



European Union
European Social Fund
Investing in jobs and skills



OBJECTIVE 3 PROGRAMME 2007-2013

LDA CO-FINANCING PLAN 2007-2010

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1. Summary

Objectives of the Plan

The London Development Agency (LDA) has a vital role to play in creating a coherent, effective and efficient approach to economic development and regeneration in London. The establishment of the London Skills and Employment Board provides a new impetus for the skills and employment agenda in London, placing an emphasis on the needs of employers. On behalf of the Mayor the LDA is leading on the Skills and Employment Strategy with the emerging plans having influence on the Regional Framework. As a Co-financer the LDA's Co-financing Plan outlines how the LDA will contribute to the delivery of the Regional Framework.

In light of these changes the LDA and other co-financing organisations have worked closely together to put forward a coherent programme of activity building on the strengths of each organisation to tackle London's specific challenges as highlighted in the Regional Framework.

The LDA's Co-financing Plan will focus primarily on tackling worklessness but also on improving sustainability in the labour market by targeting employees with low skills. Activity will prioritise the economically inactive and those facing multiple disadvantage which impact on their ability to access the labour market or progress once in employment. Emphasis will be placed on innovative approaches which are additional to mainstream provision will be supported.

The current Co-financing Plan covers the period October 2007 through to December 2010. The LDA will dedicate £24,539,082 of resource during this period in order to draw down an equivalent of ESF match funding. Given the prioritisation of LDA funding going forward this is reflected in the concentration of activity under three measures in the Regional Framework: Measure 1.1; Measure 1.3; Measure 2.1.

The LDA anticipates running a tendering round commencing in early November 2007, with a further tendering round in Autumn 2008.

Programme Coverage

There will be no specific geographical prioritisation in the programme with primary focus on methods of delivery and target groups. Disadvantaged groups of workless individuals are geographically scattered in London¹. We expect activity to reflect local infrastructure – particularly in City Strategic Pathfinder areas but also in relation to Local Area Agreements. Projects should demonstrate in their bids the need for their provision in a particular area referring to any gaps in current provision for target groups.

A key aspect of the LDA Co-financing Plan is the objective of achieving a healthy London labour market. The LDA's Co-financing programme will therefore look to link the support and training needs of the target beneficiaries with opportunities available in the London labour market.

¹ What Works in Tackling Worklessness? LDA 2006 p.52

In order to achieve this and ensure sustainable outcomes from the programme it is vital to meet the needs of employers. The programme will promote a demand led approach ensuring that employers are involved with the design and delivery of projects of programmes to help beneficiaries gain relevant skills to achieve and sustain work and also progress in their employment. The LDA plan is not prescriptive about sectors but projects should be relevant and reflect the needs of employers and in particular should demonstrate alignment with Sector Skills Agreements. Projects may therefore be sector specific but projects may take a more general approach when addressing themes which are common across a number of sectors.

Activities to be delivered under each Measure

The LDA will deliver activity under three measures over the lifetime of this Co-financing Plan. Under **Priority 1 – Extending Employment Opportunities** the LDA will deliver activity under Measure 1.1 and all of Measure 1.3 and under **Priority 2 - Creating a Skilled & Adaptable Workforce** the LDA will support activity under Measure 2.1. The Table below summarises total spend under each measure and indicative activity:

		Total £ incl. match	Activities
Measure			
1.1	Improving the employability and skills of the unemployed and economically inactive	£36,458,892	The programme will focus on: <ul style="list-style-type: none"> • Outreach and engagement work; • Ongoing mentoring and IAG; • Skills for Life, ESOL, citizenship and business start up training; • Employer-led customised training; • Progression onto mainstream education and employment.
1.3	Community Grants for those groups furthest from the labour market	£6,167,790	The programme will provide small grants to voluntary and community organisations, focussing on progression routes for socially excluded beneficiaries.
2.1	Basic skills	£6,451,482	Activity will focus on developing innovative delivery mechanisms for skills for life provision in the workplace. Activity will be delivered using existing Train-to-Gain infrastructure.

