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## 3. Priorities

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### 3.1 Introduction

376. This chapter describes the programme's 'priority axes' or 'priorities'. There are three priorities for the Regional Competitiveness and Employment Objective. These priorities cover the whole of England and Gibraltar except Cornwall and the Isles of Scilly. Within these priorities, the phasing-in areas of Merseyside and South Yorkshire will be able to complete eligible activities from their 2000-2006 Objective 1 programmes.
377. There are also three priorities for the Convergence Objective area of Cornwall and the Isles of Scilly. The broader scope of the Convergence Objective priorities reflects the wider range of activities that are eligible within Convergence areas and the higher intensity of Convergence funding.
378. Priorities 1 and 4 focus on increasing employment and tackling worklessness through a mix of employment and skills provision. As well as employment activity, Priorities 1 and 4 will include skills activity to help people enter jobs and, in certain circumstances, to make progress at work. Priorities 2 and 5 focus on developing workforce skills, and in doing so will also help to sustain employment. Across the programme there will therefore be an integrated approach to employment and skills. In this context, the focus of skills training in Priorities 1 and 4 will be on preparing people for sustainable employment, and in Priorities 2 and 5 on addressing individual skills needs and employer skills shortages.
379. The priorities set out the indicative activities that may be supported. These activities are not exclusive or prescriptive. Other, as yet unforeseen, activities may become relevant during the seven-year life of the programme. The Managing Authority will assess whether any other activities that may arise are consistent with the objectives of the programme and its priorities. The balance of activities may vary during the life of the programme depending on labour market needs. It is not necessary to support all the individual activities every year or in every region. Activities may be delivered in integrated packages tailored to client needs, for example combining confidence-building, job-search support and basic skills training within Priorities 1 or 4.
380. Innovation may, where appropriate, be a feature of any activity. In addition, within Priorities 1, 2, 4 and 5, there will be a limited amount of funding available to support a small range of dedicated innovative activities. Priorities 1 and 4 will include support for developing and delivering innovative ways of helping unemployed and inactive people make the transition from unemployment and inactivity to sustainable employment. Priorities 2 and 5 will include support for developing and delivering of innovative activities to raise skills levels.
381. The themes for dedicated innovative activities will be chosen by the Managing Authority with the assistance of an innovation and mainstreaming sub-committee of the Programme Monitoring Committee which contains policy representatives from the relevant Departments and agencies and representatives of the wider partnership. Further information on the implementation of innovative activities is provided in section 4.11.
382. There will be a limited amount of funding available within Priorities 1, 2, 4 and 5 to support transnational or inter-regional activities. Further information on the implementation on transnational activity is provided in section 4.12.

### 3.2 Priority Axis 1: Extending employment opportunities (Regional Competitiveness and Employment Objective)

#### 3.2.1 Objective

383. The objective of Priority 1 is to increase employment and to reduce unemployment and inactivity. It will help to tackle barriers to work faced by disadvantaged groups such as people with disabilities and health conditions<sup>86</sup>, lone parents and other disadvantaged parents<sup>87</sup>, older workers<sup>88</sup>, ethnic minorities, and people with no or low qualifications. It will also help young people make a successful transition to the world of work, in particular those not in education, employment or training (NEET), or at risk of becoming NEET.
384. By tackling and preventing worklessness, this priority will help to improve social inclusion and social mobility. In particular, by helping unemployed and inactive parents to enter sustainable jobs and make progress at work, it will help to alleviate child poverty.
385. This priority will also contribute to the skills strategy, by helping unemployed and inactive people to gain the skills they need for employability and to make progress in the workplace.
386. Priority 1 addresses both Article 3.1.b and Article 3.1.c of the ESF Regulation:<sup>89</sup>
- ‘enhancing access to employment and the sustainable inclusion in the labour market of job seekers and inactive people, preventing unemployment, in particular long-term and youth unemployment, encouraging active ageing and prolonging working lives, and increasing participation in the labour market’ (Article 3.1.b); and*
- ‘reinforcing the social inclusion of disadvantaged people with a view to their sustainable inclusion in employment and combating all forms of discrimination in the labour market’ (Article 3.1.c).*

#### 3.2.2 Indicative activities

387. Unemployed and inactive people will be eligible for support within Priority 1. There will be a particular focus on people with disabilities and health conditions, lone parents and other disadvantaged parents, older workers, ethnic minorities, and young people not in education, employment or training or at risk of becoming NEET. People who have made the transition to work from unemployment or inactivity will also be eligible for support, regardless of employment sector or size of establishment
388. Activities will include employment and skills measures to help participants improve their employability and enter jobs. Activities will also help those entering jobs to sustain their employment and make progress at work where they need support to integrate into the workplace. Evaluations of previous ESF programmes suggest this support is most likely to be needed by people who were long-term unemployed or economically inactive, especially people with disabilities and health conditions and people from ethnic minorities. In these circumstances, training and other employment-related support tailored to individual needs may continue after participants have entered jobs.

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<sup>86</sup> All references to people with disabilities include people with mental health conditions and learning difficulties or disabilities.

<sup>87</sup> Disadvantaged parents include unemployed and inactive parents other than lone parents, who face barriers to work.

<sup>88</sup> The term ‘older workers’ is used rather than ‘older people’ as older people includes pensioners. For the purposes of measuring indicators, older workers are people aged 50 and over.

