter the employment market. Even if homeless people do manage to find a job, the impermanence of their lifestyle can make it almost impossible to maintain. One survey showed that state benefits were the most common source of income for homeless people (79%) and that other sources provide income for only small proportions of the single homeless population (wages/salary 9%).

**Refugees:** It is estimated that there are 345,000 refugees and asylum seekers in England, particularly concentrated in the Greater London area. Assistance will be needed to help these individuals become integrated into the workforce.

**Drug and Alcohol Misusers:** 50,000 people present for rehab treatment each year, and the Government has a stated public target to double this figure by 2008. Figures from the Department of Health regional drugs misuse database show that an estimated 80% of drug and alcohol misusers are unemployed. Many drug and alcohol misusers suffer from increased labour market disadvantage due to problems such as poor health, a chaotic lifestyle and/or a criminal record.

### **1.4.3 Evaluation Results**

Evaluation of the 1997-1999 Objective 3 programme endorsed the focus on specific disadvantage groups. This and the preceding analysis of the UK labour market provide a sound basis on which to target resources within this policy field. The research underlines the valuable contribution of a more integrated package of support to those facing the greatest labour market disadvantage. Single parents, those over 50, people with a disability and particularly the long term unemployed appear to gain most in terms of subsequent labour market success from more intensive help.

Research suggests that efforts to support the most disadvantaged gain significantly from activities designed to promote and enhance the capacity of local support services. Both the evaluation of Objective 3 Priority 4 and research into Community Economic Development activities under Objective 2 emphasised the valuable contribution of ESF in helping disadvantaged communities. However research stresses the need to maintain a clear focus on the specific labour market problems faced by the potential end users of the local groups and organisations which benefit from any capacity building activity.

### **1.4.4 Summary of Consultation Responses**

Target groups: the groups identified included ethnic minorities, people with disabilities, women, young people, older workers, homeless, refugees, ex-offenders, lone parents, carers, returners, and those in rural and urban areas.

Types of support: in addition to appropriate work with the groups who are disadvantaged in the labour market, the responses highlighted the need to change the attitude of employers towards these groups, in particular to combat race discrimination.

### **1.4.5 Measure 1**

***To widen access to basic skills provision: through the development of innovative and effective ways of promoting and providing basic skills, directed at those groups disadvantaged, excluded from or under-represented in the workplace.***

#### **Justification**

Although rates of unemployment are declining in England, certain groups are harder hit than others through higher incidence of inactivity and unemployment (tending often towards long term unemployment). This measure targets those groups. In many cases, it is a lack of basic any skills which are the main barriers to employment. This Measure focuses on developing those skills.

## **Broad target groups**

Disabled people  
People from ethnic minority groups  
Older people  
Those with caring responsibilities  
Those with mental health difficulties  
People with severe literacy and numeracy problems, or who lack key skills  
People who need help to develop personal effectiveness to counter chronically low self-esteem and lack of motivation  
People with substance abuse, alcohol and drug problems  
Teenagers with children  
Refugees and asylum seekers  
The homeless and rough sleepers  
People coming to the end of or who have completed a custodial sentence  
People for whom English is a second language  
Lone parents and partners of unemployed people, and households where no one is earning  
People living in rural communities  
Young people with learning difficulties

## **Types of actions**

Supporting intensive interventions to meet the needs of the client group through vocational guidance, training and employment support measures with an emphasis on developing basic and key skills.

## **EU fields of intervention**

22 Social Inclusion

## **Monitoring indicators**

| <i>Indicator</i>                  | <i>Forecast/impact</i> |
|-----------------------------------|------------------------|
| Number of beneficiaries           | 165035                 |
| % women receiving support         | 42%                    |
| % working towards a qualification | 60%                    |
| % positive outcomes on leaving    | 63%                    |
| % in work on leaving              | 34%                    |

### **1.4.6 Measure 2**

***To develop local and area based responses to assist individuals with multiple disadvantages in the labour market who face the risk of exclusion.***

***To provide help to improve the employability and remove barriers to labour market entry for those groups disadvantaged in the labour market.***

## **Justification**

In certain parts of England, whole communities and neighbourhoods are characterised by social exclusion (low educational achievement, crime, high levels of unemployment and poor housing). This requires locally driven solutions to improve employment prospects sensitive to the needs of the community. These local approaches will particularly benefit those target groups which are concentrated in these areas.

Other target groups also face exclusion, though may be less geographically concentrated. This requires intensive and integrated packages of support tailored to the needs of the individual to develop their employability and help them (back) into the labour market.

### **Broad target groups**

Disabled people  
People from ethnic minority groups  
Older people  
Those with caring responsibilities  
Those with mental health difficulties  
People with severe literacy and numeracy problems, or who lack key skills  
People who need help to develop personal effectiveness to counter chronically low self esteem and lack of motivation  
People with substance abuse, alcohol and drug problems  
Teenagers with children  
Refugees  
The homeless and rough sleepers  
People coming to the end of or who have completed a custodial sentence  
People for whom English is a second language  
Lone parents and partners of unemployed people, and households where no one is earning  
People living in rural communities  
13-17 year olds who have opted out of the educational system  
Young people with learning difficulties

### **Types of actions**

Providing intensive support to enable target groups to reach levels of basic employability  
Delivery through 'Pathway' approaches  
Supporting pre-entry training related to identified labour market needs  
Providing integrated packages which meet the needs of lone parents and returners  
Customised training related to labour market opportunities  
Capacity building actions to ensure that ESF reaches those groups in greatest need and to encourage local development and community delivery of ESF activities  
Area based approaches to complement ERDF activities in Objective 2 and Objective 2 phasing out areas

### **EU field of intervention**

22 Social Inclusion

### **Monitoring indicators**

| <i>Indicator</i>                                 | <i>Forecast/impact</i> |
|--|------------------------|
| Number of beneficiaries                          | 61040                  |
| Number receiving ESF training                    | 61040                  |
| % of women receiving support                     | 42%                    |
| Number of trainers trained                       | 3,960                  |
| % working towards a qualification                | 60%                    |
| Number of capacity building projects             | 187                    |
| % positive outcomes on leaving (and at 6 months) | 63%                    |
| % in work on leaving (and at 6 months)           | 34%                    |
| % moving into self-employment                    | 3%                     |

Numbers in work 6 months after ESF support (net of dead-weight) 4822

### 1.4.7 Measure 3

***To combat discrimination in the labour market, in particular to combat race, disability and age discrimination and improve the employability of these groups.***

#### **Justification**

Social exclusion from the labour market cannot be tackled using supply side measures alone. Work also needs to be done to overcome institutional discrimination and prejudice in the labour market, for example in recruitment, progression and behaviour in the world of work. This measure will support research into these issues and the follow up actions necessary to identify and combat the causes and effects of discrimination.

#### **Broad target groups to undertake research and follow up activities**

Commission for Racial Equality  
Disability Rights Commission  
Equal Opportunities Commission  
Policy research organisations  
Local employment or regeneration consortia  
Social partners organisations working in the training or employment area

#### **Types of actions**

Researching into institutional discrimination and follow on actions to combat discrimination  
Supporting initiatives to improve recruitment and promotion systems to eliminate institutional discrimination

#### **EU field of intervention**

22 Social Inclusion

#### **Monitoring indicators**

| <i>Indicator</i>                     | <i>Forecast/impact</i> |
|--------------------------------------|------------------------|
| Number of research projects          | 109                    |
| Number of capacity building projects | 8                      |

### 1.4.8 Indicative Financial Allocation

It is anticipated that the resources allocated to each of the measures will be in the region of:  
Measure 1: 20%  
Measure 2: 75%  
Measure 3: 5%

## 1.5 Lifelong Learning

### 1.5.1 Strategic Objective

- ***To widen participation in lifelong learning so that more people continue throughout their lives to develop their knowledge, skills and understanding and improve their employability in a changing labour market***

### 1.5.2 Labour Market Analysis

A skilled labour force is critical for productivity yet current economic growth and productivity in England is lower than in other major economies. The hallmark of our inadequate performance is the lower skill levels at intermediate and technician levels of our workforce. There have been improvements. The proportion of 16 year olds gaining 5 or more GCSEs at grades A\*-C is now 48% compared to under 35% in 1989/1990. Progress in the number of young people entering higher education has been even more dramatic with a doubling of numbers since 1979 - almost one in three young people now goes into HE compared to one in eight in 1979. Consequently – in part at least - the proportion of the workforce holding any qualification has risen substantially from 60 per cent in 1985 to 88 per cent in 1999.

However this increase in qualifications held is also partly due to the older generation with less schooling retiring from the labour force. Further, although the level of qualifications has increased substantially it was from a low base, and standards in many respects are still behind European countries and the Pacific Rim. There are still around 12 per cent of the population of working age with no qualifications and in 1997/98 over 6 per cent of 16 year olds left school without any formal qualifications. The 'Fresh Start' Report showed that between one in four and one in five adults in the UK have the lowest level of basic skills. And whilst the scale of the problem is similar between the ages of 16 – 45, the percentage with the lowest level of basic skills rises even further with people over 45. This is compounded by research that shows that participation in learning by people over 50 is considerably lower than those aged below 50. (PAL survey)

Many young people too need support. Over 160,000 people aged 16-18 (around one in 11 of the age group) are not in learning or in work. This proportion is virtually unchanged since 1994, whilst over a quarter of young people do not achieve level 2 qualifications.

A report by the Institute for Employment Studies 'Employment of Disabled People: Assessing the extent of participation', July 1998 found that disabled people have lower overall levels of qualification than their non-disabled counterparts. There is a tendency for those with more severe disabilities to be less well qualified.

|                       | <b>All Disabled People</b> | <b>Non-Disabled People</b> |
|-----------------------|----------------------------|----------------------------|
| Degree or equivalent  | 19%                        | 22%                        |
| A level or equivalent | 16%                        | 27%                        |
| O level or equivalent | 17%                        | 20%                        |
| No qualifications     | 38%                        | 16%                        |

There is a strong association between qualification level, and whether a disabled person is economically active. Only 8% of economically inactive disabled people have a degree, compared with 24% of economically active disabled people; by contrast, 59% of inactive disabled people have no qualifications at all, compared with only 29% of economically active disabled people. Only 10% had participated in job-related training in the 3 months prior to the survey, a lower proportion than among the overall population. This difference between disabled and non-disabled

people applied irrespective of employment status. Among employees for example, 20% of disabled people have received training in the last 3 months, compared with 28% of non-disabled people. 54% of disabled people not having received training say that their employer has never offered them training. In some cases this reflects the nature of their job, but in a minority of cases (22% of those never having been offered training), they report that non-disabled colleagues in similar jobs are offered training.

### **1.5.3 Evaluation Results**

Research on lifelong learning highlights the extent to which participation in lifelong learning is skewed towards particular groups: the relatively well qualified; those in higher-level occupations; full-time workers; and people in larger companies. Linking this with the information on the scale of basic skills deficiencies highlighted in the labour market context chapter of the Operational Programme provides compelling evidence of the potential benefit of focusing significant attention on the needs of those who traditionally play little or no part in lifelong learning.

To support the successful take-up of opportunities for lifelong learning, evaluation results from Objective 2 suggest the need for better marketing and information flows on ESF activities to promote higher levels of motivation among trainees.

### **1.5.4 Summary of Consultation Response**

Target groups: The most common groups were: those with low basic skills, young people, disadvantaged groups, the employed and employers.

Types of support: the range of suggested activities was broad, ranging from continued professional development of teachers to training of voluntary sector employees. The key point which was welcomed was the scope for flexibility to enable the learning to be tailored to the needs of the individual and the local circumstances.

### **1.5.5 Measure 1**

***Promoting wider access and participation in life long learning (especially for those groups least likely to take part in lifelong learning activities and lacking basic and key skills)***

***Supporting the key policy developments in lifelong learning to improve participation.***

#### **Justification**

The urgent need to improve skill levels to increase competitiveness is clear. Around 12 per cent of the population of working age has no qualifications. And between one in four and one in five adults in the UK have the lowest level of basic skills. This measure prioritises support to activities seeking to develop people's basic and key skills. But there is a 'Learning Divide'. Some people – usually those more likely to need some learning and training - are far less likely to take part in lifelong learning than others. The Government's vision of an inclusive learning society underpins this measure. It targets those people who are at the wrong side of the Learning Divide, and includes people with no academic qualifications, those not in paid employment, or those in work in lower status and /or declining occupations.

Older people are especially precarious however as they are: more likely to have basic skills needs; more likely to have outdated skills; but less likely to undertake training.

There is also a need to increase the number of young people who want to learn and to improve their success in getting skills and qualifications. It will make the difference between a lifetime of low skills and low wages, and making a real contribution to society and gaining a proper reward for it. Help therefore needs to be provided to: young people who are, or are at risk of becoming, disaffected with the education system or with society at large; young people in employment and who receive no training; young people who have left school but who are neither attached to the labour market nor in full-time education.

### **Broad target groups**

People who lack basic or key skills (either in or out of employment)  
 People with low incomes, especially unskilled workers  
 Young people not undergoing training or education (either full time or through employment)  
 Young people who are, or may become, disaffected  
 People less likely to think about or undertake further learning, such as older people, single parents and people with dependent children  
 Disabled people  
 The recently unemployed

### **Types of actions**

Supporting collaborative action through Learning and Skills Councils, Local Learning Partnerships, Further and Higher Education Establishments and through SMEs.  
 Providing individuals with ICT skills  
 Providing individuals with basic and key skills and reducing the risk of those with inadequate skills falling behind.  
 Extending access through more innovative means, including community and family, and through helping individuals develop and manage their own learning.  
 Identification and promotion of means which can open up access to learning for those adults currently least engaged with the education system.