Cross Cutting Themes

The Mayor and the GLA Group are required to have regard to the achievement of health, equality of opportunity and sustainable development in all GLA activities under the Greater London Authority Act 1999. The Mayor’s vision for London is of an exemplary, sustainable world city, which enables all people to enjoy a good quality of life without compromising either the needs of future generations, or the planet’s environmental limits, based on the three interwoven objectives of economic development, social inclusion, and environmental improvement.

Consistent with our mission and the Mayor’s statutory responsibilities, health and sustainability, community safety as well as equality and diversity - i.e. the differences in values, attitudes, cultural perspectives, beliefs, ethnic background, sexual orientation, age, ability, skills, barriers faced by, knowledge and life experiences of each individual in any group – are integrated throughout all our work. We also seek to reduce health inequalities

through our programmes and we deliver environmental improvement and play an increased role in addressing climate change.

Period for the Plan

This plan covers the first four years of the programming period (2007-2010) with a 33 month delivery period from April 2008 to December 2010. An initial prospectus will be launched in the autumn of 2007 with an expectation that delivery can commence from April 2008. A further tendering round is anticipated in autumn 2008. It is anticipated that of the activity to be procured through the Prospectus, 50% will be contracted through the first Prospectus and 50% in Prospectus 2. A separate tendering process will be put in place for the Community Grants Programme.

Funding by Measure

The estimated ESF spend by measure and by year is:

	Jan-Dec 2007	Jan- Dec 2008	Jan-Dec 2009	Jan-Dec 2010	Total
Measure 1.1	£7,005	£910,185	£10,215,594	£7,096,662	£18,229,446
Measure 1.3	£1,714	£222,773	£1,266,979	£1,592,429	£3,083,895
Measure 2.1	£1,281	£166,442	£1,868,313	£1,189,705	£3,225,741
Total	£10,000	£1,299,400	£13,350,886	£9,878,796	£24,539,082

2. Contribution to OP and Regional Framework

Priority 1: Extending Employment Opportunities

LDA activity under this measure will have the dual benefit of tackling social exclusion, which is a particular issue in London, whilst also extending the pool of labour required to meet the needs of the London economy. London has the lowest rate of employment in the UK and as such a major LDA priority is to extend employment opportunities across the city. Recent research by GLA Economics found that London's employment rate in the period 2006/ 2007 stood at 69.4 per cent compared to 74.4 per cent for the UK as a whole; furthermore the gap has grown since 1997².

The workless client group in London is unusually diverse. As stated in the LDA report *What works with tackling worklessness?* the workless group in London is younger than in the rest of the UK and includes a high proportion of BAME groups and migrants³.

Many 'workless' individuals in London face multiple barriers to work and have "complex and challenging needs ranging from learning difficulties to being a victim of torture to being homeless or having spent the majority of adult life in custody"⁴. GLA Economics research⁵ suggests that aspects of these barriers include:

- Long term illness and disability;
- Recent migration;
- Homelessness;
- Lack of family support;
- Ethnicity;
- Childcare needs;
- Substance abuse;
- Criminal record.

The report highlights a number of interventions that have been successful in tackling worklessness including: integrated holistic interventions; active engagement with employers; job subsidies; small scale intensive projects; work experience and regular ongoing advice and mentoring support⁶.

The LDA will support integrated, multi-interventionist projects which are able to provide intensive ongoing support to individuals from the hardest to reach groups in London. Emphasis will be given to projects which can demonstrate capability in tackling multiple barriers individuals face in preparing for work. This holistic approach will support the development of employability skills resulting in sustainable employment. Through this Co-financing Plan the LDA will look to support innovative partnership projects and delivery models where different public sector and third sector organisations can work together. The LDA will look to make links between our programme activity and that of other ESF provision and broader mainstream provision. In particular local community based groups supported