<sup>89</sup> ESF Regulation 1081/2006 establishes the scope of ESF support. Within this scope, it provides flexibility for Member States to concentrate on those priorities which are most appropriate to their specific challenges.

389. Activities will also help to retain in employment older workers and workers who have, or who develop, disabilities and health conditions. These activities will provide support to prevent workers becoming unemployed or inactive because of age, disability or a health condition. They will not duplicate activities to update the skills of older workers which will be supported within Priority 2.
390. Activities should be designed to respond to the specific needs of participants with disabilities or health conditions, older workers, participants from ethnic minorities and women. Some participants will experience multiple disadvantage, for example older workers with a disability may face barriers related to their age and disability. Providers should take such multiple disadvantage into account when assessing the needs of participants, and when they are designing and delivering activities. Providers should work with employers to help integrate people with disabilities and ethnic minorities into the workplace.
391. Activities may be delivered by public, private or third sector providers. Third sector organisations are particularly well placed to engage people who are excluded from or at a disadvantage in the labour market. Activities should be demand-led. Providers will engage with employers to ensure that provision both matches the skills needs of business, and enables individuals to access, and make progress in, the labour market.
392. Activities will aim to re-engage unemployed and inactive people in general. They will also target specific groups of unemployed and inactive people, including long-term unemployed people, for example:
- activities to help disadvantaged people who persistently return to Jobseekers' Allowance, address barriers to their retention in sustainable employment;
  - activities to help unemployed and inactive people with disabilities or health conditions to enter and remain in work, and appropriate support to retain in employment people who become disabled or develop health conditions;
  - activities to prolong working lives by re-engaging inactive older workers or retaining older workers longer in employment, including workers who become disabled or develop health conditions;
  - activities to help lone parents, Jobseekers' Allowance recipients with children and other disadvantaged parents enter and make progress at work, and so contribute to alleviating child poverty;
  - mainstreaming and specific action to improve access of women to employment and increase sustainable participation and progress of women in employment, and to help men and women access occupations or sectors where they are underrepresented;
  - activities to increase participation by people from ethnic minorities in employment including, where appropriate, training to meet basic English language skills needs; and
  - activities to develop the employability and skills of offenders and ex-offenders to facilitate labour market entry and, thus, contribute to reduced re-offending.

Activities will address the specific needs of people who experience multiple disadvantage, in particular those who fall within two or more of the indents above (for example older workers or lone parents with disabilities or health conditions). Activities will also address specific barriers to work faced by workless people who are homeless, refugees or have substance abuse, alcohol or drug problems.

### 393. Activities will include

- active and preventative measures which ensure early identification of needs, including individual action plans and personalised support;
- job-search help, advice and guidance;
- work search and work preparation activities, including labour market orientation and work experience placements;
- advice and support for self-employment, entrepreneurship, business creation and social enterprise;
- Skills for Life, including the basic skills of literacy, numeracy and English for Speakers of Other Languages, ICT skills and financial literacy skills;
- activities to provide pathways to employment such as pre-vocational and access training, community-based activities, volunteering, environmental activities, practical soft skills (such as improving aspirations and motivation), work skills, and workplace skills (such as team working);
- vocational training and qualifications for employability;
- improving job brokerage to enable a better match between supply and demand;
- access to childcare and care for dependent persons, where caring responsibilities are a barrier to labour market participation;<sup>90</sup>
- early interventions to help people at risk of redundancy to adapt their qualifications and skills for other employment opportunities;
- city and other area-based strategies and initiatives to tackle worklessness in urban areas;
- activities to tackle specific barriers to work faced by unemployed and inactive people in rural areas; and
- small grants for voluntary and community organisations to support their capacity to mobilise unemployed and inactive people who are disadvantaged or excluded and to facilitate their integration into the labour market ('ESF community grants').<sup>91</sup>

### 394. Activities to prepare young people for working life, in particular 14 to 19 year olds not in education, employment or training (NEET) or at risk of becoming NEET will include:

- initiatives to reform vocational routes for, and develop vocational skills among, 14 to 19 year olds, including developing the vocational curriculum to improve employability;
- initiatives to help raise awareness of the world of work, enterprise and entrepreneurship among young people (from age 14), including work experience placements;
- activities to engage 14 to 19 year olds not in education, employment or training, tackle their barriers to learning, and help them access mainstream provision;
- activities, including vocational training and preventative work, for young people at risk of becoming NEET to provide pathways to employment; and
- activities to reduce youth unemployment by developing the employability and skills of young people.

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<sup>90</sup> These activities may take place within projects targeted specifically on people with caring responsibilities or as part of wider projects.

<sup>91</sup> Known as Global Grants in the 2000-2006 programme.

395. The phasing-in areas of Merseyside and South Yorkshire will be able to complete activities from their 2000-2006 Objective 1 programmes that are eligible for Regional Competitiveness and Employment ESF funding in 2007-2013. These activities will fall within the indicative activities in section 3.2.2. As Objective 1 contracts cannot be extended, new contracts will be needed for the continuing activities. The continuing activities must be completed by 2010 when the transitional phasing-in funding finishes.
396. Priority 1 activities will support Community Strategic Guidelines 1.3.1 (Attracting and retaining more people in employment and modernising social protection systems) and 1.3.2 (Improving adaptability of workers and enterprises and the flexibility of the labour market), and National Strategic Reference Framework ESF Priority 1 (Extending employment opportunities). They will also support National Reform Programme paragraphs 4.1 to 4.48 (Increasing employment opportunity for all).