### **EU field of intervention**

23 Developing educational and vocational training not linked to a specific sector (persons, firms)

### **Monitoring indicators**

| <i>Indicator</i>  | <i>Forecast/impact</i> |
|---|------------------------|
| Number participating in lifelong learning                           | 47,281                 |
| % women receiving support   | 50%                    |
| % completing their courses  | 85%                    |
| % working towards a qualification                                   | 100%                   |
| Number of trainers trained  | 13,275                 |
| Number of capacity building projects                                | 125                    |
| % of leavers gaining a qualification                                | 61%                    |
| % in work or further study on leaving (and at 6 months)             | 92%                    |
| Net increase in participation in lifelong learning from ESF support | 23,640                 |

#### **1.5.6 Measure 2**

***Improving the employability of those in work through lifelong learning provision which develops their skills and helps them meet the changing needs of employers, such as in***

## ***the fields of IT, management and the environment.***

### **Justification**

This measure aims to encourage lifelong learning, particularly in the fields of information and communication technologies, management and the environment. There has been a rapid expansion in managerial and technical employment up from 28% of jobs in 1981 to 37% in 1998. This expansion has caused a significant skills gap - yet people at this level are critical to the competitiveness of organisations. As the Third Report of the Skills Task Force identifies, people at this level are often responsible for the successful introduction of for example, new ways of working or providing informal training to others. The importance of a skilled workforce to raising competitiveness is particularly evident in relation to IT. The dramatic increase in the number of jobs demanding computer literacy has not been matched by an increase in people with the right IT skills. In 1997 over 80% of IT companies had recruitment difficulties. More generally, 55% of employer reported skill gaps relate to IT yet the Skills Task Force reported that 50% of the population have never used a computer.

This measure focuses its support on individuals in work, particularly those in SMEs. The achievement of the Learning Age vision - outlined in the Learning to Succeed White Paper - of a culture of learning underpinning national competitiveness and personal prosperity, depends on everyone taking an active role. Employers will be expected to take responsibility for improving the skills of their workforce and this is reflected in this measure and measure 2 of Policy Field 4. But individuals also have a responsibility to develop the skills necessary to meet the changing needs of employers, and will also be expected to take responsibility for their own future. But some are more likely to seize the opportunities offered by the learning age than others. To meet our aspirations for a society in which everyone can achieve the highest levels of capability, this measure is aimed at those least likely to take advantage of these opportunities and targets support to those who are most vulnerable in a rapidly changing labour market. It particularly focuses on those who do not usually receive training. As SMEs are significantly less likely to train their workforce than large organisations, people working in SMEs are targeted, along with those in low-skilled and low-income jobs, and older people.

### **Broad target groups**

Employees in SMEs including:

People with low incomes, especially unskilled workers

People less likely to benefit from in-work training including unskilled and semi-skilled

Young people in work without training

People less likely to think about or undertake further learning, for example older people, single parents, people with dependent children

### **Types of actions**

Training for employees, especially in SMEs. Skills forecasting and ensuring that skills training relates to the RDA regional economic strategy.

### **EU field of intervention**

23 Developing educational and vocational training not linked to a specific sector (persons, firms)

### **Monitoring indicators**

| <i>Indicators</i>   | <i>Forecast/impact</i> |
|---|------------------------|
| Number participating in lifelong learning                           | 20,079                 |
| % of women receiving support  | 50%                    |
| % completing their courses  | 85%                    |
| % working towards a qualification                                   | 100%                   |
| Number of research/labour market analysis projects                  | 389                    |
| Number of trainers trained  | 5,692                  |
| % of leavers gaining a qualification                                | 61%                    |
| % in work or further study on leaving (and at 6 months)             | 92%                    |
| Net increase in participation in lifelong learning from ESF support | 10,040                 |

### **1.5.7 Indicative Financial Allocation**

It is anticipated that the resources allocated to each of the measures will be in the region of:

Measure 1: 70%

Measure 2: 30%

## **1.6 Adaptability and Entrepreneurship**

### **1.6.1 Strategic Objectives**

- *To improve the skills base and adaptability of the employed labour force in England*
- *To increase the level of entrepreneurship in England*

### **1.6.2 Labour Market Analysis**

The English labour market is characterised by the diversity of work and hours it offers. This diversity has enabled employment to grow despite social and occupational changes. The range of jobs available is wider than anywhere else in the EU. In addition, the range of hours worked is wider and there are more shifts and weekend working.

The growth in employment has been in both full-time and part-time jobs. Self-employment, which grew rapidly during the 1980s, has been relatively unchanged during the 1990s at around 12 per cent of all in employment.

Employment growth has been concentrated in the services sector which is already very well developed and continued to expand. The service sector now accounts for just over 75 per cent of total employment. The growth of jobs in services has more than made up for the fall in jobs in manufacturing and primary industries.

Productivity in England (in terms of GDP per hour worked) is significantly lower than in Germany, France and the USA. Research by NIESR suggests that the lower skill levels which exist in England are important - the productivity gap between Germany and the England is around 13%, even after allowing for lower capital per worker in England.

Higher level skills improve business performance. Between 1983-1989 the rise in skill shortages in manufacturing reduced productivity growth by 0.4%, compared to actual growth of 4.5%. Only 2% of the ILO unemployed have qualifications equivalent to NVQ level 5.

### **1.6.3 Evaluation Results**

The ESF evaluation evidence informing this policy field is more limited than other policy fields because of the relatively late start of the Objective 4 programme in 1998. However, evaluation of both ADAPT in the UK and Objective 4 in other Member States provides some pointers to future provision. A key element in this policy field is the development of effective links between labour market analysis, industry and the recruitment of beneficiaries.

The most successful ADAPT projects tended to be those with a fairly close relationship with small and medium sized companies (SMEs). However, strong links were too often absent. Evaluation of Objective 4 across the EU points to the importance of maintaining a clear focus on SMEs. The research also argued strongly for an emphasis on basic skills provision. Finally, given the importance in the regulations on mainstreaming equal opportunities, the finding that women appear to be particularly under-represented in Objective 4 poses a challenge to project promoters working in this policy field.

#### **1.6.4 Summary of Consultation Response**

Target groups: the broad thrust was to target support on those who were disadvantaged in the labour market. Other target groups identified included provision for graduates, freelancers and public sector employees.

Types of support: the general support was for upskilling, with a particular focus on SMEs, However there was concern that the resources should also be available to support higher-level skills training.

#### **1.6.5 Measure 1**

***To support companies, especially SMEs to update and upgrade their employees' vocational skills, including basic and key skills***

##### **Justification**

A skilled labour force is critical for productivity and economic growth. Globalisation and technological advances have brought change and reinforced the need for improved skills. To keep pace with the rapidly advancing needs of technology companies need more and better skilled people.

15% of employers say that there is a significant gap between the type of skills their current employees possess and those needed to meet current business objectives. This measure seeks to address these skills gaps.

The support directed through this measure will also enable workers threatened with redundancy to improve their prospects of retaining their jobs or finding alternative employment. Employees in large firms will also be able to benefit from funding especially in the context of local or regional partnerships with SMEs.

##### **Broad target groups**

Employers involved in improving employees' skills  
Workers affected by industrial change or changes in production systems  
Workers threatened with unemployment or redundancy

##### **Types of actions**

Supporting business by equipping the workforce with the right skills.  
Promoting employee development by updating and upgrading vocational skills, while considering new methods of delivering basic skills.  
The provision of advice and guidance and training trainers and managers.  
Promoting the effective use of ICT in SMEs  
Equipping workers threatened with redundancy with training and funding to turn good ideas into viable businesses and supporting innovation and creativity.  
Forging links between businesses and support networks.  
Working with the social partners to improve work based training

##### **EU field of intervention**

24 Workforce flexibility, entrepreneurial activity, innovation, information and communication technologies (people, firms)

### **Monitoring indicators**

| <i>Indicators</i>                               | <i>Forecast/impact</i> |
|---|------------------------|
| Number of companies helped                      | 1,381                  |
| Number of employees helped (given ESF training) | 18,638                 |
| Number of trainers trained                      | 5,504                  |
| % of women receiving support                    | 33%                    |
| % working towards a qualification               | 60%                    |
| % of beneficiaries gaining a qualification      | 64%                    |
| Net number of jobs safeguarded by ESF support   | 932                    |

### **1.6.6 Measure 2**

#### ***Research to identify emerging skills shortages and follow up actions***

##### **Justification**

Given the rapidly changing needs of employers, and the time it takes to train people with the right skills, research will be necessary to identify emerging skill needs. This research needs to predict skill needs of both existing businesses and future sectors with high employment growth potential. Follow up actions will then seek to train people to be able to meet the skill needs of the future as they arise. The training needs to be delivered in a way that meets the needs of companies, particularly SMEs.

##### **Broad target groups**

Organisations undertaking national, regional and sectoral research into adaptability, the effects of new technology, training needs  
Businesses needing higher levels skills to help growth  
Technicians, owner managers  
SMEs: managers, in-house trainers, mentors and key individuals  
Business organisations and trade unions  
Partnerships encouraging networking on training and development among SMEs

##### **Types of actions**

Identifying skill shortages within all sectors throughout each region, including new skills emerging from the knowledge driven economy. Providing training to meet identified skills shortages, including innovative methods of training delivery. Promoting effective training investment by employers and improving the awareness of identified skill shortages with teachers in schools. Involving the Social Partners in developing ways to identify and meet emerging skills shortages. Research into new forms of work organisation.

##### **EU field of intervention**

24 Workforce flexibility, entrepreneurial activity, innovation, information and communication technologies (people, firms)

### **Monitoring indicators**

| <i>Indicators</i> | <i>Forecast/impact</i> |
|-------------------|------------------------|
|-------------------|------------------------|

|  |       |
|--|-------|
| Number of research/labour market analysis projects | 220   |
| Number of companies helped                         | 6,902 |

### 1.6.7 Measure 3

#### ***Encourage entrepreneurship of individuals and competitiveness of businesses, particularly SMEs***

##### **Justification**

The development of new companies and the growth of SMEs needs to be an important part of the job creation strategy. It is also important to examine and improve working practices so that they enable more people to play an active part in the labour market.

This measure will also support people wishing to start their own enterprise as well as existing SMEs to develop their business and create new employment opportunities.

In order to improve working practices, it will also help companies develop new forms of work organisation and provide greater flexibility for its employees.

##### **Broad target groups**

Companies trying to expand and create new employment opportunities  
 People with good ideas for new businesses  
 Trainers and managers  
 SMEs  
 Employers seeking to develop strategies to overcome employees' childcare difficulties  
 Rural communities

##### **Types of actions**

Supporting small and medium sized companies to help them innovate to expand and create new employment opportunities.  
 Research into new forms of work organisation; introduce/ improve / enhance flexible working practices (with consideration given to work - home balance) and strengthening the links between employers and educational/training institutions, especially in the fields of science, technology and research  
 Capacity building for social partners to encourage dialogue on work organisation and training  
 Supporting individuals setting up their own businesses with, for example, advice on regulatory aspects, recruitment and business planning.

##### **EU field of intervention**

24 Workforce flexibility, entrepreneurial activity, innovation, information and communication technologies (people, firms)

##### **Monitoring indicators**

| <i>Indicators</i>                                    | <i>Forecast/impact</i> |
|--|------------------------|
| Number of beneficiaries getting self-employment help | 2,589                  |
| Number of companies helped                           | 1381                   |
| % of women receiving support                         | 33%                    |

|  |       |
|--|-------|
| Number of research/labour market analysis projects             | 110   |
| Survival rate of self-employment at 18 months                  | 50%   |
| Net number of new businesses running after 18 months           | 647   |
| Net number of jobs created through support for self-employment | 1,705 |

### **1.6.8 Indicative Financial Allocation**

It is anticipated that the resources allocated to each of the measures will be in the region of:

Measure 1: 40%

Measure 2: 45%

Measure 3: 15%

## **1.7 Improving the Participation of Women in the Labour Market**

### **1.7.1 Strategic Objective**

- *To reduce the level of disadvantage faced by women in the labour market*

### **1.7.2 Labour Market Analysis**

The number of women participating in the labour market has continued to increase in recent years and the female employment rate is now at its highest ever level. Women now account for 44 per cent of the labour force in England and almost three quarters of working-age women are employed. With expectations of a continuing expansion in the service sector there is potential for this rate to go higher still.

However, analysis shows that barriers still exist that not only prevent women from entering the labour market, e.g. inadequate childcare, but also prevent them progressing within the labour market, e.g. inadequate access to training. Action to remove such barriers is essential to improve women's employment potential.

The percentage of women in employment in the top three occupational groups (managerial, professional and technical) rose from 24 per cent in 1984 to 33 per cent in 1999. The increase for men was from 32 to 40 per cent. In 1999, women represented 33 per cent of all those working full-time and 80 per cent of all those working part-time. Some 44 per cent of women in employment worked part-time compared with 8 per cent of men, although most women worked part-time through choice, given amongst other things, the lack of reliable and affordable childcare.

### **1.7.3 Evaluation Results**

Evaluation of the previous Objective 3 programme highlighted the relatively favourable labour market position of women in the UK compared with many other EU countries on a number of labour market indicators. Too narrow a focus on gender alone may be misplaced. The message from the evaluation is that a better targeting of resources requires greater support to be focused on specific groups of women who face greatest difficulty i.e. lone parents, women with no qualifications and returners to the labour market. There was also evidence that although women benefited equally to men, projects tended to reinforce stereotypical roles.