² London Economic Development – Snapshot, GLA Economics, July 2007, p 15

³ What Works in Tackling Worklessness? LDA 2006

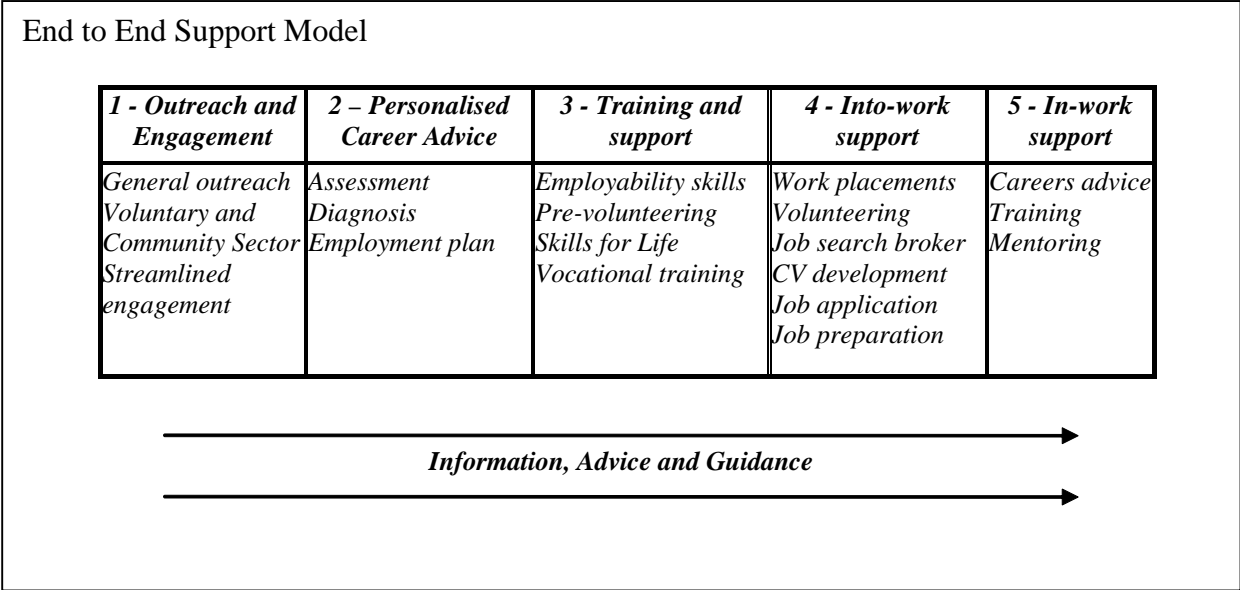
⁴ London Skills and Employment Board, JH Consulting May 2007

⁵ What Works in Tackling Worklessness? LDA 2006

⁶ What Works in Tackling Worklessness? LDA 2006

through the Community Grants Programme should be supported in making links to further provision for their participants.

The approach adopted in the LDA Co-financing plan is informed by the concept of ‘End to End Support’ for the individual participant. This is particularly important for the target groups within the ESF programme who often face multiple disadvantage and are some distance from the labour market. The model below which has been adapted from the City Strategy Pathfinders in London and is one representation of the continuum of support offered to the individual. The success of this approach rests on the ability of providers to guide individuals along the pathway to employment and ensure they are offered the best next step provision in their skills development at each point in the process.



Evidence suggests that this ongoing support helps sustain retention and progression of individuals in the workplace⁷. It is essential that that all projects, large or small, develop and facilitate good referral routes through to other providers that can deliver other elements in the pathway back to work.

In practical terms this approach will be supported in the following ways:

- A significant focus of LDA activity will be on ensuring progression rather than employment outputs, acknowledging the distance from the labour market of some target groups
- Progression will be incentivised through our output-related funding framework
- The LDA will work closely with other co-financers in the development of individual project specifications to avoid duplication
- The primary focus of the Community Grants programme will be referrals to other provision which will be the responsibility of the Grant Awarding Body
- Emerging models of delivery, such as through the City Strategy Pathfinders will be referred to and supported through individual project specifications

⁷ What Works in Tackling Worklessness? LDA 2006, p. 52

- Develop a model of delivery for the innovative £25,000 grant programme linked to further provision through London Councils and mainstream provision
- The LDA will seek, where eligible, Technical Assistance to support facilitation of referral mechanisms and is investigating undertaking this activity in partnership with other Co-financing Organisations

The Leitch Report highlights that the current skills base in the UK is weak by international standards, holding back productivity, growth and social justice⁸. This indicates the need for economically valuable skills that meet the needs of individuals and employers. This is reflected in the establishment of the Mayor's London Skills and Employment Board (LSEB) as an employer led body. Therefore this plan will support activity which reflects the needs of employers and involves employers in development and delivery, for example working with initiatives such as The Employer Accord⁹ developed as part of the London Employment and Skills Taskforce for 2012 (LEST).

