

**ENGLAND AND GIBRALTAR EUROPEAN SOCIAL FUND
CONVERGENCE, COMPETITIVENESS AND EMPLOYMENT
PROGRAMME MONITORING COMMITTEE 2007- 2013**

ESF TECHNICAL ASSISTANCE STRATEGY – 2007-2013

Summary and recommendations

1. This paper sets out the priorities for technical assistance support at national level and the arrangements for agreeing regional technical assistance priorities. The paper also identifies how TA should be allocated between national and regional activity.
2. The Committee is asked to:
 - Consider and comment on the priorities for national TA activity (paragraph 8);
 - Consider and comment on the proposed arrangements for developing regional TA priorities (paragraphs 11-13);
 - Note the national and regional TA allocations including proposals for apportioning some national TA expenditure against the phasing-in budgets (paragraphs 14-17 and annex);
 - Note the first eligible date for TA expenditure (paragraph 21).

Background

3. The requirements for the use of technical assistance (TA) by Member States are set out in Article 46 of Council Regulation 1083/2006.
4. The England ESF Operational Programme sets out the eligibility of TA funding to support the management and implementation of the programme. In particular, TA can be used to finance preparatory, management, monitoring, evaluation, information (including publicity), control activities and activities to reinforce the administrative capacity. TA can also support partners in the non-governmental sector to participate in and deliver the programme.
5. In addition to the above points, but only in the convergence area, TA can also be used to invest in administrative capacity to facilitate programme delivery and strengthen capacity in impact analysis and evaluation.
6. For the competitiveness and employment objective, 4% of the available ESF funding has been allocated to TA in Priority 3 giving an ESF budget of £78.7million (€115.7 million). Within this allocation 4% of the available ESF funding in phasing-in areas, £10.49 million (€15.42 million) is ring-fenced for Merseyside and South Yorkshire. The ESF intervention rate is 50% for competitiveness and employment TA.

7. For the convergence objective, 2% of the available ESF has been allocated to TA in Priority 6 giving an ESF budget of £2.67 million (€3.92 million). The ESF intervention rate is 75% for convergence TA.

National TA strategy

Priorities for National TA spending

8. For the programming period 2007-2013, the amount of ESF set aside to support national TA activity is £34.1m (around £4.7m p.a.). National TA will be managed by ESF Division and will support the following activities:

(i) Programme evaluation

The ESF evaluation team will produce an evaluation strategy and plan covering the convergence objective and the competitiveness and employment objectives. There will be three main evaluation tools to support evaluation in 2007-2013:

- Participant management information will provide information on programme output and results;
- Cohort surveys, on a sample basis of programme participants will provide information on participant views of the support they have received together with information on the sustainability of results such as job outcomes. Two cohort surveys are planned;
- Ad hoc research will cover specific themes of importance to the programme such as equal opportunities and gender equality and sustainable development as well as assessments of socio-economic changes relevant to the programme environment.

The evaluation strategy will also address such issues as:

- The contribution of the programme to EU, national and regional priorities;
- Progression of ESF participants including soft outcomes, sustainability and quality of results
- Acquisition of modules and part qualifications by participants who do not gain full qualifications;
- Activities and targets groups not covered directly by the programme's indicators e.g. how SMEs will benefit from management training supported by ESF;
- The quality of ESF provision and its effects on systems and structures including its contribution to business performance;
- Higher education and higher level skills provision.

The evaluation sub-committee of the PMC will consider the evaluation strategy and plan. The plan will provide the basis for TA support.

(ii) Publicity and information

The communication plan for the Operational Programme will be presented to the first meeting of the PMC. It includes details of:

- The aims of the plan and key target groups;
- Information and publicity measures aimed at potential applicants, participants and the general public;
- The respective roles of the organisations responsible for implementing the plan
- Arrangements for evaluating information and publicity activities;
- The indicative budget for implementing the plan.