### 3.2.3 Targets and indicators

397. The target of Priority 1 is to extend employment opportunities by helping more people enter employment or engage in activity leading to employment, particularly disadvantaged groups, as a result of the programme's interventions. To measure the progress, there are a small number of output and results indicators.<sup>92</sup> Some of these indicators have quantified targets. Where feasible, the indicators with quantified targets will show the baseline situation. It is important to note that these indicators will measure the overall progress of the priority. They are not the output and results measures for each individual operation. Individual operations may have other outputs and results, including soft outcomes, depending on their target groups and activities.
398. Output indicators with targets are:
- total number of participants;
  - participants who are unemployed;
  - participants who are economically inactive;
  - participants with disabilities or health conditions;
  - participants who are lone parents;
  - participants aged over 50;
  - participants from ethnic minorities;
  - female participants; and
  - participants aged 14 to 19 not in education, employment or training (NEET) or at risk of becoming NEET.
399. There is also one output indicator without a quantified target:
- participants who receive support with caring responsibilities.
400. Results indicators with targets are:
- participants in work on leaving;
  - participants in work six months after leaving;
  - economically inactive participants engaged in jobsearch activity or further learning on leaving; and
  - 14 to 19 NEETs, or at risk of NEET, in education, employment or training on leaving.

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<sup>92</sup> According to Commission guidance, 'output' indicators should relate to activity (for example, number of people trained) and 'results' indicators should relate to the direct and immediate effect on participants (for example, numbers of leavers entering jobs or gaining qualifications).

401. Results indicators which do not have quantified targets are:

- unemployed participants in work on leaving;
- unemployed participants in work six months after leaving;
- economically inactive participants in work on leaving;
- economically inactive participants in work six months after leaving;
- participants with disabilities or health conditions in work on leaving;
- participants with disabilities or health conditions in work six months after leaving;
- lone parents in work on leaving;
- lone parents in work six months after leaving;
- participants aged 50 or over in work on leaving;
- participants aged 50 or over in work six months after leaving;
- ethnic minority participants in work on leaving;
- ethnic minority participants in work six months after leaving;
- female participants in work on leaving;
- female participants in work six months after leaving;
- participants who gained basic skills; and
- participants who gained qualifications.

402. Annex A describes and quantifies the targets. Additional information on participants which is available through the Management Information system (such as gender) but not reported against on a regular basis could be provided on the request of the Programme Monitoring Committee.

403. For some participants, particularly those who were economically inactive or who experience multiple disadvantage, the outcome will be progress towards labour market entry rather than a job. The results indicator for economically inactive participants will seek to capture the distance travelled by people who by the end of their ESF support have moved from inactivity to formal jobsearch activity or to further learning that prepares them for a job. However, it is not feasible to specify other indicators of 'soft outcomes' at programme or priority level. The ex-ante evaluation explains that research in the 2000-2006 programme indicated that it is difficult to devise programme level 'soft outcome' indicators because, for example, they are difficult to define and it is unlikely that one methodology for measuring soft outcomes would suit all clients.<sup>93</sup> So although providers will be encouraged to record soft outcomes such as improved time-keeping or self-confidence, the programme will not impose a single methodology for doing this. These soft outcomes will be analysed in evaluation studies.

404. Most of the indicators will be measured through monitoring data collected from projects. Some of the indicators, such as those on the status of participants six months after leaving projects and on economically inactive participants engaged in job search or further learning, will be measured by data collected in follow-up surveys of samples of participants. Follow-up surveys and evaluation studies will also examine progress of participants over longer periods such as one year after leaving. They will also look at the progress of specific groups of disadvantaged participants and of participants who experience multiple disadvantages. They will also examine issues such as sustainability and retention, and the quality of provision including whether it is demand-led and meets the needs of individuals and employers. They will also be able to examine target groups and activities not covered by the indicators if appropriate.

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<sup>93</sup> Lloyd et. al., Measuring Soft Outcomes and Distance Travelled, A Practical Guide and Existing Models, DWP Report, 2003.

## 3.3 Priority Axis 2: Developing a skilled and adaptable workforce (Regional Competitiveness and Employment Objective)

### 3.3.1 Objective

405. The objective of Priority 2 is to develop a skilled and adaptable workforce by: reducing the number of workers without basic skills; increasing the number of workers qualified to level 2 and, where justified, to level 3; reducing gender segregation in the workforce; and developing managers and workers in small enterprises.<sup>94</sup> There will be a particular focus on the low skilled and on addressing skills shortages.
406. By developing a skilled and adaptable workforce, this priority will help to improve productivity, innovation, enterprise and competitiveness. It will help workers to develop the skills needed by business in a knowledge-based economy. By focusing on those who lack basic skills and level 2 qualifications, this priority will also promote sustainable employment and social inclusion. By improving the qualifications of low skilled and part-time women workers, it will help to promote gender equality and reduce gender gaps in the workforce.
407. Priority 2 addresses Article 3.1 .a of the ESF Regulation:

*'increasing adaptability of workers, enterprises and entrepreneurs, with a view to improving the anticipation and positive management of economic change'*