Within this priority emphasis will be given to projects which actively engage with employers where providers can demonstrate:

- dialogue with employers to design a curriculum around the needs of the local labour market;
- work experience on employer premises;
- ongoing support to individuals whilst on work placements;
- linkage with further skills training for employers.

The LDA ESF Programme will emphasise impacts on sustainability which see links from Priority 1 in preparing individuals for employment before moving onto mainstream provision, employment and linking through to priority 2 projects particularly in relation to basic skills and on into Train To Gain.

Measure 1.1: *Improving the employability and skills of the unemployed and economically inactive*

Target groups

Activity for this measure will be focussed on the hardest to reach groups in London who face barriers to employment including:

- **Refugees.** Refugees face particular barriers to the labour market, but have been identified as a group that could offer a potential solution to some of the skills shortages in the London labour market, furthermore employment is regarded as the major factor in securing the resettlement and integration of refugees. Projects will be informed by the draft Strategy for Refugee Integration in London.
- Those from **BAME** groups. Evidence suggests that previous New Deal programmes have had less impact on these groups¹⁰.
- **Low income households with children** where one parent is not working. Childcare and the benefit trap are significant barriers to work for these groups.

⁸ Prosperity for all in the global economy – p 3 Leitch Review of Skills, 2006

⁹ London Employment and Skills Taskforce for 2012, Action Plan

¹⁰ What Works in Tackling Worklessness? LDA 2006, p. 49

- Those with **parental and/ or care responsibilities**.
- **Disabled and those with ill health** (including people with mental health issues and those on incapacity benefit).
- **Recent migrants** with the right to work who can provide a potential solution to skills shortages.
- **Ex offenders**
- **Homeless**

Activity

Activities for this measure will be focussed on the following types of activity:

Models of Outreach, engagement and progression

The LDA will support a number of innovative outreach models with a particular focus on engagement and moving participants into mainstream or other ESF provision and will include:

- Pre-Volunteer Programme as a model of engaging those furthest from the labour market through volunteering
- Outreach through Registered Social Landlords
- Outreach targeting specific communities such as refugees, the disabled and ex-offenders

Training Support

- Skills for Life linked to employability with a particular focus on numeracy
- Customised training specifically linked to opportunity, particularly in relation to the Employer Accord
- Pre-start up activity which can lead to further business start up activity such as the LDA Business London: Start Up programme and employment
- Pre-entry level, entry level 1 and 2 ESOL

Local and Community Provision

- Small grants up to £25,000 for Voluntary and Community Organisations with a focus on progression routes

Particular emphasis will be given to projects, which provide on-going support to help beneficiaries gain and retain employment in these sectors. Mentoring support will also be offered where beneficiaries move on into mainstream education to ensure a smooth transition.

The LDA Co-financing Plan is concerned with measuring short term and long term impact of interventions and providers will be encouraged and supported through this process wherever possible.

Measure 1.3: *Community Grants for those groups furthest from the labour market*

The new ESF Community Grants programme will maintain the inherent flexibilities of the current programme to support a wide range of voluntary and community based activities to engage hard to reach communities and support the achievement of soft outcomes. Building

on the ESF Global Grants Programme, *Fast Forward Grants*, the programme has been adapted taking into account the recent evaluation¹¹.

With the new LDA programme, there will be greater emphasis on outreach to the priority target groups and activities that support progression to the labour market. The programme will be better integrated with the rest of the ESF programme by linking the small community delivery partners with recipients of larger ESF/mainstream funding. We will explore how we can use the Technical Assistance programme to build the organisational capacity of the small community organisations so that they can strengthen their relationships with mainstream providers and demonstrates greater parity with wider provision. This will enable smaller providers to continue and develop their activities and ensure that beneficiaries have clear pathways to employment and on-going support to improve retention and progression.