More generally, evidence on the types of activity followed by men and women on the previous Objective 3 programmes suggests there is significant scope for improving the mainstreaming of equal opportunities under ESF. Two issues stood out as particular barriers to the participation of women on labour market programmes: a lack of affordable and reliable childcare and a lack of flexibility on projects. Tackling these issues will make a significant contribution to the success of both this policy field and mainstreaming gender equality. A by-product of the evaluation was some good practice material on how this might be pursued at the project level. These lessons remain valid for the 2000-2006 programme.

### **1.7.4 Summary of Consultation Response**

Target groups: those responding highlighted the need to focus on those in greatest need such as returners, lone parents ethnic minority groups and carers.

Types of support: childcare provision and strategy, flexible training, careers information and guidance, employer training support. Remove obstacles to entry to the labour market and

progression within it.

### 1.7.5 Measure 1

#### ***To improve access to learning and remove barriers to employment***

##### **Justification**

Women still face particular problems in gaining access to the employment market, particularly to areas where they are under-represented. Once in work, they often face barriers in terms of their career advancement, in earnings and in reconciling professional and family life. This measure will support activities to help women overcome these barriers so that they gain employment, maximise their potential in the labour market and develop successful careers.

##### **Broad target groups**

Women working in areas where they are underrepresented  
Women in part time or job share employment  
Women seeking to start their own businesses, or to expand their SME  
Women managers  
All employers aiming to support and deliver family friendly working practices

##### **Types of actions**

Improving the quality and flexibility of local training including participation in lifelong learning partnerships  
Improving the relevance of skills training to local employment needs and opportunities.  
Tackling barriers, such as childcare and other caring responsibilities, raising awareness and promoting family friendly policies  
Providing vocational training to allow women to enter non-traditional occupations.  
The development of entrepreneurs, especially amongst those who have been out of the labour force.

##### **EU field of intervention**

25 Positive labour market actions for women

##### **Monitoring indicators**

| <i>Indicators</i>   | <i>Forecast/impact</i> |
|---|------------------------|
| Number of beneficiaries   | 11,372                 |
| % of women beneficiaries  | 100%                   |
| % of projects offering childcare facilities   |                        |
| % positive outcomes for women   | 88%                    |
| % of women with children under 5 in work 6 months after ESF                             | 30%                    |
| % of women setting up in business   |                        |
| % of women trained in non-traditional occupations                                       | 6%                     |
| Net % increase in female labour market participation of beneficiaries after ESF support | 10%                    |

### 1.7.6 Measure 2

***To research into issues related to gender discrimination in employment such to recruitment, pay, segregation and progression and follow up activities arising from the research***

### **Justification**

Gender discrimination from the labour market cannot be tackled using supply side measures alone. Work also needs to be done to overcome discrimination and prejudice in the labour market, for example in recruitment, progression and behaviour in the world of work. This measure will support research into these issues and the follow up actions necessary to identify and combat the causes and effects of discrimination.

### **Broad target groups to undertake research and follow up activities**

Equal Opportunities Commission  
Policy research organisations  
Local employment or regeneration consortia  
Social partners organisations working in the training or employment area

### **Types of actions**

Research and development of practical recommendations to combat occupational segregation, gender stereotyping and institutionalised discrimination on recruitment, pay, progression and other aspects of employment.  
Activities to implement the recommendations arising from the above research

### **EU field of intervention**

25 Positive labour market actions for women

### **Monitoring indicators**

| <i>Indicator</i>            | <i>Forecast/impact</i> |
|-----------------------------|------------------------|
| Number of research projects | 178                    |

### **1.7.7 Indicative Financial Allocation**

It is anticipated that the resources allocated to each of the measures will be in the region of:  
Measure 1: 70%  
Measure 2: 30%

## 1.8 Technical Assistance

### Strategic Objective

- ***To make best use of Technical Assistance (TA) provision for programme management and promotion of ESF***

The ESF Division is responsible for the overall co-ordination of the TA strategy for the programme. The strategy aims to make the best use of TA provision for programme management and promotion of ESF. It also takes into account experience from previous and current programmes, and consultation with national partners and Government Offices (GOs).

The Objective 3 Technical Assistance Strategy concentrates on four main areas of work:

- publicising the Objective 3 programme (annex 4);
- evaluating the results of Objective 3 investments (annex 5);
- delivering Objective 3 effectively at national level across the English regions (annex 6); and
- disseminating best practice (annex 7).

The key objectives are to:

- facilitate efficient monitoring, management and administration of the Objective 3 programme;
- engender further integration, added value and value for money;
- avoid project duplication and maximise the use of available funds; and
- provide a framework for supporting EC and Government policies.

All GOs are expected to produce a regional TA strategy to identify measures to be taken in their regions which supports or complements national activity. The use of TA to co-fund civil servant salaries in programme secretariats under Rule 11 of Commission Regulation (EC) No 1685/2000 should be reflected in both the regional and national strategies.

### 1.8.2 Measure 1

#### ***Activities to support the effective delivery of the programme***

#### **Types of action**

Servicing committees

Communicating decisions and policy to partners

Support for the selection and appraisal process and provision of advice to applicants

Implementation of a common monitoring framework and provision of regular monitoring reports

Production of the annual reports for the programme

#### **EU field of intervention**

411 Preparation, implementation, monitoring, publicity

### 1.8.3 Measure 2

## ***Other activities***

### **Types of action**

Promotion of a positive public image for Objective 3 in England and awareness raising through appropriate publicity measures

Research into future labour market trends to inform programme development and the commissioning of relevant studies, such as a study of the impact of the lifelong learning strategy

Disseminating good practice

Evaluation

Development of IT

### **EU fields of intervention**

411 Preparation, implementation, monitoring, publicity

412 Evaluation

413 Studies

414 Innovative actions

### **1.8.4 Indicative Financial Allocation**

It is anticipated that the resources allocated to each of the measures will be in the region of:

Measure 1: 36%

Measure 2: 64%



## **2. SELECTION PROCESS**

### **2.1 Overview**

This section describes the selection process. It begins by outlining the role of Government Offices. It then describes the three systems by which ESF funding is awarded within the regions:

- 'direct bidding' which builds on the selection system used in previous programmes. This is described in detail in annex 3;
- co-financing which is used to link ESF support with the main UK policy priorities identified in the National Action Plan for Employment and to ease many of the burdens on providers. Co-financing was introduced in September 2001 and will be used to deliver an increasing proportion of the programme; and
- Global Grants which are used to support small local projects;

The remainder of the section sets out the role of the horizontal themes in the selection process, how complementarity with Objective 2 is achieved, and how the programme takes account of EU competition rules.

### **2.2 Role of Government Offices**

#### **2.2.1 Roles and Responsibilities**

The detailed arrangements for ESF implementation at regional level are based on a letter of Delegated Authority signed by the Head of ESF Division and the Regional Director. In broad terms the role of the Government Office is to:

- establish a Regional Committee and provide secretariat;
- prepare and review the RDP;
- develop regional guidance;
- handle applications and selection rounds;
- develop mechanisms to ensure that Objective 3 is concentrated on Objective 2 areas and ensure that duplication is minimised;
- check the eligibility and accuracy of claims; and
- provide an annual report on progress.

The Objective 3 Regional Committee is responsible for:

- agreeing the RDP;
- agreeing to the way in which Objective 3 resources are targeted on Objective 2 areas;
- ensuring avoidance of duplication and overlap with Objective 2 areas
- monitoring progress against plans.

## **2.2.2 Regional Development Plans**

Each region produces a Regional Development Plan (RDP) to inform the targeting of Objective 3 whilst reflecting the priorities set out in the Operational Programme. The RDPs take account of the regional economic strategy of the Regional Development Agency.

The RDPs are assessed by DWP's ESF Evaluation Team, ESF Division and Labour Market Analysis Division to ensure that the plans retain the overall focus set out in the Operational Programme and are based on sound analysis and justifiable data. ESFD has issued guidance to the Government Office regions advising them on how they can improve the strategic focus of their RDPs. The guidance asks regions to ensure that the new co-financing arrangements and links to new Government policy initiatives are explained in their RDPs. Updated plans are being reviewed by the ESF Evaluation Team and ESF Division during 2001 and 2002. RDPs will be revised again after the mid-term review.

## **2.3 Direct Bidding**

The process by which organisations submit applications for ESF funding to Government Offices is commonly known as 'direct bidding'. Direct bidders have to arrange their own matched funding.

Projects are selected on the basis of strategic fit with the priorities set out in the Operational Programme and RDP. During 2000-2006 the selection system will be refined to continue to develop the strategic fit with national priorities as reflected in the National Action Plan for Employment.

The selection system rewards projects which best match the Operational Programme and the priorities set out in the RDPs. In addition to being scored against criteria, projects will be appraised to check for best fit with regional need, value for money and past performance. An extract from the 2000 guidance to applicants is attached at annex 3 providing a detailed explanation of the process by which points are awarded to project applications.

Regions are required to clear any regional criteria with ESF Division to ensure that they reflect the national priorities set out in the Operational Programme.

## **2.4 Co-financing**

### **2.4.1 Overview**

Co-financing means bringing together the ESF grant and the required domestic match funding in a single funding stream. Organisations that do this are called Co-financing Organisations (CFO). It is intended that co-financing should operate across all three Objectives.

The reasons for introducing co-financing are:

- to secure better value for money;
- to ensure that the ESF adds more value to the delivery of Government programmes;
- to address the regional priorities in European programmes and allow for innovation and creativity at regional and local levels;
- to promote greater coherence, co-ordination and targeting of provision; and
- to reduce bureaucracy and administration for providers, who no longer have to bid

separately for ESF money and the match funding and who face only a single set of monitoring, audit and record-keeping requirements.

#### **2.4.2 Selection of CFOs**

Bidding for ESF funds as a CFO is a two-stage process:

- Presentation of a case to the Regional Committee to be approved as a CFO and thereafter able to bid for ESF funding as a CFO.
- Submission of measure level bids for ESF funding to the Government Office (GO) as part of the regular bidding process.

#### **2.4.3 Application to Become a CFO**

Applications to become approved as a CFO are made in a standard format so that there is consistency between regions. The application covers the following broad areas:

- the eligibility of the organisation to become a CFO, i.e. it is one of a small number of public bodies such as the Learning and Skills Council and Jobcentre Plus;
- the measures that the organisation has a remit for;
- the capacity of the organisation to act as a CFO in terms of people, systems and the ability to embed horizontal issues in its own programmes;
- how, by becoming a CFO, the management of ESF will become more effective and efficient and less bureaucratic for providers; and
- how the organisation intends to work with local partners and invite and consider proposals from providers in accordance with open tendering requirements.

Bidding rounds are carried out at different times of the year in different regions and it takes CFOs some time to prepare a detailed bid for ESF funding after approval has been given for them to apply as a CFO. Government Offices also need time to prepare the detail of each bidding round consisting of CFO and non-CFO bids. To carry out this work, it is anticipated that there will need to be two to three months between an application to become a CFO and submission of a bid for ESF funding by the CFO, assuming the application to become a CFO is successful.

#### **2.4.4 Consideration of the Application to Become a CFO**

The GO confirms that the organisation is eligible to become a CFO. Only after this step is the application considered by the Regional Committee.

The application to become a CFO is submitted to the Government Office for consideration by the Regional Committee. The Regional Committee can delegate responsibility to a sub group or, where there are different structures in place, the Regional Committee should decide the appropriate body. No representative of the prospective CFO should sit on the group making the decision, nor should anybody who has an indirect interest, for example as a board member of the organisation. The chair of the group is responsible for ensuring that there are no conflicts of interest. Representatives of the CFO are invited to present their case to the group considering the application.

The results of the application will be one of the following:

- the application is agreed unconditionally; or
- the application is provisionally accepted subject to further information or reassurance on

- some aspect of the application, for example the capacity of the prospective CFO; or
- the application is rejected for reasons set out by the Regional Committee.

The prospective CFO has the right to appeal against a rejected application except on grounds of eligibility which is a matter of fact rather than judgement.

Once an organisation has been approved as a CFO, it can then submit a measure level bid for ESF funding as a CFO.

#### **2.4.5 Review of CFO Status**

Organisations that have been approved to submit bids for ESF funding as a CFO do not have to apply every year, but there is an annual review. The review considers the following:

- the measures for which the CFO is responsible (these may change over time);
- the performance of the CFO in meeting ESF targets; and
- the performance of the CFO in respect of monitoring, audit and evaluation.

#### **2.4.6 Regional Bidding Rounds: Where to Bid for What**

Government Offices advise prospective ESF bidders whether to bid direct to the GO or to a CFO for ESF funding. To do this GOs complete and publish a pro-forma giving responsibility for ESF measures, indicating which measures are the responsibility of which CFO. This varies between regions and CFOs consult with each other to decide who is best placed to meet the needs identified in the regional plan. Activities for which there is no CFO and for which bids are therefore made direct to the GO are also identified. For each bidding round GOs also provide the indicative amount of ESF funding available for each CFO and for direct bidding.

For a transitional period of at least a year, organisations that already have all the required cash match funding from sources other than a CFO can bid direct to the GO, but:

- organisations will NOT be able to bid to both the GO and CFO for the same project; and
- organisations cannot bid to more than one CFO for the same project.

#### **2.4.7 Applications for ESF Funding by CFOs**

CFOs make applications for ESF funding according to the timetable stipulated by the GO. There is no separate “CFO only” bidding except in the first year as a transitional arrangement.