### 3.3.2 Indicative activities

408. Workers who do not possess qualifications up to level 3 (or who need to update their qualifications and skills) will be eligible for support, in any sector or any size of establishment. There will be a particular focus on: workers without basic skills; workers who do not have level 2 qualifications relevant to their current occupation; and men and women who want to enter non-traditional occupations. Most of the participants will be employed. In certain circumstances, people who are not employed will also be eligible for support within Priority 2 in order to address individual skills needs and specific skills shortages, where it would be unreasonable and inflexible to exclude their participation. However, skills provision to tackle barriers to work and improve the employability of unemployed and inactive people will be supported through Priority 1.
409. Training will be supported at level 3 where there is market failure, for example where there are skills shortages, in small and medium sized enterprises (up to 250 employees) and among women and ethnic minorities where they are under-represented. Regional ESF frameworks will identify the sectors in which the programme will support training at level 3, taking account of the work of Sector Skills Councils and Sector Skills Agreements.
410. Managers and workers in small enterprises (up to 50 employees) will be eligible for support at any level, including level 4 and above, regardless of the level of qualification they currently hold.

<sup>94</sup> As set out in Section 2.3.4, ESF funding (i.e. the EU financial contribution to the Operational Programme) will support additional activity at level 2 that would not otherwise be funded by the level 2 entitlement.

411. ESF funding within Priority 2 will be targeted in particular at people who are least likely to receive training (such as workers in sectors with weak training records and part-time workers) and at people at a disadvantage in the workplace (such as people with disabilities or health conditions, people aged over 50 and people from ethnic minorities). Activities should be designed to respond to the specific needs of participants with disabilities or health conditions, older workers, participants from ethnic minorities and women. The Equal Opportunities Commission's interim report on the availability of flexible working arrangements highlights the strong business case for flexible working and training arrangements.<sup>95</sup> Flexibility improves employer-employee relationships, promotes employee retention and helps promote business growth through better productivity as well as supporting individual progression.
412. Activities may be delivered by public, private or third sector providers. Providers should be encouraged to engage with employers to ensure that provision addresses current and forecast skills needs. Provision should both match the skills needs of business and enable individuals to make progress in the labour market. Training courses funded by the programme should offer the possibility of gaining a qualification.
413. Activities will include:
- activities to support access to and provision of apprenticeships;
  - Skills for Life including the basic skills of literacy, numeracy and English for Speakers of Other Languages, and ICT skills;
  - activities to support access and progression from foundation level up to level 3;
  - training leading to level 2 qualifications (especially for those without current or relevant level 2 qualifications, part-time workers and workers in sectors with weak training records);
  - training leading to level 3 qualifications in sectors where there are skills shortages at level 3, in small and medium sized enterprises (up to 250 employees), and for women and ethnic minorities in sectors and occupational areas where they are under-represented at level 3;
  - lifelong learning and vocational training for low skilled and low paid women workers to improve their progression;
  - training, mentoring and supporting men and women in occupations or sectors where their gender is underrepresented, in order to tackle gender segregation;
  - training older workers in order to update their qualifications and skills and prolong their working lives;
  - training for workers who face redundancy or have been made redundant;
  - training in ICT and e-learning skills;
  - skills for entrepreneurship, self-employment and social enterprise;
  - training in environmental management and protection skills and in eco-friendly technologies, including training which supports renewable energy sectors, energy efficiency and recycling;
  - initiatives by the social partners to promote lifelong learning and skills in the workplace;
  - initiatives to ensure the supply of skills is relevant to employers' needs; and
  - training of childcare and other care workers.

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<sup>95</sup> Equal Opportunities Commission, Working Outside the Box, January 2007.

414. There will be limited scope to support higher level activity including:
- activities to prepare people from disadvantaged groups to access Higher Education (but not Higher Education provision itself);
  - training trainers in the public, private or third sector (at any level including level 4 and above) to deliver basic skills and other provision;
  - lifelong learning and training for managers and workers (at any level including level 4 and above) in small enterprises (up to 50 employees), including training and development in leadership, management, enterprise and technical skills needed for sustainable business development, business growth, innovation and productivity.
415. The phasing-in areas of Merseyside and South Yorkshire will be able to complete activities from their 2000-2006 Objective 1 programmes that are eligible for Regional Competitiveness and Employment ESF funding in 2007-2013. These activities will include indicative activities in section 3.3.2. They will also include lifelong learning, training and development activities, at any level, for managers and workers in medium-sized enterprises (as well as small enterprises) of up to 250 employees. As Objective 1 contracts cannot be extended, new contracts will be needed for the continuing activities. The continuing activities must be completed by 2010 when the transitional phasing-in funding finishes.
416. Priority 2 activities will support Community Strategic Guidelines 1.3.2 (Improving adaptability of workers and enterprises and the flexibility of the labour market) and 1.3.3 (Increasing investment in human capital through better education and skills), and National Strategic Reference Framework ESF Priority 2 (Developing a skilled and adaptable work force). In respect of the references to anticipation and change, positive management of economic restructuring and adequate support services for workers in Guideline 1.3.2, Priority 2 will help workers to develop the skills needed by business in an increasingly knowledge-based economy. It will promote the supply of skills to meet current and forecast skills needs in the economy. It will therefore help businesses and individuals adapt to and anticipate economic change and sectoral restructuring. Regional ESF frameworks will identify sectoral skills priorities for regional economic development. Priority 2 activities will also support National Reform Programme paragraphs 3.63 to 3.81 (Investment in skills).