Grants of £12,000 will be allocated to small community and grassroots organisations via a single regional ‘Grant Co-ordinating Body who will be selected through a process of competitive tendering against a delivery specification and selection criteria. Value for money will be a key criteria and therefore a single organisation will ensure that we can maximise the opportunities for economies of scale. The Grant Co-ordinating Body will need to demonstrate that it has sufficient knowledge and reach into target communities and partnerships with local and regional organisations. Linkages with local strategic partnerships and the existing support infrastructure will be encouraged to connect the regional level with the local level. Greater linkages will help bring together the seamless support as part of the ‘Continuum Model’ outlined above.

The grant’s aim to support a quality outreach provision in providing an essential stepping stone for beneficiaries to progress onto other provision, with the emphasis being clearly on this progression. Links will be encouraged to projects such as the Games’ Pre-Volunteer Programme and specifically to Skills for Life provision.

The new programme will emphasise grants being awarded to organisations who can demonstrate that the funding will primarily focus on supporting needs of beneficiaries. The programme will operate within a framework that can capture ‘soft outcomes’ such as “distance travelled”, motivation and confidence levels along with any possible ‘hard outcomes’.

Creative solutions for engaging with hard-to-reach beneficiaries from the target groups outlined above will be prioritised in awarding these grants and therefore outreach will remain a key feature of the new programme. The grants are aimed at a wide range of community groups, many of which are led by people for whom English is not their first language which will be reflected by the simple and direct marketing approach and relatively simple application process. Target groups include those that lack the resource to meet the financial and programme monitoring and auditing requirements of the various funding bodies. These features of the programme match accordingly with the ESF theme of equality and diversity.

Under the new programme it will be possible for projects to apply for multi annual grants, but we may decide to limit this to no more than two applications. Typical organisations which will be supported to deliver the projects include:

- Social enterprises;

¹¹ Fast Forward Grants, Evaluation of Global Grants, Rocket Science, July 2007

- Registered charities;
- Voluntary and community organisations supporting refugees, women, children, families, disabled and other disadvantaged groups.

Priority 2: Creating a Skilled & Adaptable Workforce

Low levels of skills are a significant problem hindering development for London businesses. According to the London Annual Business Survey (LABS) the number of businesses that believe that availability of appropriately skilled employees is a significant or a very significant problem; standing at 29 per cent in 2006.¹²

The LDA will work in partnership with the Learning and Skills Council under this priority in particular ensuring activity is brokered through Train to Gain and that it complements existing provision. The LDA envisages Train to Gain as the key point of engagement with employers but will look to exploit initiatives such as the Employer Accord where employers have demonstrated willingness to engage with public provision on skills.

The LDA will look for opportunity for activities here which develop collaboration between employers, training providers and piloting of new models of workplace delivery, with a focus on partnership approaches.

Measure 2.1: Basic skills

LDA activity under this priority will focus on Skills for Life. The lack of basic skills within the London labour market is a serious threat to achieving and maintaining a competitive and healthy economy. 23% of the London population have low literacy or numeracy and half of those that need basic skills support are in employment. Allied to this is the fact that fewer than 10% of those with basic skills needs are actually receiving any form of training or support to address their needs¹³.

The LDA offer will complement that of the Learning and Skills Council by targeting individuals with pre-entry Skills for Life needs including ESOL. Within this target group there are sub-groups which face multiple disadvantage and these will be a key focus for LDA provision and will include:

- Refugees;
- Those from BAME groups;
- Disabled people;
- Recent migrants with the right to work.

The aim is to ensure sustainability of outcomes through progression into further training available through Train to Gain. Pre-entry Skills for life is vital for job retention and is the first step to career progression which will impact both tackling worklessness and supporting competitiveness.

Under this measure we will look to support projects which build on the success from priority 1.1, particularly where projects work successfully with employers to move individuals into

¹² London Economic Development – Snapshot, GLA Economics, July 2007, p 21

¹³ Moser Report, 1999

employment and provide ongoing training and mentoring support to these individuals whilst in employment.

Individuals will be referred into the LDA Co-financing provision primarily via the Train to Gain brokerage service. Activity will also seek to complement other projects and mainstream provision by exploiting existing engagement with employers such as through the Employer Accord. A particular focus will be on supporting pre-entry level ESOL working in entry level skill sectors such as cleaning, construction, waste management and hospitality. The DfES Skills for Life Survey in 2002/03 estimated that 21 per cent of the London population did not have English as their first language.¹⁴ This figure is now likely to be higher with recent waves of migration from the European Union accession states.