In making an application, the following considerations apply:

- CFOs present a Co-financing Plan, supplemented by an interactive application form for each measure they are bidding against.
- CFOs that have a remit across several measures submit applications for each measure.
- The additional outputs and activities to be gained as a result of ESF funding must be identified.
- The bid must explain how it links with bids from other CFOs for activities where the remits overlap.
- CFOs provide their own Public Match Funding Certificates.

#### **2.4.8 Consideration of Co-financing Plans**

CFO bids and direct bids are considered separately. As CFOs make bids against activities that they have responsibility for, and which help to fulfil particular aspects of the Regional Development Plan, bids are not rejected. However, as ESF resources are finite, some successful CFO bids may have to be reduced in scale by the Regional Committee so that there is an adequate balance of activities against the Regional Development Plan. Conversely, the Regional Committee may want the CFO to develop more provision.

The final amount of ESF funding available to the CFO is arrived at through a process of negotiation between the Regional Committee and the CFO.

ESF Division has developed a standard form of contract for the GO to use with CFOs

#### **2.4.9 How CFOs Contract with Providers at Local Level**

In outline, the process is:

- The CFO develops and publishes a local Co-financing Prospectus. This describes the additional provision that it intends to fund through ESF.
- Providers are invited to submit tenders against the Prospectus.
- The CFO and GO share information about bids to avoid duplication.
- The CFO assesses tenders and accepts those that best fit the published criteria. Providers can appeal against the decision of the CFO.

As part of the process for approving organisations to become a CFO, a prospective CFO is required to show how it will work with other CFOs to develop similar procedures and systems. The application procedures for different CFOs are therefore similar, so that providers who need to submit separate proposals to different CFOs for different types of provision are not unduly burdened.

#### **2.4.10 Avoiding Duplicate Proposals**

As providers bidding for ESF are, depending on the circumstances, able to go either direct to the GO or to one of potentially several CFOs, there is some scope for duplicate bids being submitted. Before agreeing any bids, CFOs and the GO share details of the proposals that they have respectively received so that any duplicate bids can be identified. As a further precaution, details of agreed bids are also shared between CFOs and the GO.

#### **2.4.11 Consideration of Provider Proposals by CFOs**

CFOs use published criteria to assess provider tenders. They publish details of which projects will be supported using ESF funding. Providers that are unsuccessful are told the reason why their tender was unsuccessful and have the right of appeal against the decision.

#### **2.4.12 Funding, Monitoring, Evaluation and Audit**

As the applicant for ESF funding (or the “final beneficiary” to use the Commission’s terminology), CFOs are responsible for:

- drawing up ESF funding profiles;
- claiming advance payments of ESF funding;
- making interim claims for ESF funding;
- accounting for ESF and domestic funding and associated outputs;

- collating and reporting monitoring information to GOs;
- preparing the project closure report and final claim;
- ensuring that ESF publicity regulations are met;
- making refunds of ESF money when necessary;
- contracting with providers;
- making combined payments of ESF and match funding to providers;
- audit of providers;
- performance monitoring of providers;
- quality monitoring of providers;
- project evaluation.

Each separate application for ESF funding at the measure level is regarded as a separate project, so the CFO carries out the above separately in respect of each project.

Providers are responsible for:

- delivering the provision in accordance with the contract with the CFO;
- identifying which beneficiaries are eligible for ESF support;
- supplying a single MI return covering both ESF and domestic funding;
- submitting payment reconciliation returns in accordance with CFO procedures;
- keeping a single set of supporting records in accordance with CFO procedures.

#### **2.4.13 Monitoring and Evaluation**

The CFO reports monitoring information to the GO every quarter against the items that corresponds with the application; these items are unlikely to change. The CFO therefore needs to collect that information from providers plus any additional information needed for domestic funding. Wherever possible the information need is harmonised so that, for example, only one set of ethnic origin categories is used. Different CFOs use similar categories and definitions.

CFOs are responsible for evaluating the impact of each project and need to involve providers closely in this work.

#### **2.4.14 Audit**

The European Commission, the European Court of Auditors, GOs, the Department for Education and Skills (DfES) and the Department for Work and Pensions (DWP) have the right of access to the provider for audit and inspection purposes. Normally, though, the Commission and DfES/DWP focus on checking the certification of outputs that the CFO holds, as the Final Beneficiary, although they may also wish to check that the outputs claimed have been achieved for real people. It is for the CFO to repay any claim for ESF money that cannot be substantiated. Whether the CFO is entitled to recover from the provider part or all of a payment made to that provider depends on the wording of the contract between the CFO and the provider. Providers who contract direct with the GO are subject to the same level of audit from the Commission and DfES/DWP as now.

#### **2.4.15 Timing and transition**

Government Offices began channelling ESF funds through CFOs in September 2001. Co-

financing is now reaching an advanced stage and it is expected that between 75% and 90% of regional ESF funds will be following this route by spring 2003

Contracts for ESF funding that have already been let will be allowed to run their course under existing arrangements, so that for some time there will be a mix of co-financed and non co-financed provision. This may become confusing, so there will be some scope to transfer contracts to a co-financed basis. For example, where a provider receives all its match funding from the LSC for an older contract, and also received co-financed funding for a newer contract, it might be in the interests of both the provider and the LSC to move the old contract to a co-financed basis, subject to agreement by the GO.

## **2.5 Global Grants**

### **2.5.1 Introduction**

Part of the England Objective 3 Programme is implemented by means of Global Grants in accordance with Article 4.2 of the ESF Regulation (EC) No 1262/99 and paragraph 4.1.9 of the Community Support Framework for Great Britain. Global grants are made to intermediary bodies to fund small organisations or individuals in order to achieve one or more objectives of the programme. They build on the experience of domestic and European initiatives with similar objectives, such as the ESF Article 6 Local Social Capital pilot project.

Each Government Office region has allocated between 1 and 5% of its budget for Global Grants. Intermediary bodies submit ESF applications to the Government Offices and provide the required match funding. They then distribute small grants of up to £10,000 to non-governmental organisations (individuals or groups). The organisations receiving the small grants do not need to find match funding.

Following consultation with Government Offices, ESF Division issued guidance on Global Grants in 2001. It also advertised the availability of Global Grants in the Official Journal of the European Communities on 23 August 2001. This notice will be repeated annually whilst Global Grants remain available.

### **2.5.2 Selection of Intermediary Bodies**

Applications to become intermediary bodies are appraised by Government Offices and approved by Regional Committees. To be selected as an intermediary body, an organisation must:

- meet the standard requirements that apply to all ESF applicants and any other specific requirements detailed in Global Grants Guidance issued by ESF Division;
- show that they will effectively target the grants in the way described in the 'targeting' section of the guidance;
- have a proven track record in working with the target group and preferably have experience of European funding;
- have access to the required match funding. 80% of the match funding must be in cash with no more than 20% being in-kind match funding which can be used only for administrative costs;
- award as grants at least 80% of the ESF funds they receive. They must spend no more than 20% of the total project budget on administrative costs;
- take full responsibility for monitoring the organisations that are awarded a grant; and

- demonstrate that open and competitive arrangements are in place for the distribution of grants to end recipients (the guidance sets minimum requirements that intermediary bodies must put in place).

The following types of organisations may act as intermediary bodies, although the list is not exhaustive:

- large national voluntary sector organisations;
- regional or district-level voluntary organisations;
- neighbourhood organisations;
- development agencies; and
- local authorities.

Intermediary body Global Grant applications are normally submitted under Policy Field 2, Measure 2 as this measure aims to develop local responses to help individuals with multiple disadvantages in the labour market.

### **2.5.3 Targeting and Eligible Activities**

Global Grants support the National Neighbourhood Renewal Strategy (NNRS) by targeting areas of greatest deprivation and groups that are in greatest need in the labour market. These include:

- the local authority districts that have the highest number of people out of work;
- people with disabilities;
- lone parents;
- ethnic minorities; and
- the over 50s.

Global Grants can be used in areas that are not listed in the NNRS, but they should take account of the Regional Development Plan and be targeted at groups who are in greatest need in the labour market. Government Offices agree which groups and areas should be targeted with intermediary bodies.

The evaluation of the previous Objective 3 Priority 4 showed that those regions which had carried out a needs analysis were able to ensure that projects were more closely focused on communities of place or interest, and were able to demonstrate more clearly the labour market justification for the activity to be supported. Therefore within the current programme, each region has to identify the communities of place or interest to be targeted and the way in which small grants can be used most effectively. Regions are also expected to promote these grants alongside other ESF promotional work.

All activities funded by Global Grants should have progression towards the labour market as a key theme but can go further than training courses. They may include activities that increase motivation, confidence or improve interpersonal skills. The following are examples of the types of activities that Global Grants may support, although the list is not exhaustive.

- Projects that encourage co-operation between members of the local community to carry out activities that improve the quality of life and the local environment. This could include creating a sign-language translation service that could be offered to museums and other institutions. This may create jobs for the people providing the sign-language

service as well as moving the deaf or hard of hearing towards the labour market by encouraging them to get out more, which could increase their confidence and motivation.

- Projects which support local networks and groups that are trying to reduce the barriers which are preventing people from getting a job or getting training or a qualification which would help them to get a job. This could include funding someone to do a counselling course that would help them to support people recovering from alcohol or drug addiction.
- Activities such as basic-skills training, confidence building or other work which would support employment which is delivered locally on a small scale and which targets those who are hard to reach by mainstream activities.
- New business start-ups which try to improve the area in some way for the benefit of the local community. This could include setting up a hairdressing service for people who have difficulty getting around or a mobile crèche service for voluntary and community groups. Only new businesses can be supported, not existing businesses.

## 2.6 Horizontal Themes

The Operational Programme indicated that the horizontal themes would be developed during the lifetime of the programme in consultation with the wider partnership and building on good practice. During 2000-02, the horizontal themes were covered in four separate scoring questions on the interactive application form (see questions 4.6 - 4.9 in annex 3). To build on this the following action is being taken or planned.

- Equal opportunities criteria will be strengthened during 2003 following piloting in late 2002.
- A national programme of regional workshops to raise awareness on sustainable development will be run during 2003 (following pilots in late 2002 and early 2003). Implementation issues will be considered at the workshops with a view to strengthening criteria for sustainable development in the second half of the programme.
- Criteria relating to local development and the information society will be reviewed after the mid-term review.

The on-going nature of the review of horizontal themes in the selection process has implications for the interactive application form and related guidance. Subject to the results of piloting and consultation with partners this might include the following:

- National guidance on questions 4.6 to 4.9 would be replaced with regional guidance.
- Direct applicants and CFOs would be signposted to the regional guidance.
- Regions would be issued with standard core guidelines for the horizontal theme criteria and would be asked to incorporate these into their ESF regional guidance.
- The England Objective 3 Monitoring Committee would be asked to approve standard core guidelines.
- Direct applicants would be asked to explain how they meet the criteria on a new horizontal theme field on the interactive application form.

- CFOs would need to demonstrate in their co-financing plans that they would operate processes and systems which would meet the standard criteria set out in regional guidance.

## **2.7 Links with Objective 2**

Seven of the nine English Objective 2 programmes contain elements of ESF. Government Offices in these regions have put in place a number of arrangements to ensure that ESF in Objective 2 and Objective 3 is complementary and avoids duplication. These arrangements include:

- providing clear guidance on the distinctions between what ESF can support in each programme;
- joint Objective 2 and 3 committees or cross representation where separate committees exist;
- common scoring systems for both programmes; and
- sharing information on project approvals and rejections with committees and scoring panels from both programmes

The measures in the Objective 3 Operational Programme can be used to address the specific needs of Objective 2 areas, especially those in policy fields 2 and 4 (social inclusion and equal opportunities for all and adaptability and entrepreneurship). To meet the principles of concentration set out in Article 19 of Regulation 1260/99, 6.68% of the Objective 3 budget has been set aside for activity in Objective 2 areas in addition to that provided through the normal distribution of Objective 3 funds (regional shares of the 6.68% are shown in section 3.2). Government Offices have flexibility in determining how these resources are applied at regional level, for example by holding discrete bidding rounds for Objective 2 areas only.

All projects are required to indicate in their application whether their project will provide support in Objective 2 areas. The project closure reports ask projects if activity was carried out in an Objective 2 area and what proportion of beneficiaries lived or worked in an Objective 2 area. ESF Division will monitor information provided in closure reports to ensure that the principles of concentration are being met.

## 2.8 Conformity with EU Competition Rules

When the Operational Programme for Objective 3 was agreed the basis for ensuring that ESF provision conformed to community rules on competition was that any aid granted was:

- compatible with de minimis rules; or
- applied under an exemption regulation; or
- operated in conjunction with notified and approved state aids or would be subject to ad hoc notifications for specific projects.

The Operational Programme noted that a training aid block exemption was being developed and that regulation has subsequently been adopted (Commission regulation 68/2001).

ESF Division has now decided to cover relevant parts of the Objective 3 programme under the Training Aid block exemption regulations. This will not replace the use of de minimis aid but will provide an additional option within certain policy fields and measures within the programme. The measures to be covered by the block exemption are:

- Policy Field 3, Measure 1
- Policy Field 3, Measure 2
- Policy Field 4, Measure 1
- Policy Field 4, Measure 3
- Policy Field 5, Measure 1

ESF Division will provide the Commission with a summary of the Objective 3 Operational Programme in England and Gibraltar, as required under the Training Aid block exemption regulation, to be placed in the Official Journal (OJEC). The Division intends to provide this information to the Commission by October 2002 which will mean that there will be no need to pre-notify the Commission separately of any aid which complies with all the terms of the regulation.



### **3. FINANCE AND PAYMENTS**

#### **3.1 Financial Table**

The table on the next page sets out the overall financial allocations for each measure.