### 3.3.3 Targets and indicators

417. The target of Priority 2 is to develop a skilled and adaptable workforce by helping more people gain basic skills and qualifications as a result of the programme's interventions. There are a small number of output and results indicators to measure the overall performance of Priority 2. Some of these indicators have quantified targets.
418. Output indicators with targets are:
- total number of participants;
  - participants with basic skills needs;
  - participants without level 2 qualifications;
  - participants without level 3 qualifications;
  - participants with disabilities or health conditions;
  - participants aged over 50;
  - participants from ethnic minorities; and
  - female participants.

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419. Output indicators which do not have quantified targets are:

- participants in managerial positions;
- female participants in part-time work.

Participation by employees of small enterprise will be examined in follow-up surveys.

420. Results indicators with targets are:

- participants who gained basic skills;
- participants who gained level 2 qualifications; and
- participants who gained level 3 qualifications.

421. Results indicators which do not have quantified targets are:

- participants who gained units or modules of level 2 qualifications;
- participants who gained units or modules of level 3 qualifications;
- participants who gained level 4 or above qualifications;
- participants who gained units or modules of level 4 or above qualifications;
- female participants who gained basic skills;
- female participants who gained level 2 qualifications;
- female participants who gained level 3 qualifications;
- female participants who gained level 4 or above qualifications;
- female participants who gained units or modules of qualifications;
- participants with disabilities or health conditions who gained basic skills;
- participants with disabilities or health conditions who gained qualifications;
- participants with disabilities or health conditions who gained units or modules of qualifications;
- participants aged 50 or over who gained basic skills;
- participants aged 50 or over who gained qualifications;
- participants aged 50 or over who gained units or modules of qualifications;
- ethnic minority participants who gained basic skills;
- ethnic minority participants who gained qualifications;
- ethnic minority participants who gained units or modules of qualifications;
- part-time female workers who gained basic skills;
- part-time female workers who gained qualifications; and
- part-time female workers who gained qualifications.

422. Annex A describes and quantifies the targets. Additional information on participants which is available through the Management Information system (such as gender) but not reported against on a regular basis could be provided on the request of the Programme Monitoring Committee.

423. These are indicators for the priority as a whole. They recognise that for some participants the outcome will be a qualification, but that for others the outcome will be engagement in education or training. As under Priority 1, providers will be encouraged to record 'soft outcomes' such as improved time-keeping or self-confidence.

424. Most of the indicators will be measured through monitoring data collected from projects. Some of the indicators, such as those on the status of participants six months after leaving projects and on part-time female workers, will be measured by data collected in follow-up surveys of samples of participants. Follow-up surveys and evaluation studies will also examine progress of participants over longer periods such as one year after leaving. They will examine issues such as whether participants who have improved their qualifications and skills have progressed to higher level and higher paid work. They will also examine the quality of provision including whether it is demand-led, meets the needs of individuals and employers, and contributes to business performance. They will also be able to examine target groups and activities not covered by the indicators if appropriate.

### 3.4 Priority Axis 3: Technical assistance (Regional Competitiveness and Employment Objective)

425. Technical assistance funds will be available to finance the preparatory, management, monitoring, evaluation, information and control activities of the Operational Programme, together with activities to reinforce the administrative capacity for implementing the funds, at national and regional levels. This will include the programme's publicity and communication strategy, support for the cross-cutting themes of gender equality and equal opportunities and sustainable development, the development and implementation of programme monitoring and evaluation systems, and where appropriate support for the delivery of transnational and inter-regional activity. Technical assistance will also be available to third sector networks to support participation by voluntary and community organisations in the programme.

### 3.5 Priority Axis 4: Tackling barriers to employment (Convergence Objective)

#### 3.5.1 Objective

426. The objective of Priority 4 is to increase employment and to reduce unemployment and inactivity. It will help to tackle barriers to work faced by disadvantaged groups such as people with disabilities or health conditions, lone parents and other disadvantaged parents, older workers, ethnic minorities, and people with no or low qualifications. It will also help young people make a successful transition to the world of work, in particular those not in education, employment or training (NEET), or at risk of becoming NEET.

427. By tackling and preventing worklessness, this priority will help to improve social inclusion and social mobility. In particular, by helping unemployed and inactive parents to enter sustainable jobs and make progress at work, it will help to alleviate child poverty.

428. This priority will also contribute to the skills strategy, by helping unemployed and inactive people to gain the skills they need for employability and to make progress in the workplace.

429. Priority 4 addresses both Article 3.1.b and Article 3.1.c of the ESF Regulation:

*'enhancing access to employment and the sustainable inclusion in the labour market of job seekers and inactive people, preventing unemployment, in particular long-term and youth unemployment, encouraging active ageing and prolonging working lives, and increasing participation in the labour market' (Article 3.1.b); and*

*'reinforcing the social inclusion of disadvantaged people with a view to their sustainable inclusion in employment and combating all forms of discrimination in the labour market' (Article 3.1.c).*