Evidence suggests basic skills training in the workplace can promote sustained employment.¹⁵ The DfES Employer Toolkit suggest that through improving basic skills levels individuals are more likely to improve their socio-economic status and employers will benefit from increased productivity levels through reduced mistakes, improved staff retention and performance.¹⁶

Embedded and contextualised programmes will be encouraged where the Skills for Life training is contextualised to the working environment and combined with skills such as food hygiene, cleaning, retail and customer service. Programmes will be developed with the advice and support of the Sector Skills Councils (SSCs) and the Sector Skills Development Agency (SSDA) with particular priority given to innovative and niche projects. Projects will tie in with other initiatives being developed by SSCs such as the development of entry level training with Energy and Utility Skills and Green Skills initiatives. However, the major theme of support will be for those with low level skills across all sectors with the training contextualisation being demand led.

Outreach work will be funded as part of projects where engagement work maybe more complex with particularly hard to reach employers in particularly with SMEs. Projects which can add to the support network to promote and sustain Skills for Life training in the workplace will be supported, for example working with trade unions to build up Union Learner Rep networks.

¹⁴ DfES Skills for Life Survey 2002/2003

¹⁵ What Works in Tackling Worklessness? LDA 2006, p 55

¹⁶ Skills for Life: Make It Your Business, Employer Toolkit DfES, 2004

Beneficiaries and Expected Results by Measure

Priority	No. of beneficiaries	Target groups
1.1	13,000	<ul style="list-style-type: none"> • Long-term unemployed • People belonging to BME communities • Disabled people • Ex-offenders • People over 50 • Refugees and other migrant communities • Asylum seekers • Individuals at risk of remaining outside employment, Individuals in receipt of incapacity benefits • Home carers • Lone parents • The homeless
1.3	4,000	As above
2.1	7,000	<ul style="list-style-type: none"> • Employees with low levels of basic skills • Employees in SMEs • Employees with ESOL needs

Target groups under each measure are set out in the table above. The LDA Co-financing Programme is aimed at priority target groups and additional target groups as set out in the Regional Framework.

Where the programme is targeted at specific priority groups, the marketing strategy will focus on the organisations and partnerships that work with these groups. Given the level of targeting within the programme, one of the scoring criteria for projects is the extent to which they demonstrate an understanding of the groups in question and how this is translated into beneficiary recruitment and delivery of the project.

A full breakdown of expected results is provided in Annex 2.

Beneficiary Support

In order to ensure level opportunities of access for individuals from economically inactive and other 'hard to capture' groups additional support will be provided. The LDA will require that projects provide relevant financial support to individuals where removal of this support would significantly reduce the likelihood of projects attracting beneficiaries or where specific groups would be unable to participate without additional assistance. Support will be made available under a number of headings, to include costs relating to:

- Childcare;
- Eldercare;
- Travel allowances;
- Training allowance;
- Necessary equipment for disabled beneficiaries.

Analysis of Expected Results

A key aspect of the innovative approach adopted in the LDA Co-financing Plan is the targeting of beneficiaries facing multiple barriers or beneficiaries with low qualification

levels. It is anticipated therefore that not all beneficiaries will be able to achieve accredited qualifications immediately. For unemployed beneficiaries, soft outcomes can provide an indication of progress along the pathway to employment and can demonstrate additionality of the project. Where projects are targeting beneficiaries facing multiple barriers it is anticipated that they will seek to measure soft outcomes and this will form part of their contractual agreement with the LDA.

Where projects have a sectoral focus it is anticipated that, where beneficiaries are employed, they will work towards accredited or non-accredited courses with a vocational contextualisation. For unemployed beneficiaries, the focus will be on basic level training and improved employability.

3. Funding and Added value

The resources for the LDA Co-financing Programme will be drawn from uncommitted funds through the LDA's Single Programme Budget via the agencies Group Management Team. Funds have been identified in the LDAs internal business planning exercise under Investment Theme 5 - Reduce disparities in labour market outcomes between groups. Formal approval of these funds has not yet been received but the process is being resolved.

LDA match funding will be provided to support 50% of the cost of individual projects and programme Administration costs.