It is the responsibility of the Final Beneficiaries to ensure that the necessary co-financing of their projects is available before approval. All public match funding to be provided must be endorsed by a signed declaration from the public match funder confirming that the requisite match funding will be made available.

Last Commission Decision: 19.7.00

| In Euro           |                        | Public        |               |                         |                        |             |               |   |           |
|-------------------|------------------------|---------------|---------------|-------------------------|------------------------|-------------|---------------|---|-----------|
| Priority/ Measure | Fields of Intervention | Total Cost    | Total         | Community Participation | National Participation | Private     | Cohesion Fund | Other financial instruments (to be specified) | EIB loans |
| Priority 1        |                        |               |               |                         |                        |             |               |   |           |
| Measure 1.1       | 21                     | 230,122,172   | 227,820,950   | 103,588,070             | 124,232,880            | 2,301,222   |               |   |           |
| Measure 1.2       | 21                     | 2,071,099,550 | 2,050,388,555 | 932,292,630             | 1,118,095,925          | 20,710,995  |               |   |           |
| Total             |                        | 2,301,221,722 | 2,278,209,505 | 1,035,880,700           | 1,242,328,805          | 23,012,217  |               |   |           |
| Priority 2        |                        |               |               |                         |                        |             |               |   |           |
| Measure 2.1       | 22                     | 425,343,911   | 421,090,472   | 191,456,521             | 229,633,951            | 4,253,439   |               |   |           |
| Measure 2.2       | 22                     | 1,753,865,946 | 1,736,327,286 | 789,453,106             | 946,874,180            | 17,538,660  |               |   |           |
| Measure 2.3       | 22                     | 93,082,535    | 92,151,710    | 41,898,469              | 50,253,241             | 930,825     |               |   |           |
| Total             |                        | 2,272,292,392 | 2,249,569,468 | 1,022,808,096           | 1,226,761,372          | 22,722,924  |               |   |           |
| Priority 3        |                        |               |               |                         |                        |             |               |   |           |
| Measure 3.1       | 23                     | 1,793,835,462 | 1,659,297,803 | 808,753,467             | 850,544,336            | 134,537,659 |               |   |           |
| Measure 3.2       | 23                     | 768,786,628   | 711,127,630   | 346,608,629             | 364,519,001            | 57,658,998  |               |   |           |
| Total             |                        | 2,562,622,090 | 2,370,425,433 | 1,155,362,096           | 1,215,063,337          | 192,196,657 |               |   |           |
| Priority 4        |                        |               |               |                         |                        |             |               |   |           |
| Measure 4.1       | 24                     | 459,137,105   | 344,352,829   | 209,652,578             | 134,700,251            | 114,784,276 |               |   |           |
| Measure 4.2       | 24                     | 516,529,244   | 387,396,933   | 235,859,150             | 151,537,783            | 129,132,311 |               |   |           |
| Measure 4.3       | 24                     | 172,176,415   | 129,132,311   | 78,619,716              | 50,512,595             | 43,044,104  |               |   |           |
| Total             |                        | 1,147,842,764 | 860,882,073   | 524,131,444             | 336,750,629            | 286,960,691 |               |   |           |
| Priority 5        |                        |               |               |                         |                        |             |               |   |           |
| Measure 5.1       | 25                     | 467,388,298   | 462,714,415   | 210,391,543             | 252,322,872            | 4,673,883   |               |   |           |
| Measure 5.2       | 25                     | 173,927,484   | 172,188,209   | 78,292,229              | 93,895,980             | 1,739,275   |               |   |           |
| Total             |                        | 641,315,782   | 634,902,624   | 288,683,772             | 346,218,852            | 6,413,158   |               |   |           |
| Priority 6        | 41                     |               |               |                         |                        |             |               |   |           |
| Measure 6.1       | 411                    | 68,586,615    | 67,214,883    | 30,863,380              | 36,351,503             | 1,371,732   |               |   |           |
| Measure 6.2       | 411-414                | 119,693,323   | 117,299,456   | 53,863,112              | 63,436,344             | 2,393,867   |               |   |           |
| Total             |                        | 188,279,938   | 184,514,339   | 84,726,492              | 99,787,847             | 3,765,599   |               |   |           |
| Total ESF Related |                        | 9,113,574,688 | 8,578,503,442 | 4,111,592,600           | 4,466,910,842          | 535,071,246 |               |   |           |

### 3.2 Regional Allocations

The following table shows the breakdown between policy fields which was agreed with regions in the light of their labour market assessments, when the Operational Programme was developed:

| <b>Regional profiles for funding by policy field (%)</b> |          |          |          |          |          |
|--|----------|----------|----------|----------|----------|
|  | <b>1</b> | <b>2</b> | <b>3</b> | <b>4</b> | <b>5</b> |
| North East   | 25       | 27       | 25       | 18       | 5        |
| North West   | 30       | 25       | 30       | 10       | 5        |
| Yorkshire and the Humber                                 | 35       | 25       | 25       | 10       | 5        |
| East Midlands  | 26       | 26       | 28       | 15       | 5        |
| West Midlands  | 35       | 25       | 25       | 15       | 5        |
| East of England  | 20       | 20       | 35       | 20       | 5        |
| London   | 25       | 35       | 25       | 10       | 5        |
| South East   | 15       | 25       | 35       | 20       | 5        |
| South West   | 26       | 26       | 30       | 13       | 5        |

Regions must apply the indicative percentage allocations between the measures within each of the five policy fields, as set out in section 1. However, the balance between policy fields and measures can be reviewed when regions report on progress each year. It is possible for the regional profiles to be adjusted, but any change that impacts on the financial tables set out in the Operational Programme must be agreed with the European Commission.

The Monitoring Committee agreed, in 2000, that the 6.68% of the programme funds that is set aside for activity in Objective 2 areas (see section 2.7) should be allocated between regions on the basis of the population in Objective 2 areas. The following table shows the Objective 2 population in each region and each region's resulting share of the 6.68%.

| <b>Region</b>            | <b>Objective 2 Population ('000s)</b> | <b>Share (%) of 6.68%</b> |
|--------------------------|---------------------------------------|---------------------------|
| North East               | 2268.4                                | 19.67                     |
| North West               | 2162.1                                | 18.75                     |
| Yorkshire and the Humber | 1547.3                                | 13.42                     |
| East Midlands            | 1104.2                                | 9.58                      |
| West Midlands            | 2428.7                                | 21.06                     |
| East of England          | 463.7                                 | 4.02                      |
| London                   | 852.5                                 | 7.39                      |
| South East               | 88.8                                  | 0.77                      |
| South West               | 585.9                                 | 5.08                      |
| Gibraltar                | 28                                    | 0.24                      |

### **3.3 National and Centrally Funded Projects**

The majority of ESF resources are allocated to the English regions. However an amount has also been set aside to provide support for key initiatives which reflect the priorities of the Operational Programme but which could not be managed at the regional level. These fall into two categories:

- national projects that by definition could not be funded through one individual region; and
- key Government initiatives that are funded and managed centrally. Whilst they have local beneficiaries, they could not be managed at the level of the region.

The total allocation for national and centrally funded projects is restricted to 20% of the available budget. Applications for national and centrally funded activity are submitted to ESF Division using the 'direct bid' application form (see section 2.3).

#### **National projects**

From the beginning of the programming period, there has been a rolling programme for applications to deliver projects nationally. This programme aims to ensure that only those projects which are genuinely national and could not be delivered at a regional level are supported. The National Projects Steering Group, a sub committee of the Monitoring Committee, has been established to appraise and select applications. It has also been responsible for agreeing on the policy for determining national projects.

Projects have been approved from organisations such as: CSV; the Prince's Trust; the Refugee Council; Ufi Ltd; and the Young Builders' Trust. Projects have also been supported in the Higher Education sector.

This process has worked well but it has proved difficult to encourage take up in certain policy fields and measures. In order to address this the Steering Group has decided to adopt a process that more closely replicates the scoring and selection system in use in the regions. Applicants bid within given time frames and a list of recommended projects is put forward to the steering group which appraises projects where appropriate and then selects.

In certain measures, mainly those where research is undertaken, organisations have been commissioned to undertake the activity.

These changes to the way national projects are chosen and managed will ensure a more even take up of ESF support at a national level.

#### **Centrally funded activity**

The requirement for strategic links between the National Action Plan for Employment and the Objective 3 programme means that ESF must be used to add value to key Government initiatives. Whilst the majority of initiatives are managed at regional level and can therefore be developed alongside Objective 3 within each region, there are some activities which are managed and funded centrally and could not be dealt with at the level of the region.

In order to take this work forward in a transparent way, ESF Division consulted Ministers and policy divisions within the former Department for Education and Employment to agree which activities should fall into this category and what level of support should be available to them. This discussion was informed by the overall priorities set out in the Operational Programme.

Centrally funded activity represents a significant change in the way in which links have been made between Government initiatives and ESF. Throughout the process efforts have been made to ensure that the maximum amount possible is made available to regions and that central support is restricted to activities which are managed centrally.

The activities fall into three broad categories:

**a. Key policy initiatives that are identified in the Operational Programme, where Objective 3 support is required to help develop provision**

|  |  |
|--|--|
| <p><b>Childcare</b><br/>Early Years Development &amp; Childcare Partnership (EYDCPs)</p> | <ul style="list-style-type: none"> <li>• Target the workforce recruitment campaign at groups currently under-represented in the Childcare workforce.</li> <li>• Provide additional support for good quality childcare places.</li> <li>• Improve training and qualifications of childcare workers.</li> <li>• Provide extra help for teen parents in each partnership area.</li> </ul>   |
| <p><b>Connexions Service</b></p>   | <p>Develop national elements of Connexions such as training Connexions Service Personal Advisers and links with regions.</p>   |
| <p><b>Work-Life Balance</b></p>  | <p>Offer consultancy advice for employers to help them develop policies and flexible working practices which benefit business as well as enabling staff to better balance their work with other responsibilities in their lives.</p>   |
| <p><b>Access to learning – widening participation</b></p>                                | <ul style="list-style-type: none"> <li>• Provide incentives to encourage SMEs to sponsor Level 4 sub-degree study by their employees.</li> <li>• Increase the number of Summer Foundation Courses available for students who do not have the necessary qualifications and study skills to enter a normal undergraduate programme without preparation.</li> <li>• Offer taster sessions to give young people from disadvantaged areas an understanding life in HE and develop outreach activities.</li> <li>• Provide mentoring support for first year undergraduates from disadvantaged groups.</li> </ul> |

**b. Piloting initiatives on a national basis which could then inform regional Objective 3 or national provision**

|                                 |   |
|---------------------------------|---|
| <b>Teacher Supply</b>           | Remove obstacles currently preventing people from ethnic minorities becoming teachers.                        |
| <b>Support for Ex-Offenders</b> | Remove multiple barriers to labour market entry facing disadvantaged offenders through targeted intervention. |

**c. Development and dissemination of good practice across regions**

|                                      |   |
|--------------------------------------|---|
| <b>Qualifications For Work</b>       | Expand the skills training for 16 - 19 year olds to include those majoring on personal effectiveness, with a particular emphasis on citizenship skills. |
| <b>Access to Learning for Adults</b> | Support Adult Learners Week   |

### **3.4 Payments**

#### **3.4.1 Overview**

All payment claims are made to the Commission by the Department for Work and Pensions (DWP), which is the Paying Authority for the England Operational Programme. Interim and final claims are derived from declarations of expenditure submitted by final beneficiaries.

All payments made by the Commission are paid to the DWP. The money received is routed through the Bank of England to the Department's accounts. Separate accounts are reserved for EU money. These accounts do not bear interest. The DWP pays the final beneficiaries on receipt of authorisation by the GO or ESF Division as appropriate.

Systems are maintained to identify clearly all receipts from the Commission and individual payments to final beneficiaries. Procedures are in place to ensure compliance with EU regulations on prompt payments.

#### **3.4.2 Payment Systems**

DWP, as the Paying Authority, is responsible for ensuring that the payments systems used have robust financial controls. Standards of probity and propriety consistent with those used for UK government expenditure are applied to the management of ESF funds. Procedures are in place to ensure that, on submission of valid and properly completed claims, applicants are paid promptly.

#### **Differentiation of rates of contribution**

In accordance with Article 29.3 of the Structural Fund Regulation, the contribution of the Funds is subject to the following ceilings: a maximum of 50% of the total eligible cost, and at least 25% of the eligible public expenditure.

## **General**

The payment system has been improved to ensure even tighter financial management. The following provides a description of the key aspects of the payment system.

Payments can be made once:

- the contract has been signed;
- the organisation confirms that the project has started;
- the organisation provides a projected profile of expenditure; and
- a Public Match Funding certificate has been received .

## **Advance Payment**

The advance claim (first payment) is 30% of the first 12 months ESF. It is paid when the general conditions above are met.

## **Interim Claims**

Interim claims are made on the basis of declared expenditure, which is compared to the profiles. The project intervention rate (e.g. 45%) is applied to the total expenditure to establish the payment amount. Interim claims may be at monthly, quarterly, or 6 monthly intervals. The frequency is determined by the profile of each project.

## **Final Claims**

20% of the last 12 months expenditure is retained until:

- the project closure report has been received and checked;
- the last audit certificate (covering up to the end of the project) has been received (see below); and
- the last General Certificate of Expenditure has been received.

## **Audit Certification**

Audit certificates are required for projects which are for more than £20,000 ESF. An audit certificate is required to accompany claims at 12 monthly intervals and at the final report stage. New guidance was issued to Government Offices and projects at the beginning of September 2002.