### 3.5.2 Indicative activities

430. Priority 4 supports activities to enhance access to employment and sustainable inclusion in the labour market of unemployed, under-employed and inactive people, and to prevent unemployment for people under threat of redundancy. Unemployed, under-employed (including seasonal workers), inactive people and people under threat of redundancy will be eligible for support within this priority. There will be a particular focus on: people with disabilities or health conditions; lone parents and other disadvantaged parents; older workers; people from ethnic minority groups; young people not in education, employment or training (NEET) or at risk of becoming NEET; people with drug and alcohol dependency problems; carers; women seeking to return to the labour market; offenders and ex-offenders; and homeless people. People who have made the transition from unemployment or inactivity to work will also be eligible for support regardless of employment sector or size of establishment.
431. Activities should help participants to gain skills for employability, overcome barriers to employment, enter and retain work, and make progress in the workplace. They will prevent unemployment and long-term benefit dependency through early interventions as well as focus on the re-integration of people who are most distanced from the labour market.
432. Activities will include both employment and skills measures to help participants improve their employability and enter jobs. As in Priority 1, activities will also help those entering jobs to sustain their employment and make progress at work where they need support to integrate into the workplace. In these circumstances, training and other employment-related support tailored to individual needs may continue after participants have entered jobs.
433. Activities will also help to retain in employment older workers and workers who have, or who develop, disabilities and health conditions. These activities will provide support to prevent workers becoming unemployed or inactive because of age, disability or a health condition. They will not duplicate activities to update the skills of older workers which will be supported within Priority 5.
434. Activities should be designed to respond to the specific needs of participants with disabilities or health conditions, older workers, participants from ethnic minorities and women. Some participants will experience multiple disadvantage, for example older workers with a disability may face barriers related both to their age and disability. Project providers should take such multiple disadvantage into account when assessing the needs of participants, and when they are designing and delivering activities. Providers should work with employers to help integrate people with disabilities and ethnic minorities into the workplace.

435. Activities may be delivered by public, private or third sector providers. Third sector organisations are particularly well placed to engage people who are excluded from or at a disadvantage in the labour market. Providers will be encouraged to engage with employers to ensure that provision both matches the skills needs of business and enables individuals to access, and make progress in, the labour market.

436. Activities will include:

- activities to provide appropriate and bespoke support to particular groups who may be disadvantaged in the labour market such as:
  - people with disabilities and health conditions;
  - older workers;
  - lone parents, Jobseekers' Allowance recipients with children, and other disadvantaged parents;
  - women;
  - people from ethnic minorities; and
  - offenders and ex-offenders.
- active and preventative measures which ensure early identification of needs, with individual action plans and personalised support including:
  - activities focused on people under threat of redundancy;
  - workplace initiatives to prevent long-term sickness absence and worklessness; and
  - early interventions and activities to prevent long-term benefit dependency;
- pre and post-employment skills activities including basic literacy and numeracy skills, ICT skills, financial literacy, employability and life skills, English for Speakers of Other Languages and vocational skills;
- pre-vocational and access training where this is part of a pathway to employability;
- small grants for voluntary and community organisations to support their capacity to mobilise unemployed and inactive people who are disadvantaged or excluded and to facilitate their integration into the labour market ('ESF community grants');<sup>96</sup>
- activity to tackle linked and complex causes of worklessness and barriers to employment including those relating to community safety, health, homelessness and education where this activity is clearly linked to economic progression;
- activities to help disadvantaged people who persistently return to Jobseekers' Allowance, address barriers to their retention in sustainable employment;
- sector based and demand led routeways to work that overcome skills shortages and recruitment difficulties;
- work experience, work tasters and supported employment programmes;
- activities that focus on the transition to work (for example, money management, childcare and transport);
- post-employment support, mentoring and after-care activities for both employees and employers, regardless of sector and size of company;
- jobsearch training, advice and support; and
- advice and support for self-employment, business creation and social enterprise.

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<sup>96</sup> Known as Global Grants in the 2000-2006 programme.

437. Activities will support initiatives specific to Cornwall and the Isles of Scilly including:

- Pathways to Employment programmes focused on the re-integration of people and groups who are most distanced from the labour market and have the most severe or complex barriers to employment;
- the development of multi-agency partnerships to facilitate and deliver Pathways to Employment and other relevant activities such as links between health and employment organisations to support people on health related benefits to progress towards and move into work;
- Community Development activity to identify, engage and support disadvantaged jobless individuals and groups where this is clearly linked to a pathway to employment or other progression activity; and
- activities that link to specific regeneration initiatives, including ERDF funded projects to ensure residents can take advantage of the jobs and opportunities that arise from the regeneration of their areas.
- capacity development to support all-age adult information, advice and guidance services;
- activities that support individuals to enter sustainable employment by provision of pre-employment training that meets skills development needs as identified by employers in growth sectors; and
- activities that support youth entrepreneurship and business start-up.

438. Activities to prepare young people for working life, in particular 14 to 19 year olds not in education, employment or training (NEET) or at risk of becoming NEET will include:

- initiatives to reform vocational routes for, and develop vocational skills among, 14 to 19 year olds, including developing the vocational curriculum to improve employability;
- initiatives to help raise awareness of the world of work, enterprise and entrepreneurship among young people (from age 14), including work experience placements;
- activities to engage 14 to 19 year olds not in education, employment or training, tackle their barriers to learning, and help them access mainstream provision;
- activities, including vocational training and preventative work, for young people at risk of becoming NEET to provide pathways to employment; and
- activities to reduce youth unemployment by developing the employability and skills of young people.

