

**EAST AYRSHIRE COUNCIL**

**CABINET – 24 FEBRUARY 2010**

**EUROPEAN FUNDING – IMPROVING OPPORTUNITIES PROJECT**

**UPDATE REPORT**

**Report By Depute Chief Executive/Executive Director of Corporate Support**

**1. PURPOSE OF REPORT**

- 1.1 To provide the Cabinet with information relating to the East Ayrshire Community Planning Partnership (CPP) bid for European Social Fund (ESF) and European Regional Development Fund (ERDF) funding for the period from April 2010 to 30 June 2011.

**2. BACKGROUND**

- 2.1 The initial successful CPP bid for European structural funding resulted in an additional £3.11 million pounds to support employability services in East Ayrshire, delivered by the following partners during the two year period from April 2008 to 31 March 2010.

- EAC Skills Development and Employability Service
- East Ayrshire Woodlands
- Ayr College
- Kilmarnock College
- The Wise Group
- The Lennox Partnership
- Skills Development Scotland (Careers service)

- 2.2 Late receipt of the Offer of Grant resulted in the CPP partnership expenditure for the first two years being significantly under the agreed profile and has facilitated an extension of three months for the next round of funding to allow activities to continue to 30 June 2010.

**3. ESF / ERDF PHASE 2 SUBMISSIONS**

- 3.1 The Scottish Government confirmed that a full application was not required for further funding beyond the currently approved date (31 March 2010) and rather that a Phase 2 Plan should be submitted detailing the current project activities and additional funding support requirements.
- 3.2 The CPP Phase 2 Plan was submitted on 9 October proposing to extend the activities for 15 months with additional funding for 12

months taking the end date to 30 June 2011. The bid included all of the existing CPP Improving Opportunities Project partners.

3.3 At the National Jobs Summit in Glasgow on the 11<sup>th</sup> January 2010, the First Minister announced that the bid for European funding for the East Ayrshire CPP Improving Opportunities Project had been successful, providing £1,415,708 ESF grant and £153,160 ERDF grant.

3.4 The Phase 2 proposed outcomes are:

1434 participants supported  
 400 participants into employment  
 541 participants into education or training  
 905 participants gaining a full or partial qualification  
 50 enterprises supported  
 15 social enterprises supported

3.5 East Ayrshire Council leads the project which will continue to be managed by the Skills Development and Employability Service.

#### 4. FINANCIAL IMPLICATIONS

4.1 The match funding requirements for the European Award are as detailed in the table below.

Match Funder	Priority 1 (ESF)	Priority 2 (ESF)	Priority 3 (ERDF)	Total
Fairer Scotland Fund	£365,181	£120,198	£209,742	<b>£695,121</b>
EAC	£100,000		£20,000	<b>£120,000</b>
Skills Development Scotland	£193,017			<b>£193,017</b>
ESF – 40.3291% Contribution	£444,849	£80,132		<b>£524,981</b>
ERDF 40% Contribution			£153,162	<b>£153,162</b>
<b>Total</b>	<b>£1,103,047</b>	<b>£200,330</b>	<b>£382,904</b>	<b>£1,686,281</b>

4.2 Partner organisations are responsible for securing their individual match funding which must be evidenced and will be scrutinised by the Skills Development and Employability Service before being approved for inclusion in the CPP partnership.

4.3 Cabinet on 25 June 2008 agreed the drawdown of £300,000 in both 2008/09 and 2009/10 as match funding for the initial CPP bid with funds held centrally until required. The breakdown of this in 2009/10 is

£179,000 to WEA-Job Rotation, £17,500 to East Ayrshire Woodlands and £103,500 to Skills Development and Employability.

- 4.4 It is proposed that a further drawdown facility of £300,000 is made available for 2010/11 to support activity to June 2011 and that these funds continue to be held centrally for drawdown as required with any unused funds available for distribution to departments. The immediate requirement of £120,000 to match the European Award would come from this facility. Further draw downs of this £300,000 will be required to fund items that are non eligible for European funding but are required to continue the delivery of the Service.
- 4.5 The Skills Development and Employability has submitted an ESF Priority 2 application in addition to the CPP project which will allow engagement with people in employment that may be under threat of redundancy or need qualifications or new skills to help them sustain their current job.
- 4.6 In future years and post European Structural Funding, a similar level of financial support would be required to deliver existing programmes and to allow the Skills Development and Employability Service to develop new employability initiatives and to react quickly as match for any funding opportunities that may arise. A paper will be brought to a future meeting detailing such proposals.

## **5. POLICY IMPLICATIONS**

- 5.1 This service supports the delivery of the outcomes of the Community Plan theme of Delivering Community Regeneration.

## **6. RECOMMENDATION**

- 6.1 It is recommended that Cabinet
  - i) note the successful bid for ESF / ERDF funding to June 2011;
  - ii) agree the match funding required for the project;
  - iii) confirm that match funding of £300,000 be made available for 2010/11 in line with paragraph 4.4 from General Revenue Fund Miscellaneous Services and
  - iv) otherwise note the content of this report.

**Elizabeth Morton  
Depute Chief Executive/  
Executive Director of Corporate Support.**

17 February 2010  
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**BACKGROUND PAPERS**

Nil

**Any person wishing further information should contact Alan Neish,  
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