Following the presentation of the plan to the PMC, it will be sent to the European Commission and will provide the basis for TA support.

(iii) Programme implementation

The Managing Authority intends to use national TA to support key implementation issues:

- Resource to support the implementation of the cross-cutting themes (gender equality and equal opportunities, and sustainable development) at national and regional level;
- The use of external support to undertake, under the direction of the Managing Authority certain elements of Article 13 verification activity;
- The costs of developing and implementing new ESF IT systems to support the delivery of the new programme.

An implementation plan setting out detailed implementation arrangements for each of the above items together with an indicative budget will be presented to the PMC which will then provide the basis for TA support.

(iv) Adult learners' week

TA will be available to support Adult Learners' Week which is delivered by NIACE. It promotes education and training for adults, provides access to information and guidance, motivates more and different adults to participate in learning and celebrates the learning achievements of adults. Publicity is a key part of the design and purpose and therefore a key contributor to the ESF publicity effort.

(v) Third sector support

TA will be available to support third sector networks in order to enable participation by third sector organisations in the programme. This will include building the capacity of providers to publicise the ESF elements of their work.

(vi) Higher education support

TA will be available to support the higher education sector to continue to participate in the programme and ensure higher education institutions can make a full contribution to the achievement of ESF objectives.

(vii) Further education support

TA will be available to support the further education sector to continue to participate in the programme and ensure that colleges of further education can make a full contribution to the achievement of ESF objectives.

(viii) National CFO support

Co-financing organisations (CFOs) will manage ESF regionally and as beneficiaries, be entitled to claim for actual ESF administration costs within set limits, through their agreements with the Managing Authority. TA will however be available for national CFOs (DWP and LSC) to support national implementation costs e.g. national IT systems development to meet ESF requirements.

(viii) Other

National TA may support other eligible activities not identified in this paper but which meet the eligibility criteria set out in the Operational Programme.

9. For items 8 (i) – 8 (iii), ESF Division will manage TA activity in line with the strategies and implementation plans considered by the PMC. The Managing Authority will identify match funding for these items. For items 8 (iv) – 8 (viii) ESF Division will request proposals from relevant providers and seek PMC endorsement for individual projects. These providers will need to supply the required match funding.

10. Although some national TA activity will indirectly benefit the convergence region, e.g. national publicity requirements there is not a case for apportionment against convergence budgets.

Regional TA strategies

11. In the competitiveness and employment objective, each region will develop a regional TA strategy to be considered by the regional ESF committees. In North West and Yorkshire and the Humber the regional TA strategies will need to identify the specific needs and budget requirements of the phasing-in areas. Regional TA strategies will take account of the priorities

in the regional ESF frameworks, will set out the arrangements for approving TA projects and will include an indicative budget. Regional TA projects will be managed by Government Offices supported by ESF Division. Organisations applying for TA will need to identify their own match funding.

12. ESF Division will consider all regional ESF strategies in order to ensure there is no duplication with national TA activity and to agree any additional TA allocation from the funds set aside for regional TA activity.

13. The convergence area has its own TA budget and will develop its own convergence TA strategy taking account of the needs of Cornwall and priorities in the convergence ESF framework.

National and regional TA Budgets

Competitiveness and employment

14. In the competitiveness and employment objective, TA will support activities that are managed at national and regional levels. Based on the experience of the 2000-2006 Objective 3 programme, half of the TA budget will be required to support national activity with the remaining budget available for regional activity.

15. As national TA activity will support both phasing-in and non phasing-in regions it will be necessary to apportion some national TA expenditure against phasing-in budgets. It is proposed that apportionment is based on each of the phasing-in regions share of the working age population in England – this would mean that 5.4% of national TA expenditure is apportioned against the phasing-in budgets.

16. Making half of the TA available to support regionally based activity outside the phasing-in regions will give on average £4.8 million of ESF a year to support regional TA activity. In the 2000-2006 programmes TA expenditure across Objective 2 and regional Objective 3 programmes is averaging £2.7 million ESF a year.

