



## London Youth Employment Initiative Background Information - Paper One

***This paper is part of a series that provides background information for colleagues taking part in the development of programmes as part of the London Youth Employment Initiative (YEI).***

***There are four papers in the series:***

***Paper One – Provides a brief overview of the YEI and European Structural and Investment Funds (ESIF) in London***

***Paper Two – Provides a summary of the key responsibilities in the development of YEI programmes***

***Paper Three – Provides an outline of the programmes to be developed***

***Paper Four – Sets out the objectives for the Task and Finish Groups that have been established to develop programmes***

***This Paper explains what has changed in this funding round and includes links to sources of further detailed information***

### Background and Introduction

The London Enterprise Panel (LEP) is responsible for setting the strategic direction and priorities of the London 2014-20 European Structural and Investment Funds (ESIF). The LEP has been awarded €748.6m of European Social Fund (ESF) and European Regional Development Fund (ERDF) to invest in boosting jobs and growth for London. This note concentrates on the European Social Fund (ESF) in London, particularly how ESF is used in support of young people.

### Summary of Changes

Compared with previous Programmes, there are some differences for the 2014-20 ESF Programme:

- In addition to the main ESF allocation, there is an additional allocation for the EU-wide YEI targeted at areas that have a youth unemployment rate of 25% or above (Inner London<sup>1</sup> is one such area) – in London the entire ESF Youth allocation will be combined with YEI will in order to create a London-wide programme covering all boroughs;
- There is an emphasis on targeted employment provision leading to incentivised and sustained outcomes;
- Innovation, collaboration and simplification are recurring themes in EU strategies demonstrated by the intended closer link between ESF and ERDF Programmes.

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<sup>1</sup> City of London, Camden, Hackney, Hammersmith & Fulham, Haringey, Islington, Kensington & Chelsea, Lambeth, Lewisham, Newham, Southwark, Tower Hamlet, Wandsworth and Westminster



## LEP, the GLA and Opt-In Organisations

Although the Government will oversee a national ESF Programme, the new Programme will have a strong local influence within the UK. In the previous ESF Programme most of the ESF Funds have passed through national Co-Financing Organisations (CFOs) for the delivery of nationally-commissioned programmes, however the 2014-2020 ESIF Programme will see Local Enterprise Partnerships in the driving seat – the London Enterprise Panel (LEP), chaired by the Mayor, fulfils this function for the capital and, consequently, is being given more control over policies, strategies and investment to support economic growth.

The LEP has been asked to set out an ESIF strategy based on “evidence-based narrative” to outline plans for London’s share of the available funds. In London the LEP ESIF strategy was submitted to Government in January 2014 and is currently being finalised, a link to the draft strategy is below. The LEP ESIF strategy was developed following consultation with key stakeholders including London Councils: Young People’s Education and Skills.

The LEP will effectively ‘commission’ Opt-in Organisations, whose role will be largely similar to those of CFOs in the previous Programme, to deliver local and London-wide programmes that meet the needs of residents and businesses. Opt-in Organisations have proposed what they can offer to the LEP in terms of expertise in commissioning and access to match funding. The LEP has the option to ‘opt-in’ to these offers, in London the Opt-in Organisations are the Skills Funding Agency (SFA), Department for Work and Pensions (DWP) and Big Lottery Fund (BIG). The SFA will be the main Opt-in organisation for young people’s programmes.

The European Programmes Management Unit, within the GLA will act as an “Intermediate Body” (IB) on behalf of the Government, a role it fulfils in the present programme. The role of IB involves the general administering of the ESF Programme through the developing of priorities for ESF funding and monitoring Programme performance.

## London Allocation

London received the largest ESIF allocation of any of the 39 Local Enterprise Partnerships, comprising approximately £641m, £465m for ESF and £176m for ERDF. Inner London has also attracted a further £37m through the YEI. With match-funding in line with the rules for these funds, the total size of the Programme exceeds £1.2 billion over the next seven years.

## Age range

In one final major change for the next funding round, the priority age range has been defined as 15-24 (currently there are separate approaches for 16-18 and 18-24).

### Further Information can be found at these websites:

European Social Fund in England: <http://www.dwp.gov.uk/esf/about-esf/>

London LEP ESIF Strategy 2014-2020: [www.london.gov.uk/esif-draft-strategy](http://www.london.gov.uk/esif-draft-strategy)

London Councils European Service: <http://www.londoncouncils.qlgroup.co.uk/>