The certification process complies with guidance for reporting accountants laid down by the Institute of Chartered Accounts for England and Wales and also further strengthens the current arrangements for on-the-spot checks under Article 4 of Commission Regulation 438/2001. The process requires a specified testing programme to be carried out, with the results of the testing reported under a tri-partite arrangement to the project and the DWP, via the Government Office. This report details errors found and any action taken to remedy these errors.

Audit certification requirements do not apply to Co-financing Organisations for which alternative control arrangements are being developed.

## **Public Match Funding Certificates (PMFC) and General Statements of Expenditure (GSE)**

The PMFC may initially be for any amount. That amount sets a payment ceiling for the contribution of Funds. Further PMFCs may be needed to allow more payments if the ceiling has been reached. If it has not been received, payments to the project are suspended.

A GSE is required at 12 monthly intervals. As a minimum, the first GSE covers the first month of the project. It may cover the entire project if the project lasts only 12 months. If the first GSE has not been received by the end of 15 months (covering the first 12 months), all payments to the project are suspended.

## **4. PUBLICITY**

The information and publicity strategy for the England Objective 3 programme fulfils the requirements of Regulation (EC) No 1159/2000 of 30 May 2000 on publicity measures to be taken by the Member States over the period 2000-2006. The Objective 3 Information and Publicity Strategy was agreed by the England Monitoring Committee in December 2000.

The aims of the strategy are to:

- raise awareness of ESF at national, regional and local levels;
- make the general public aware of the role played by the European Union;
- maximise visibility of the fund by creating a more visible unity through consistency of branding;
- make potential beneficiaries and trade organisations aware of the opportunities afforded by ESF; and
- make sure providers are aware of their obligations to publicise ESF.

The full strategy is at annex 4 along with the communications action plan. This plan has sufficient flexibility to take account of activities and opportunities that will arise as the work of the ESF Division develops from year to year.



## **5. EXCHANGE OF DATA**

Each member state is required to supply the European Commission with a set of core monitoring data. The monitoring indicators set out in the Community Support Framework for Objective 3 are also collected for ESF Objective 1 and 2 programmes. The Evaluation Standing Group has discussed and agreed common definitions for these indicators. This UK-wide ESF monitoring data is collated by the ESF Evaluation Team in DWP and delivered to the European Commission. The Commission has provided the UK with the specifications necessary to facilitate this exchange of data.

An agreement was reached with the Commission on 12 June 2000 with respect to arrangements concerning the computerised exchange of data between the UK and the Commission needed to fulfil the management, monitoring and evaluation requirements in accordance with article 18.3.e of Regulation 1260/99.

The Commission provided the Managing Authority with an excel spreadsheet to transfer data about the Community Support Framework, Operational Programme and Programme Complement. The Managing Authority will continue to have access to this system to check the accuracy of programme data it has provided to the Commission.

The Paying Authority, DWP, makes payment claims in the form of Table 8 of the Vademecum, according to the Commission's framework.

Forecasts of payment claims are presented by the Managing Authority for each of the Funds in the form of Table 9 of the Vademecum.

DWP has developed its computer systems for electronic exchange of data in accordance with the technical specifications set out in the Commission regulation. This lays down rules about the form and content of the information Member States must retain for the Commission for the purposes of checking Structural Funds' accounts.

DWP also makes available to the Commission, as requested on an ad hoc basis, the details of individual projects they currently record. This includes payments to final beneficiaries, which for ESF are those to applicants. The DWP has developed its computer systems to record the range of details set out in the Commission regulation referred to above.



## **CATEGORISATION OF FIELDS OF INTERVENTION**

The list of categories of fields of intervention of the Structural Funds, is based on Article 36 of Regulation 1260/99 and has been drawn up to assist the Commission Services with their tasks related to reporting on the activities of the Structural Funds.

In addition to inclusion in the regular annual reports on the Structural Funds and to contribute to Communications on different Community policies, such information by category is necessary to enable the Commission to meet demands for information from other EU institutions, Members States and the public.

The categorisation may also facilitate follow-up, monitoring and evaluation.

The extract below identifies the categories and codes that relate to Objective 3 activity.

### 2. Human Resources

21 Labour market policy = Priority 1

22 Social inclusion = Priority 2

23 Developing educational and vocational training not linked to a specific sector (persons, firms) = Priority 3

24 Workforce flexibility, entrepreneurial activity, innovation, information and communication technologies (persons, firms) = Priority 4

25 Positive labour market actions for women = Priority 5

### 4. Miscellaneous

41 Technical assistance and innovative actions = Priority 6

411 Preparation, implementation, monitoring, publicity

412 Evaluation

413 Studies

414 Innovative actions

**TYPES OF FINAL BENEFICIARY**

The following organisations are types of final beneficiary (i.e. organisations responsible for commissioning operations) within the Operational Programme's measures:

Business Links Operators  
Chambers of Commerce  
Connexions Partnerships  
Equality Commissions  
Government Agencies  
Government Departments  
Higher Education Institutions  
Industrial Common Ownership Movement  
Jobcentre Plus  
Local Authorities  
Local Employment and Regeneration Consortia  
Learning and Skills Councils  
Nationalised Industries  
NHS Trusts  
Non-Departmental Public Bodies  
Private Companies (non SMEs)  
Regional Development Agencies  
Research Organisations  
Sector Skills Councils  
Small and Medium Sized Enterprises  
Social Partner Organisations  
Voluntary Sector Organisations  
Women's Training Organisations

## DIRECT BIDDING: HOW PROJECTS ARE SELECTED FOR FUNDING (EXTRACT FROM 2000 GUIDANCE FOR APPLICANTS)

### Overview

Organisations have to compete to get money from the European Social Fund (ESF). The selection system is an open and transparent process that has been designed to ensure that the best projects which meet the needs of the region within the available ESF budget are chosen. The system is also designed to avoid the duplication and over-provision of any activities.

The selection system consists of several stages:

1. Completing the application form
2. Selection panels draw up a list of projects recommended for approval
3. Regional Committees take the final decision on which projects to fund
4. Government Offices issue contracts to successful applicants
5. Unsuccessful applicants can appeal against the decision

These stages are explained in detail below.

### 1. Completing the application form

- A completed application form is required for each project that you submit. It is important that all questions are fully answered as your project will be judged solely on the basis of the evidence that you provide on the application form.
- The interactive application form (IAF) will only display questions which are relevant to the region and policy field and measure that you are applying under.
- Your answers to each question should be no longer than 1 page of A4.
- Guidance is available for every question by using the help buttons on the interactive form. This guidance can be printed by clicking on the menu button and selecting the appropriate option.

### Regional guidance

- Each region will produce its own set of guidance which you must refer to.
- **Regional guidance will contain scoring and selection information specific to applications being submitted in your region and it is essential that you read this in conjunction with the national guidance.**

### Eligibility Questions

- Eligibility questions will be E indicated by an on the application form.
- The questions in sections 2 and 3 of the application form are used to determine whether your project is eligible for ESF support.

- If your answer for any of these questions does not match the requirements in the guidance for that question, your project will not be eligible for ESF support.

### Information questions

- Information questions will be **I** indicated by an on the application form.
- Although these questions will not be scored, the information they request is essential and may be used to inform the selection process.
- When answering all questions you should take account of the needs of the regional development plan (RDP), Single Programming Document (Objectives 1 and 2) and Operational Plan (Wales).

### Scoring questions

- Scoring questions will be indicated **S** by an on the application form.
- The highest number of marks available for each question is indicated in the table at the end of this section.
- Each scoring question contains a number of points which should all be fully addressed. You will score marks on the basis of whether you have fully, partly or not at all answered each point.
- **You should refer to the regional guidance issued by your Government Office to find out the highest number of marks available for each point and how each point will be scored.**

### Quality threshold

- A national quality threshold of 65% has been set.
- This means that if your project does not score at least 65% of the highest number of points available for your application, your project can not be selected for support.

## 2. Selection Panels

- Government Offices will check your application to ensure that it is complete and meets all of the eligibility criteria.
- Eligible applications will then be passed to a selection panel to be scored.
- Selection panels are made up of regional partners who represent sectors such as voluntary organisations, further education colleges and local authorities.
- After your project has been scored, the extent to which it fits with the regional objectives outlined in the regional development plan (RDP) of the area in which you are applying, and the extent to which it represents value for money will be assessed. This information will then be used to inform the selection process.

- You will be given feedback on your application and will be told the score your project has achieved. This will allow you to identify the strengths and weaknesses of your application.

### **3. Regional committees**

- Each selection panel will draw up a list of projects recommended for approval and this will be passed to a regional committee who will take the final decision on which projects to fund.
- Regional committees are made of Government Office representatives and regional partners.

### **4. Issuing of contracts to successful applicants**

- If your project has been selected for funding, your Government Office will send you a contract.

### **5. Unsuccessful applicants**

- If your project is not selected for funding, the GO will write to let you know, enclosing the marks awarded by the selection panel. This might help you identify the strengths and weaknesses of your proposal, for consideration when making future applications.
- The letter will also explain the appeals procedures. There are only two grounds for appeal. That the selection panel or regional committee:
  - demonstrated bias against your project proposal, or
  - made a decision no reasonable person would make.

## Selection Questions

Questions 4.1 - 4.9 apply to Objectives 1 & 3, question 4.10 only applies to Objective 1

| Question   | The highest number of marks available | How marks will be awarded   |
|--|---------------------------------------|---|
| <p><b>4.1</b></p> <p>Explain the purpose of the project and what it is going to do</p> | <p>None</p>                           | <p><b>I</b> Information question</p> <p>Although this question will not be scored it is being asked to assess:</p> <ul style="list-style-type: none"> <li>• how the project fits with Operational Plans (OP) aims; and</li> <li>• how the proposal fits, if Objective 1 or 2 (or if in Wales OP) within the priorities of the Regional Development Plans (RDP) - Single Programming Document (SPD).</li> </ul>  |
| <p><b>4.2</b></p> <p>Explain why the project is needed</p>                             | <p>33</p>                             | <p><b>S</b> Scoring question</p> <p>Your answer should fully take into account the three points listed below. You will be scored against these points.</p> <ul style="list-style-type: none"> <li>• You should provide local detailed evidence and, if appropriate, evidence from a particular sector to support your proposed activity. This can include labour market evidence, local surveys and consultation with employers - including NTO Skills Foresight reports if appropriate.</li> <li>• You should describe the barriers faced by the target groups and how your project will help to overcome these barriers.</li> <li>• You should show your project links with or complements government strategies or initiatives.</li> </ul> |

|  |           |   |
|--|-----------|---|
| <p><b>4.3</b></p> <p>Who is the project for?</p>   | <p>20</p> | <p><b>S</b> Scoring question</p> <p>Your answer should fully take into account the four points listed below.<br/>You will be scored against these points.</p> <ul style="list-style-type: none"> <li>• Which of the priority target groups or areas identified in the Regional Development Plan/Single Programming Document (if Objective 1 or 2)/Operational Plan (if applying in Wales) explain why.</li> <li>• Show that the number of people your project will help is realistic.</li> <li>• If your project aims to target people for development, how will you recruit them? Show that this recruitment process is appropriate.</li> </ul>  |
| <p><b>4.4</b></p> <p>Describe how you will design, carry out and manage your project to meet the needs of your target group.</p> | <p>18</p> | <p><b>S</b> Scoring question</p> <p>Your answer should fully take into account the six points listed below.<br/>You will be scored against these points.</p> <ul style="list-style-type: none"> <li>• Describe the main processes and stages in carrying out the project.</li> <li>• How will you measure and monitor the needs of your target group.</li> <li>• Describe any relevant experience your organisation has had in running previous projects.</li> <li>• Describe any research you have undertaken.</li> <li>• How will you publicise your project during its life and when you have finished it.</li> <li>• How will you keep the project going after ESF support finishes?</li> </ul> |

|  |           |  |
|--|-----------|--|
|  |           |  |
| <p><b>4.5</b></p> <p>What will be the results of the project be?</p>   | <p>15</p> | <p><b>S Scoring question</b></p> <p>Your answer should fully take account the three points listed below.<br/>You will be scored against these points.</p> <ul style="list-style-type: none"> <li>• Will the project lead to any of the following? <ul style="list-style-type: none"> <li>■ achieving relevant NVQ levels 1-5 (or equivalent or units towards these).</li> <li>■ other relevant qualifications.</li> <li>■ increased levels of business and employment.</li> </ul> </li> <li>• How do the results relate to the Regional Development Plan/Single Programming Document (objectives 1 and 2 only)/Operational Programme (if applying in Wales)?</li> </ul> <p>How will you make sure that the project gets these results?</p> |
| <p><b>4.6</b></p> <p>How will your project support and promote equal opportunities. This is not limited to just sex but includes promoting equal opportunities for all excluded groups</p> | <p>6</p>  | <p><b>S Scoring question</b></p> <p>You should refer to the Regional Development Plan for further information or the SPD (Objective 1 or 2) or the OP (Wales).</p> <p>You should answer the three questions below fully.</p> <ul style="list-style-type: none"> <li>• How do you expect the project to affect: <ul style="list-style-type: none"> <li>■ men and women;</li> <li>■ ethnic minorities;</li> <li>■ disabled people;</li> <li>■ and any other excluded groups?</li> </ul> </li> <li>• What will the project do to promote equal opportunities?</li> <li>• What actions will the project be taking to encourage equal opportunities?</li> </ul>   |

|  |          |   |
|--|----------|---|
| <p><b>4.7</b></p> <p>How will your project support national and regional approaches to development that can be maintained?</p>                           | <p>2</p> | <p><b>S</b> Scoring question</p> <p>You should refer to the Regional Development Plan for further information or the SPD (Objective 1 or 2) or the OP (Wales).</p> <p>To answer this question you should refer to one or more of the following four aims:</p> <ul style="list-style-type: none"> <li>• protecting the environment;</li> <li>• careful use of natural resources;</li> <li>• progress which recognises the needs of everyone; and</li> <li>• maintaining high and steady levels of economic growth and employment.</li> </ul> |
| <p><b>4.8</b></p> <p>How will you involve the information society and information communication technologies (ICTs) when you carry out your project?</p> | <p>3</p> | <p><b>S</b> Scoring question</p> <p>You should refer to the Regional Development Plan for further information or the SPD (Objective 1 or 2) or the OP (Wales).</p> <p>All projects should explain:</p> <ul style="list-style-type: none"> <li>• what ICT they will use;</li> <li>• how they will use ICT;</li> <li>• what the expected benefits and results of using the proposed ICT will be.</li> </ul>   |
| <p><b>4.9</b></p> <p>How will your project use local initiatives?</p>  | <p>3</p> | <p><b>S</b> Scoring question</p> <p>You should refer to the Regional Development Plan for further information or the SPD (Objective 1 or 2) or the OP (Wales).</p> <p>All projects should describe:</p> <ul style="list-style-type: none"> <li>• how far you will involve any local partnerships in running or developing the project; and</li> <li>• how flexible the project will be in responding to local needs.</li> </ul>   |

|  |    |   |
|--|----|---|
|  |    |   |
| <b>4.10</b><br><b>Objective 1 only</b> | 50 | <b>S</b> Scoring question<br><br><b>If you are applying under Objective 1, the application form will have an additional question for you to complete. Please refer to your regional guidance for details.</b> |

## PUBLICITY STRATEGY

### 1. BACKGROUND

1.1 The information and publicity strategy for the England Objective 3 programme reflects the requirements of Regulation (EC) No 1159/2000 adopted on 30 May 2000 on publicity measures to be taken by the Member States over the period 2000-2006. The strategy will form the Objective 3 Communications Action Plan.