439. Priority 4 activities will complement relevant economic activities within the Cornwall and Isles of Scilly Convergence ERDF programme. The ERDF Programme will help create a range of new and additional jobs, relevant to all sections of the workforce. ESF Priority 4 will increase the supply of labour available to fill these jobs by increasing participation by workless people, particularly from disadvantaged groups. The Cornwall and Isles of Scilly ESF framework will identify the complementarity between ESF worklessness activities and ERDF job creation activities. The performance of these activities will be monitored by the joint ERDF/ESF Convergence committee.

440. Priority 4 activities will support Community Strategic Guidelines 1.3.1 (Attracting and retaining more people in employment and modernising social protection systems) and 1.3.2 (Improving adaptability of workers and enterprises and the flexibility of the labour market), and National Strategic Reference Framework ESF Priority 1 (Tackling barriers to employment). They will also support National Reform Programme paragraphs 4.1 to 4.48 (Increasing employment opportunity for all).

### 3.5.3 Targets and indicators

441. The target of Priority 4 is to tackle barriers to employment in Cornwall and the Isles of Scilly by helping more people enter employment or engage in activity leading to employment, particularly disadvantaged groups, as a result of the programme's interventions. Priority 4 performance will be measured using the same targets and indicators as Priority 1 at section 3.2.3. The Priority 4 targets are quantified at annex A.

## 3.6 Priority Axis 5: Improving the skills of the local workforce (Convergence Objective)

### 3.6.1 Objective

442. The objective of Priority 5 is to help deliver the learning and skills vision in the Cornwall and Isles of Scilly Strategy and Action Review 2006: 'To help all people in Cornwall achieve the highest levels of skills and qualifications they can in order to enable them to find jobs and improve their chances of career progression'. It will support the following strands of the strategy:

- Adult Learning and Skills – increasing choice and access to learning and skills training for adults (19+).
- Workforce Development – raising workforce and business skills at all levels across all sectors in Cornwall to match the best in the UK. This will include joint actions with social partners to engage employers and support employees in learning and training.
- Higher Education and Skills – increasing the number of HE students enrolled at the Combined Universities in Cornwall and increasing the take-up of higher skills training by those in employment.

443. In addition, progression routes for learners are a key part of Cornwall's strategy, including progression into mainstream learning and from mainstream to further learning.

444. Priority 5 addresses Article 3.1 .a of the ESF Regulation:

*'increasing adaptability of workers, enterprises and entrepreneurs, with a view to improving the anticipation and positive management of economic change'*

### 3.6.2 Indicative activities

445. Priority axis 5 supports activities to improve the skills of the workforce in Cornwall.

446. Workers who do not possess qualifications up to level 3, or who need to update their qualifications and skills, will be eligible for support, in any sector or any size of establishment. There will be a particular focus on: workers without basic skills; workers who do not have level 2 qualifications relevant to their current occupation; and men and women who want to enter non-traditional occupations. Most of the participants will be employed. In certain circumstances, people who are not employed will also be eligible for support within Priority 5 in order to address individual skills needs and specific skills shortages, where it would be unreasonable and inflexible to exclude their participation. However, skills provision to tackle barriers to work and improve the employability of unemployed and inactive people will be supported through Priority 4.

## Priorities

447. Training will be supported at level 3 and above where there is market failure, for example where there are skills shortages, in small and medium sized enterprises (up to 250 employees), among women and ethnic minorities where they are under-represented, and in support of Cornwall's strategy for higher education and skills. Managers and workers in small enterprises (up to 50 employees) will be eligible for support at any level, including level 4 and above, regardless of the level of qualification they currently hold.
448. ESF funding within Priority 5 will be targeted in particular at people who are least likely to receive training (such as workers in sectors with weak training records and part-time workers) and at people at a disadvantage in the workplace (such as people with disabilities or health conditions, people aged over 50 and people from ethnic minorities). Activities should be designed to respond to the specific needs of participants with disabilities or health conditions, older workers, participants from ethnic minorities and women. Activities may be delivered by public, private or third sector providers. Providers should be encouraged to engage with employers to ensure that provision addresses current and forecast skills needs. Provision should both match the skills needs of business and enable individuals to make progress in the labour market. Training courses funded by the programme should offer the possibility of gaining a qualification.
449. Activities will include:
- activities to support access to and provision of apprenticeships;
  - Skills for Life activity for employees including the basic skills of literacy, numeracy and English for Speakers of Other Languages, and ICT skills;
  - activities to support access and progression from foundation level up to level 3;
  - training leading to level 2 qualifications (especially for those without current or relevant level 2 qualifications, part-time workers and workers in sectors with weak training records);
  - training leading to level 3 qualifications in sectors where there are skills shortages at level 3, in small and medium sized enterprises (up to 250 employees), and for women and ethnic minorities in sectors and occupational areas where they are under-represented at level 3;
  - lifelong learning and vocational training for low skilled and low paid women workers to improve their progression;
  - training, mentoring and supporting men and women in occupations or sectors where their gender is underrepresented, in order to tackle gender segregation;
  - training older workers in order to update their qualifications and skills and prolong their working lives;
  - training for workers who face redundancy or have been made redundant;
  - training in ICT and e-learning skills;
  - training in environmental management and protection skills and in eco -friendly technologies, including training which supports the renewable energy sectors, energy efficiency and recycling;
  - support for workers' career development to enable a portfolio of skills and qualifications to be developed at all levels (for example, a second level 2 or 3 in different skills areas);

- initiatives by the social partners to promote lifelong learning and skills in the workplace;
- initiatives to ensure the supply of skills is relevant to employers' needs;
- training of childcare and other care workers;
- training trainers in the public, private or third sector (at any level including level 4 and above) to deliver basic skills and other provision; and
- lifelong learning and training for managers and workers (at any level including level 4 and above) in small enterprises (up to 50 employees), including training and development in leadership, management, enterprise and technical skills needed for business development, business growth innovation and productivity.