17. However TA spending in 2000-2006 is not uniform across regions and it is therefore proposed to allocate half of the TA money available for regions and retain the rest for regions to bid against according to need.

Phasing-in issues

18. The phasing-in areas of Merseyside and South Yorkshire have a ring-fenced TA allocation of £10.49 million ESF. The financial profile is such that 87% of the allocation is profiled into the first four years of the programme. It is proposed to allocate three quarters of the phasing-in allocation to Merseyside and South Yorkshire with the balance to be used to contribute to national TA costs using the apportionment methodology set out in paragraph 15.

Convergence

19. The Convergence area has its own TA allocation of £2.67 million ESF over the life of the programme. Whilst some national TA activity such as publicity measures will indirectly benefit Cornwall it is not proposed to apportion any of the costs against the convergence TA budget. Any activity that is specifically Cornwall related will be funded from the convergence TA budget. The Convergence area will develop its own TA strategy in line with the activities agreed in the Operational Programme to be funded through Priority 6.

TA allocations are shown in the annex to this paper.

Eligibility dates for TA activity

20. There may be requests, for example from the Third Sector, for TA applications to be approved as soon as possible after the PMC meeting on 2 October 2007. It may be necessary therefore to secure PMC endorsement of some TA projects through written procedures.

21. The normal eligible date for TA expenditure will be no earlier than the date a TA application is received by the Managing Authority. However, for any applications received in 2007 the eligible date can be from 9 August 2007 – the date the Commission adopted the Operational Programme – providing a suitable case can be made.

Reviewing TA implementation

22. ESF Division will report annually to the PMC on TA progress and implementation at national and regional level. The proposed allocations for the competitiveness and employment objective will be reviewed as soon as the detailed national TA activities and indicative budgets have been agreed and the regional TA strategies have been endorsed by regional ESF committees. An early review of TA will be required to check that allocations are realistic in the light of experience. Any proposals to amend the TA allocations will be agreed with the PMC.

Annex

National and regional Technical Assistance allocations (2007-2013)

| Region | TA Allocation (£m) | Match Funding (£m) | Total (£m) |
|--|---------------------------|---------------------------|-------------------|
| <i>Non phasing-in</i> | | | |
| Competitiveness and employment – national activity | 34.1 | 34.1 | 68.2 |
| North East | 1.62 | 1.62 | 3.24 |
| North West (excluding Merseyside) | 2.28 | 2.28 | 4.56 |
| Yorkshire & Humber (excluding South Yorkshire) | 1.46 | 1.46 | 2.92 |
| East Midlands | 1.68 | 1.68 | 3.36 |
| West Midlands | 2.53 | 2.53 | 5.06 |
| East | 1.56 | 1.56 | 3.12 |
| London | 3.33 | 3.33 | 6.66 |
| South East | 1.55 | 1.55 | 3.1 |
| South West | 0.97 | 0.97 | 1.94 |
| Available for regional bids | 17.0 | 17.0 | 34.0 |
| Gibraltar | 0.1 | 0.1 | 0.2 |
| Non phasing-in total | 68.18 | 68.18 | 136.36 |
| <i>Phasing-in</i> | | | |
| Merseyside | 4.18 | 4.18 | 8.36 |
| South Yorkshire | 3.68 | 3.68 | 7.36 |
| Retained for apportionment | 2.63 | 2.63 | 5.26 |
| Phasing-in total | 10.49 | 10.49 | 20.98 |
| | | | |
| Competitiveness and | 78.67 | 78.67 | 157.34 |

| | | | |
|-------------------------|-------------|-------------|-------------|
| employment total | | | |
| | | | |
| Convergence | 2.67 | 0.89 | 3.56 |
| | | | |

Note: The ESF intervention rate will be 50% except for Convergence funding where it will be 75%. Applicants for TA will be required to provide the necessary public match funding.