The added value of the LDA programme can be measured in a number of ways, including through:

- Increased numbers of disadvantaged groups into employment ;
- New and innovative models of delivery piloted to be sustained through future mainstream provision;
- 'End to End Support' tracked and beneficiaries' progression monitored;
- Projects monitoring 'soft outcomes' which are additional to 'hard outcomes'.

The LDA programme will target groups in the Regional Framework that face particular disadvantage and are characterised by multiple barriers to the labour market. ESF support will allow for additional and holistic support which evidence suggests is required to tackle the complex problems faced by these target groups.

ESF funding will provide the opportunity for the LDA to develop pilot projects and innovative approaches to delivery which encompass non-traditional outreach and engagement methodologies, embedded pre-entry level support and customised training and ensure that all aspects of the continuum of support are addressed for ESF priority groups. The programme of activity will complement other core funded activities and build capacity within providers to ensure sustainable delivery of further projects.

Sustainability reporting measures including the use of soft outcome measurements as outlined above will be designed to indicate where achievement can be clearly linked to the additional funding. In particular ESF funding will enable more generous provision of beneficiary support measures. These will ensure equal access to training for the beneficiary groups and that they are able to gain full benefit from the training programmes.

The administration costs for the period of the Co-financed programme have been initially set at 5%. The following table summarises the administration costs of the programme over the three financial years of the Plan. The split of administration costs reflects the cost of managing projects but also the front-loading of costs associated with tender rounds in the early part of the programme.

Management Fee Costs	2007	2008	2009	2010	Total
The LDA will claim Management Fee costs for operating the European Social Fund programme to a value not in excess of the allowable 5% of programme funding. This finding will be utilised to support salaries, costs associated with open and competitive tendering including marketing, scoring and moderation, additional marketing costs as appropriate, and final programme evaluation.	£20,000	£684,983	£907,060	£841,865	£2,453,908

4. Project selection and tendering arrangements

The LDA will not be using a Pre Qualification Questionnaire (PQQ) for the first prospectus in this programme. Organisations will be invited to submit tenders against specifications within the Prospectus which meet to bid into an Open and Competitive Tendering process (in compliance with national tendering requirements), which will be assessed against published objective criteria. The LDA will tender the ESF and LDA match through the one Open and Competitive Process. The selection and scoring criteria, together with application documentation and guidance, will be published as Annexes to the prospectus. The assessment criteria will be used to select organisations best placed to deliver the proposed services to beneficiaries, considering strategic fit, fit to specification requirements, and Value for Money.

Details of how the LDA will manage project tenders, “gateway questions”, and guidance on the projects that they will be looking to support will be published in the Prospectus. The Prospectus will detail Priority and Measure level Specifications which will be issued at the point of Tender, and will be included as a topic in the Programme Launch event.

Arrangements for selection of projects, and independent scrutiny of the appraisal and selection process

The LDA’s prospectus will go to the LDA’s Corporate Investment Panel for ratification and approval of process. Following this, these stages have been identified as part of the selection process:

All applicants will be required to complete a PQQ, following which selected applicants will be invited to tender against project specifications.

1. All full applications received will be checked to ensure that all sections of the form have been correctly completed, all published required supporting documentation submitted, that the application has been signed appropriately, and that it is eligible for scoring.
2. A scoring panel will double score each eligible application against the published objective criteria. Double scores will be discussed and moderated between scorers, and comments regarding positive areas that justify support, or areas that would indicate avoiding support, annotated.
3. Projects will be listed in score order by specification, and will be reviewed by an internal LDA moderation panel who will look to verify the scores given, and will raise any issues with prospective project applications from their prior experience, (which may include sectoral, geographical or activity specialisms). The internal moderation panel may include invited members from organisations external to the LDA, but who have particular specialisms that will contribute to the moderation process. The internal moderation panel will verify the projects that are intended to be supported, and give reasons to be used at appeal as to why higher scoring projects may be unsuccessful in their bid.
4. The proposed list of projects to be supported will be ratified by the LDA Corporate Investment Panel (or appointed representative/s) prior to external moderation.
5. Recommendations will be subject to final approval by an external moderation panel comprising officers from all co-Financing Organisations and the European Secretariat, and will be chaired by the LDA.