450. The indicative activities above are the same as those in Priority 2. Priority 5 will also support activities to contribute to the strategy for Higher Education and skills in Cornwall and the Isles of Scilly. These activities reflect the wider range of activities and higher intensity of funding available in the Convergence Objective. They will address the skills needs of business and individuals in the Cornish economy. They will not support core Higher Education provision. Activities will include:

- research where related to the knowledge economy, labour market and human capital linked to employment and skills needs now and in the future including activities that support training of researchers and post-graduate studies;
- graduate placement programmes within small and medium sized enterprises to support business growth and increase the numbers of graduates employed in Cornwall, including those from disadvantaged groups;
- developing employer demand-led provision that meets key skill and key sector needs at level 4 and above;
- developing and improving pathways from level 3 vocational programmes to foundation degrees and beyond, including curriculum development where linked to vocational studies that meet business needs, current and emergent;
- increasing access for all to Higher Education provision (particularly for part-time employees, older and migrant workers) via innovative access routes including modular and bespoke courses, e-learning, local delivery and other flexible, blended methods of delivery where linked to vocational studies that meet business needs, current and emergent;
- raising the level of technical skills for those in employment to meet existing and potential sector skills shortages (including environmental skills needed for sustainable business development and growth); and
- support for access to Higher Education modules available outside of Cornwall where no provision exists in Cornwall to meet business demand.

451. As required by the ESF Regulation, an appropriate amount of the ESF Convergence allocation will be available for social partner capacity-building activities, which can include training, networking measures, strengthening the social dialogue and activities jointly undertaken by the social partners. It is envisaged that this amount will be 2% of the ESF resources for Priority 5. This will enable social partners to contribute to the delivery of Convergence ESF activities and outcomes. Joint actions with the social partners, particularly employers' organisations and trade unions, will be encouraged to ensure that this is achieved. These are likely to include activities to provide better access to training and development in the local workforce, and the support and development of social enterprises. These activities will be delivered through Co-financing as specific tender specifications. Further information will be set out in the Cornwall and Isles of Scilly ESF framework, including on any differentiation of capacity building and joint activities.
452. Priority 5 activities will complement relevant economic activities within the Cornwall and Isles of Scilly Convergence ERDF programme. The ERDF Programme will help create a range of new and additional jobs, relevant to all sections of the workforce. ESF Priority 5 skills activity has a key role to play in helping companies to realise plans to improve productivity and increase employment. This is particularly important at level 3 and above, including up-dating the skills of the current workforce. ESF support has been identified as crucial in taking forward innovation and research and development as well as the plans of high growth companies. The Cornwall and Isles of Scilly ESF framework will identify the complementarity between ESF workforce development activities and ERDF job creation and business growth activities. The performance of these activities will be monitored by the joint ERDF/ESF Convergence committee.
453. Priority 5 activities will support Community Strategic Guidelines 1.3.2 (Improving the adaptability of workers and enterprises and the flexibility of the labour market) and 1.3.3 (Increasing investment in human capital through better education and skills), and National Strategic Reference Framework ESF Priority 2 (Improving the skills of the local work force). They will also support National Reform Programme paragraphs 3.63 to 3.81 (Investment in skills).

### 3.6.3 Targets and indicators

454. The target of Priority 5 is to improve the skills of the workforce in Cornwall and the Isles of Scilly by helping more people gain basic skills and qualifications as a result of the programme's interventions. Priority 5 performance will be measured against the same targets and indicators as Priority 2 at section 3.3.3. It will also have additional indicators to measure the contribution of the additional higher level activity in the Convergence Objective. The Priority 5 targets are quantified at annex A.
455. The Convergence higher level output indicators with targets are:
- participants without level 4 qualifications;
  - participants undertaking post-graduate research training; and
  - graduates placed within small and medium-sized enterprises
456. The Convergence higher level results indicators with targets are:
- participants who gained level 4 qualifications;
  - participants who gained level 5 or above qualifications; and
  - graduates placed within small and medium-sized enterprises who gain employment.

### 3.7 Priority Axis 6: Technical assistance (Convergence Objective)

457. Technical assistance funds will be available to finance the preparatory, management, monitoring, evaluation, information and control activities of the Operational Programme, together with activities to reinforce the administrative capacity for implementing the funds. This will include the programme's publicity and communication strategy, support for the cross-cutting themes of gender equality and equal opportunities and sustainable development, development and implementation of programme monitoring and evaluation systems, and where appropriate support for the delivery of transnational and inter-regional activity. Technical assistance will be available to third sector networks to support the participation of voluntary and community organisations in the programme. In the Convergence Objective, technical assistance will also be used to invest in administrative capacity to facilitate programme delivery and strengthen capacity in impact analysis and evaluation, including supporting the implementation of the programme in such a way that it is aligned with the Local Area Agreement for Cornwall where appropriate.