1.2 The aims are to:

- raise awareness of ESF at national, regional and local levels;
- make the general public aware of the role played by the European Union;
- maximise visibility of the fund by creating a more visible unity through consistency of branding;
- make potential beneficiaries and trade organisations aware of the opportunities afforded by ESF; and
- make sure providers are aware of their obligations to publicise ESF.

1.3 The objectives of the strategy are to:

- make sure that key guidance obtains the Crystal Mark of the Plain English Campaign;
- make available application and publicity material on the internet;
- provide core ESF messages for those involved in the delivery of ESF;
- provide the means to co-ordinate website information;
- continue to improve the applications and approval cycle;
- get the ESF message across to more organisations to improve the standard of applications;
- present a positive image which illustrates the success of ESF;
- make applicants aware of other ESF funded projects in their area to facilitate better local targeting;
- develop an effective dissemination strategy to take forward good practice and results of ESF evaluation activity; and
- clarify and reinforce the relationship between Objective 3 and EQUAL.

### 2. TARGET GROUPS

2.1 The strategy's objectives will be achieved by targeting specific audiences with a variety of different measures. The following list represents the key groups to be targeted:

- **National media** - regional and local media will be targeted through the regions
- **Private Sector** - mainly SMEs but also general promotion of ESF and its benefits for businesses
- **Education Sector** – Further Education, Higher Education and (through the regions) sub-groups of students, teachers and those connected in the wider sense with educational establishments
- **Voluntary and Community Sector** – a priority will be organisations working towards equal opportunities

- **Partners/Providers** – the people and organisations who are formally involved in the monitoring and running of the programme
- **General public** – targeted by general publicity material which raises awareness of ESF
- **Government Departments** – to ensure they are aware of potential links with ESF.

2.2 These target groups have been selected to reflect the aims of the programme and also to reach beyond those immediately affected by ESF to raise awareness amongst a wider audience.

### 3. DELIVERY

3.1 In delivering the publicity strategy, the ESF Division intend to work closely and in consultation with the European Commission, regional Government Offices, national (and to a certain extent regional) partners, sector representatives and project operators.

3.2 The Division's Policy Team will have responsibility for the monitoring and co-ordination of publicity measures at a national level. They will also advise the managing authorities in the regions on the implementation of all information and publicity measures.

3.3 All providers will be issued with comprehensive and clear guidance so that they can fulfil their own publicity requirements relating to individual projects. This will continue to be stipulated in the annexes of contracts issued by GOs.

### 4. ACTIVITIES

The table on the next two pages details the main plan of activities for the publicity strategy. Many other activities and opportunities will arise as the work of the ESF Division develops from year to year; flexibility and adaptability will be important and change may evolve naturally through a learning process.

### 5. MONITORING AND EVALUATION

5.1 Monitoring of the implementation of the Communication Action Plan will be vital in ensuring its effective delivery. Key evaluation procedures will include:

- a yearly appraisal of publicity and information activity through questionnaires;
- an ongoing interaction with, and consideration of, public views through forums on the website;
- regular discussions with affected parties, in particular beneficiary organisations;
- the monitoring of press and media coverage; and
- the presentation of an annual report on publicity and information activity to the English Monitoring Committee alongside the programme annual report.

5.2 In addition to these measures, it is envisaged that we will undertake a mid-term evaluation of activities for the publicity strategy, the basis of which is yet to be finalised.

## COMMUNICATIONS ACTION PLAN

| ACTION/ACTIVITY   | OBJECTIVES   | TARGET GROUP  | RESPONSIBILITY FOR IMPLEMENTATION AND FUNDING | TIMETABLE FOR IMPLEMENTATION | EVALUATION CRITERIA  |
|---|--|---|---|------------------------------|--|
| 1. ESF News website – to design and build an umbrella website for ESF in the UK, which will co-ordinate the current plethora of information available through other websites linked to ESF. This will ensure that there is a consistent approach, interpretation and level of understanding across all parts of the UK regardless of location and sector. The site will need to meet the needs of a wide audience, from fund administrators such as Government Offices, to those delivering projects, and the general public. | To provide a common resource database of information and news; to provide an easy access help and information point for all; and to co-ordinate and simplify internal communication processes. | Applicants, general public, all European contacts, GOs, all partners.         | ESF Unit Polsec team. Funding from ESF TA.    | December 2000.               | Monitor Website 'hits', enquiries to ESF Unit following 'hits'.      |
| 2. ESF Newsletter - to produce a quarterly newsletter to enable the Unit to communicate directly with applicants on a variety of ESF issues including policy developments and operational matters.  | To offer an effective, practical means of giving an overview of activity and circulating developments; to highlight 'best practice'.   | All national and regional partners, project providers, members of the public. | ESF Unit Polsec team. Funding from ESF TA.    | First issue, December 2000.  | Feedback slip, partner comments.                                     |
| 3. Objective 3 new programme launch - national conference followed by 9 regional events.  | To launch new programme and disseminate ideas on good practice.  | Partners, applicants, beneficiaries.  | ESF Unit Polsec team. Funding from ESF TA.    | June 2000.                   | Quality of applications coming forward, feedback sheets from events. |
| 4. ESF Unit Corporate Identity project  | To develop the Unit's corporate image and establishing a "house style" for all the Unit's communications outputs; to develop a new ESF logo for new programme.                                 | ESF Unit outputs  | ESF Unit Polsec team. Funding from ESF TA.    | June 2000.                   | Feedback from the field.   |
| 5. Media liaison – press releases to be issued as appropriate.  | To ensure sufficient media coverage of key events; to ensure the media are employed to good effect in awareness raising for the programme.   | Media, general public, private sector (businesses).                           | ESF Unit Polsec team.                         | Ongoing.                     |  |

|  |  |  |   |   |   |
|--|--|--|---|---|---|
| 6. Publications – production of leaflets, booklets, best practice guides.  | To provide a succinct overview on ESF; to highlight best practice projects; to promote best practice.  | Partners, applicants, general public.                      | ESF Unit Polsec team/Post 2000 team. DfEE Advertising & Publicity budget. | June 2000 (GB booklets).<br>November 2000 (Guide to measuring soft outcomes). | Feedback from the field.                        |
| 7. Display materials and posters – development of new display stand for use at conference events; production of new posters for use by applicants. | To enable a strong ESF presence at national events; to assist applicants in effectively publicising the funds.   | Partners, applicants, general public.                      | ESF Unit Polsec team. DfEE Advertising & Publicity budget.                | November 2000 (stand).<br>December 2000 (posters).                            | Feedback from events.                           |
| 8. Web on-line documentation and application forms – Crystal marking (by Plain English Campaign) of key documents.                                 | To make the application form more accessible; to make guidance documentation more easily understood.   | Applicants.  | ESF Unit Post 2000 team. DfEE Advertising & Publicity budget.             | October 2000.   | Feedback from the field and via the website.    |
| 9. National TA Publicity project – Adult Learner’s Week  | To publicise ESF alongside national ALW initiative; promote ESF award winners for adult learning.  | General public, potential applicants.                      | ESF Unit Polsec team. Funding from ESF TA.                                | September 2000  | Evaluation built into the scope of the project. |
| <b>Projects to be considered for good practice &amp; dissemination</b>   |  |  |   |   |   |
| 1. National TA Publicity project – “ESF Register of Projects”.   | To provide a directory of approved projects; providing details of activity, location and numbers; to assist in identifying gaps in provision and allow easier access for general public. | General public, potential applicants, partners, GOs, RDAs. | ESF Unit Polsec team. Funding from ESF TA.                                | Dependent on decision on co-financing.  | Feedback from the field.                        |
| 2. National TA Publicity project – Disseminating good practice.  | To improve the effectiveness of ESF Objective 3 by capturing and disseminating good practice.  | National and regional partners, GOs, RDAs.                 | ESF Unit Polsec team. Funding from ESF TA.                                | January 2001. To go to tender.  | Feedback from the field.                        |

## EVALUATION STRATEGY

1. Our evaluation strategy will evaluate the success of the programme in meeting all of its objectives and assess the contribution of each Policy Field to the Programme as a whole. Evaluation plans for 2000-2003 build on the evaluation strategy set up for the previous programming period. In doing so, the plan follows the broad approach suggested by European Commission guidelines.

2. One of the main aims of the evaluation is to identify the added value of ESF. The European Commission guidelines suggest that evaluation of added value should be based around four principles:

- *Relevance* i.e. How relevant was the activity in the social and economic context?
- *Consistency* i.e. What value does the programme add to national policies?
- *Effectiveness* i.e. Has the programme achieved its expected outcomes?
- *Efficiency* i.e. What are the costs of the interventions in relation to the effects?

Our evaluation will aim to address these issues.

3. In essence, our evaluation is based on a bottom-up approach. This focuses on measuring the impact of Objective 3 on the individuals, companies and organisations who have received support rather than attempting to look at the macro-economic impact of the programme. The four main tools in delivering the evaluation strategy are:

- monitoring information based on administrative data;
- follow-up survey data on the labour market experience of individual programme participants around six months after leaving the programme;
- survey of companies receiving ESF support;
- ad hoc research into any emerging issues.

4. This approach worked reasonably well in evaluating Objectives 3 and 4 in the previous programming period. It provided the sort of evaluation and monitoring information needed to inform the direction and implementation of the programmes and to inform the development of the 2000-2006 programme. It makes sense to roll forward the basic approach to cover the 2000-2003 period.

5. Another aspect of the evaluation of the Objective 3 programme will be to look at the impact of the programme on systems and structures. To some extent this will build on the previous evaluation of Objective 3 Priority 4 (capacity building). It is crucial that any evaluation of actions on systems and structures takes into account the indirect impact on the ultimate beneficiaries i.e. the longer term effects on the ESF target groups.

### Organisation and funding of monitoring and evaluation

6. The Evaluation Standing Group has been set up to ensure that all structural fund programmes in the UK carry out an effective evaluation of ESF interventions. As part of its remit, the ESG will oversee the Objective 3 evaluation strategy for England. In doing this, the

ESG will feedback to the Objective 3 Monitoring Committee any relevant lessons for programme implementation emerging from the evaluation.

7. The evaluation of Objective 3 in England will be managed by the ESF Evaluation Team. The team is made up of economists and researchers in Analytical Services of DWP. The team will be responsible for carrying out economic analysis of monitoring and survey data, commissioning external evaluators to carry out specific research and managing the follow-up surveys. Individual research projects will be guided by a steering group made up of a number of ESF partners.

8. Funding for the national evaluation of Objective 3 in England will come from three sources: the DWP Research Budget, ESF technical assistance and other DWP budgets. Funds from the DWP Research Budget require Ministerial approval. The ESG has made recommendations to the Monitoring Committee requesting the use of technical assistance to support the research programme. The total cost of the mid-term evaluation will be around £1.4 million.

### **Monitoring**

9. The ESF Division's administrative database system has the prime aim of supporting the processing, approval and payment of project claims. However, the system has also been designed to gather a range of information to feed through into programme monitoring and evaluation. The aim is to keep information asked of projects to a minimum, whilst ensuring it is sufficiently robust to:

- judge the success of the programme, and
- to identify any areas needing remedial action to ensure the programme remains on track.

10. Of particular importance for evaluation is the administrative information on: costs, number and characteristics of participants (including gender), project activities, number and type of qualifications gained and, crucially, the labour market destinations of participants. This information supports an assessment of the effectiveness and efficiency of the programme and is essential to monitor the targets set out in the Operational Programme. There are, however, limitations in the use of administrative data.

### **Leavers' Surveys**

11. The monitoring data generated through the administrative systems can produce useful aggregate data on the progress of the programme. However, it cannot provide very detailed information on the impact of the programme on particular groups of individuals. The administrative data is only collected at the project level and it is not possible to look in detail at the individuals who are on the programme. A leavers' survey provides the only source of information at the level of the individual participant.

12. The Objective 3 Leavers' Survey was used throughout the previous programming period. The survey involved sending beneficiaries a self-completion questionnaire around six months after leaving their Objective 3 project. The design of the survey was changed in 1997 which resulted in an increase in co-operation from projects in providing names and addresses of their beneficiaries. Response to the survey from individual leavers is now in line with that from other follow-up surveys (around 45%). The evaluation of the Objective 4 programme involved telephone follow-up surveys of employees and companies. There was a response rate of 70% to the survey of employees and 65% to the survey of companies.

13. The evaluation of the Objective 3 programme in England will involve three separate

follow-up surveys of:

- individuals out of work prior to joining ESF;
- individuals in work while receiving ESF support;
- companies receiving ESF support.

14. Data from the follow-up surveys will be merged with the administrative data to provide a powerful tool for assessing the impact of particular packages of support on the labour market prospects of programme participants overall, and for those in specific target and sub-target groups.

15. In evaluating the programme we plan to add a longitudinal element. Our evaluation strategy is centred on individual projects. However, many individual participants move from one ESF-funded project to another. Previously we have not evaluated this element of the programme. We have not been able to see how individual projects link together to provide an overall package of support to an individual. We would like to carry out a longitudinal study tracking a sample of individuals over time. As well as giving us information on those receiving a number of ESF-funded packages of support, it would also allow us to look at the longer term labour market outcomes of the individuals and to look at the effectiveness of different exit strategies.

### **Adding a qualitative dimension**

16. There is a risk that our monitoring and evaluation effort may ignore the qualitative factors underpinning any quantitative indicators. Some issues are better examined using qualitative research which can add to the quantitative information we already have. Qualitative research can allow exploration of some issues in greater depth than is possible using quantitative methods. It can also be used to identify examples of good practice at the project level. Qualitative work will be carried out by means of ad hoc research projects commissioned to independent research organisations.

17. Quantitative indicators of job outcomes or qualification rates are important in assessing outcomes from the programme. However, such indicators fail to take account of the positive contribution which activities funded through ESF can make in helping to bring people closer to the labour market. Given the nature of some of the ESF client groups, a better assessment of the success of projects might come from looking at the progress of individuals against their own aims set whilst on the project. Some measure of 'distance travelled' towards joining the labour market might provide a more accurate measure of the contribution of ESF in supporting some of the more disadvantaged beneficiaries. Work is currently underway to develop guidance for projects in how to measure these 'soft outcomes'. The mid-term evaluation will consider these qualitative measures of 'distance travelled' as well as the quantitative indicators.

18. In evaluating a programme it is useful to carry out qualitative interviews with key stakeholders. This approach was found to be useful in evaluating the Objective 4 programme. The interviews will look at the objectives of the new programme in the different English regions and see how it is operating in the social and economic context. They will provide a useful source of information on the implementation of the programme and possible areas for improvement. Stakeholders would include regional representatives and other members of the Monitoring Committee representing different sectoral interests.

### **Ad hoc research**

19. The following issues will be the subject of ad hoc research projects. A more detailed evaluation strategy/research specification for each of these issues will be drafted and agreed

with the ESG before the research is commissioned.

### **a) Evaluation of equal opportunities**

20. Equality of opportunity is a crucial principle running through all structural funds. Equal opportunities runs across all Objective 3 Policy Fields and all ESF supported actions must ensure equality of access. Any evaluation of equal opportunities must take into account the evidence across all policy fields and not just those specifically targeting equal opportunities issues. Based on evidence from the evaluation of the previous Objective 3 programme, the definition of equal opportunities has been widened to encompass equality between different groups in society (e.g. ethnic minorities, the disabled) rather than just gender.

21. The aims of this work are:

- to look at participation of different disadvantaged groups on the programme and to understand the factors affecting participation.
- to look closely at the types of activity undertaken by different groups on ESF projects.
- to compare the outcomes from the projects obtained by different groups.
- to look at mainstreaming of equal opportunities.
- to look at the organisational policies of project promoters as they relate to equal opportunities
- to make recommendations for good practice to encourage equal opportunities on ESF projects.

22. The evaluation of equal opportunities will use the same type of research tools as the main evaluation:

- *Administrative monitoring data.* Administrative data can provide information on the number of beneficiaries from different target groups.
- *Survey data.* Secondary analysis of the survey data will allow an individual level study of the proportions, characteristics, types of training, satisfaction, and outcomes of disadvantaged groups.
- *Qualitative case study* work to look at some of the issues in greater depth.
- Logistic regression analysis looking at how the characteristics of individuals may affect their chances of a successful outcome from the project. This will look at what characteristics are important in determining job outcomes of the individual.

23. The qualitative case study work will be commissioned to external research contractors. The ESF Evaluation Team will then draw together the available information on equal opportunities and draft a section for inclusion in the mid-term evaluation report.

24. In addition, the evaluation strategy includes specific work to look at mainstreaming of gender equality. This work will assess the effectiveness of the gender mainstreaming plan, details of which are contained in a separate paper.

### **b) Evaluation of local development/sustainable development**

25. ESF policy actions should take account of local initiatives concerning employment. There should be synergy between ESF and domestic programmes which are targeted and delivered at the local level.

26. Some of the measures under the five Policy Fields involve assistance to systems and structures at the local level. This involves actions such as:

- generating improvements in local training infrastructure,
- encouraging local partnership approaches for projects helping the unemployed,
- building capacity for community development where this leads to improved labour market opportunities for those excluded from the labour market.

This type of activity is best evaluated using qualitative research. This will involve carrying out qualitative case studies to identify the types of activities being carried out under these actions. Research will also look at the immediate results of the actions on the systems and structures and will then consider the longer term impact this will have on the ultimate beneficiaries of ESF. Other issues to be investigated include the types of partnerships formed and sustainability of these partnerships.

27. 'Sustainable development' is 'development which meets the needs of the present without compromising the ability of future generations to meet their own needs'. Sustainable development deals with both environmental development and social and economic development and the interaction between them. Education and training supported by ESF can contribute to both these issues. For example, in terms of environmental development projects it can promote environmentally-friendly working practices. However, ESF will have most impact on social and economic development in terms of enhancing and sustaining the social development of communities. For many ESF projects the issue of sustainability will be a new one. It will be important in the first half of the programme to identify examples of best practice and make sure these are disseminated widely.

### **c) Evaluation of the information society**

28. Objective 3 will help increase England's competitiveness by increasing relevant skills at all levels in relation to the Information Society for both the employed and the unemployed. ESF will have a role to play in addressing the digital divide and ensuring that there is equal access to all to the Information Society. ICT can also be used to help with job search activity or to promote learning opportunities or can be used in distance learning. Projects in all policy fields will be encouraged to demonstrate how ICT is integrated into their activities. The Objective 3 application form has been designed so that we can identify projects that are offering support in IT. We can then use this information to select a sample of projects to look at in more detail either by means of a postal survey or by interviewing project staff and beneficiaries.

### **d) Evaluation of global grants**

29. A minimum of 1% of the programme budget will be used for global grants to non-government organisations. The aim of this is to target resources on organisations who are unable to access mainstream ESF. This will be done via intermediary organisations. It will be important for the evaluation to look at who the intermediary organisations are and how well they are working in allocating global grants. This will be done using a qualitative case study approach.

## **Programme Implementation**

30. The evaluation will include an assessment of the implementation of the programme. One of the key issues to be included here will be the evaluation of the implementation of co-financing. Another issue to be looked at will be the evaluation of the project selection process. This section should also include evaluation of the RDP process and how effective this is and an evaluation of the monitoring system.

### **Measuring the impact of Objective 3**

31. Our evaluation of Objective 3 will focus on the impact of the programme on the individual participants (including beneficiary companies). In evaluating ESF activity it is important to have an understanding of the links between actions and impact. The impact of the programme is the long-term effect (as opposed to *outcomes* which are the *short-term* effects). It is easy to focus solely on the gross impact of a programme i.e. how many participants are in work on leaving the programme or how many participants gain qualifications as a result of the programme. However, of more value is an assessment of the net impact. Typically this will involve making a judgement about whether those finding work would have done so without the support of ESF (deadweight), whether those finding work do so at the expense of others who did not benefit from the programme (substitution) and whether ESF support to one group gives them competitive advantage over others not getting support (displacement).

32. The final evaluations of the 1994-99 Objectives 3 and 4 programmes attempted to estimate the net impact using the following sources of analysis:

- comparing ESF monitoring data with information on unemployment outflow rates (from JUVOS<sup>6</sup>) to assess the level of dead-weight at the programme level;
- drawing on evidence from research studies of other labour market programmes in which more formal techniques had been used to measure net impact;
- looking at the relative impact of the programmes on different groups of beneficiary by comparing leavers' survey data with information on single employment probabilities from the Labour Force Survey.
- asking employers whether Objective 4 had impacted on the company's performance.

33. We could use similar methods to look at the impact of the current Objective 3 programme. The ESF Evaluation Team will also carry out some methodological work to investigate alternative ways of measuring net impact of ESF. Methodological work on measuring impact will be presented and discussed at the ESG.

### **Cost-benefit analysis of Objective 3**

34. In order to make judgements about the success of Objective 3, it is essential to quantify and value the full costs and benefits arising from it. Ideally these could then be combined into a single measure of the net present value of the programme. However, given the complexity of the Objective 3 programme this is not possible, although consideration of a wide range of measures of effectiveness is. A "cost-benefit framework" type approach would help capture both the resource costs of the programme and its short term and long term benefits. The framework will include an assessment of the resource costs and measures of success in meeting both the immediate objectives outlined earlier and the longer term objectives of the programme. These could be presented in a way which would allow an overall assessment of the cost effectiveness of the programme.

### **Feeding evaluation findings into the UK National Action Plans**

35. It is important that evaluation findings are fed into the UK National Action Plans for employment and for social inclusion. Results from the evaluation of the English Objective 3 programme will be combined with those from the other programmes to provide information on ESF in the UK to feed into the National Action Plan. The ESG is the forum to ensure

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<sup>6</sup> JUVOS stands for the Joint Unemployment and Vacancies Operating System. It is a 5% sample of people on the unemployment register which tracks individual claims from signing on to signing off the register.

consistency in the approach to evaluation across all ESF programmes. Agreement has already been reached on common definitions of ESF indicators. Information from the NAP will also feed into the Objective 3 evaluation.

## Timing

36. The mid-term evaluation is due to be completed by the end of 2003. However, the evaluation will be an on-going process carried out over the next three years. Timings for some of the key evaluation results are given below:

|   |  |
|---|--|
| Surveys of individual ESF beneficiaries | (2001 survey results available end 2002)<br>(2002 survey results available end 2003) |
| Surveys of beneficiary companies        | (2001 survey results available end 2002)<br>(2001 survey results available end 2003) |
| Analysis of monitoring data             | carried out annually   |

### *Ad hoc research*

Evaluation of co-financing – report in July 2002

Evaluation of global grants – report in October 2002

Development of guidance for measuring soft outcomes – September 2002

Evaluation of local development/sustainable development – report in June 2003

Evaluation of equal opportunities - report in June 2003

Evaluation of the Information Society - report in June 2003

## Dissemination

37. A key part of the evaluation strategy is to make sure that findings are disseminated as widely as possible. One of the purposes of carrying out research and evaluation is to improve the way things are done. This can only happen if people are aware of the findings. It is important to make sure that colleagues in the ESF Division, in Government Offices and people working on ESF-funded projects are aware of our evaluation work and make use of relevant findings. All research carried out as part of the evaluation will be published through DWP. Where appropriate, evaluation work will include production of good practice material which can be distributed to projects. Findings will also be publicised via *ESF News* and by means of dissemination seminars where relevant. The ESF Evaluation Team will produce a dissemination strategy which will be discussed with the ESG. Dissemination of evaluation findings will also be covered in the overall communications strategy which is being produced by the ESF Division.

## **EFFECTIVE DELIVERY**

1. Arrangements for effective delivery support the work carried out by national partners. National partners continue to be represented on the Monitoring Committee. They continue to assist in formation of policy at national level, participate in the scoring panel for national applications and be involved in activities to develop and improve the effectiveness of the delivery of the Objective 3 programme.

2. TA is available to support this work. Eligible items of expenditure for these tasks include:

- travel costs;
- accommodation costs;
- attendance at meetings, working groups etc;
- reading papers; and
- other work specifically agreed with the ESF Division.

3. Regional TA is available to part fund regional initiatives and regional partners are able to apply for support for a similar range of activities for work in their regions. GOs should outline the full range of support in their regional plans.

## **BEST PRACTICE AND DISSEMINATION**

1. Part of the TA strategy is to explore and encourage best practice. This is achieved through the promotion of networking, and the capture and dissemination of good practice. The aim of this part of the strategy is to provide ESF practitioners and policy makers with information on good practice to improve the overall effectiveness of the Objective 3 programme.

2. The objectives of the strategy are to:

- complement effective delivery at both national and regional levels;
- provide the means to capture and disseminate good practice in ESF projects;
- develop networking between ESF practitioners and policy makers;
- identify gaps in current research initiatives that need to be addressed; and
- support the ESF publicity and evaluation programmes.

3. Projects funded under this activity are encouraged to take account of the horizontal themes: equal opportunities, sustainable development, local development and the Information Society. There is also scope within this activity to target issues on disability and equal opportunities for effective delivery of the programme. As a consequence, the Equal Opportunities Sub-Group is encouraged to identify suitable activities to be funded.