All applicants will be offered the opportunity to request feedback on their application. Organisations requesting feedback will be sent a letter providing information on the score achieved by their project, and areas in which their project did not score as highly as others.

Following written comments, if an applicant wishes to register a formal complaint they must ensure that it is received at the LDA within two weeks of the date of the feedback letter. Details of the LDA Complaints Procedure will be included with the Prospectus that supports this co-financing plan.

Objective appraisal criteria

Applications will be assessed against objective criteria based on the following:

- Understanding of the target group and extent to which proposed delivery meets the needs of the target groups in terms of access and delivery;
- Quality and achievability of the provision and outcomes;
- Value for money;
- Contribution to equal opportunities, sustainable development and health;
- Links and complementing of other programmes and projects, including those of other co-financers;
- Awareness of employer needs and the labour market;
- Evidence of effective collaborative working and intention to work in partnership;
- Innovation and added value;
- Ability to implement, manage and monitor the project to ESF requirements (based on track record and current capacity, but not excluding new initiatives);
- Clarity of outputs & outcomes from the project.

5. Provider funding and monitoring

Delivery of the plan is over a period of 39 months from October 2007, this period incorporates project application and selection. Project negotiations are anticipated to commence from April 2008 (33 month delivery period) with delivery of individual projects expected to commence no later than June 2008. Within a number of the measures indicated is the development and piloting of innovative methods of delivery. The Plan is not prescriptive, although it defines a framework for delivery and project development which will be further defined within the CFO Prospectus, and the assessment procedure is designed to allow innovative approaches to be funded.

Contract costs

Applicants will submit with their application a list of activities and realistic estimates at how they can contribute to the overall targets of the LDA proposed outputs. The LDA will assess whether the projects offer value for money. Providers will not be reimbursed using actual costs rather an output related model will be developed and sent out with the prospectus.

Monitoring

Service provision, performance levels and quality measures will be specified in the initial agreement with providers. This may include an early visit to review provider systems. Project Officers will follow a dedicated Monitoring Plan to ensure that all required areas of audit are covered over the period of the project, and specific areas will include; verification of outputs that attract funding to support project claims, Quality and Embedded Systems, Delivery against The Delivery Plan, Beneficiary Data, Cross-Cutting Themes (including Equal Opportunities and Diversity, SD and Health), Publicity, and a record of Action Points agreed during the visit. At a minimum projects will be visited on a quarterly basis.

For ESF purposes, providers will be required to make quarterly returns detailing service and financial performance, (although projects that demonstrate a need for monthly funding will be considered). Data required for reports substantiating claims to the European Secretariat will include numbers of outputs achieved in a claims period (to verify amounts claimed), case study information to allow project or programme publicity, and beneficiary data in line with PCR requirements for end of programme reporting. Management Information will be collected using the ESF-specific Beneficiary Data Form (BDF) which will be amended to reflect new programme requirements.

These quarterly reports will form the basis of project progress monitoring as detailed above. [The LDA are currently investigating the possibility of introducing monthly returns].

Quality standards

An integral part of the project manager's responsibility will be to produce a quality improvement plan for each delivery organisation. This will be as a result of discussion and agreement with the delivery organisation, and supported by the LDA's Best Value Review (BVR) processes. Progress against the improvement plan will be monitored on a quarterly basis.

The exact quality standard is difficult to specify. As the type of organisation and the types of activity they carry out will vary widely it would not be appropriate to be inflexible at this stage. If the delivery organisation is already a provider for the LDA, the relevant quality standard will be applied (e.g Investors in People, ISO 9000, PQASSO, etc). For those organisations new to delivery, more support will be provided in identifying an appropriate quality standard to work towards and a realistic plan.

Organisations who currently deliver programmes funded by the European Social Fund, or other public funding stream, will have the opportunity to submit their current quality assessment by either the), Ofsted, or locally produced reports, [from Learning and Skills Council's, (LSC's), Regional Development Agencies, (RDA's), or other co-Financing Organisations, (CFO's)], as a form of evidence to support submitted tenders, and where possible results will be taken into account during LDA monitoring visits.

For those who intend to deliver accredited qualifications, proof of current delivery status will be required in the form of Awarding Body Accreditation documentation. Preference will be given to those organisations that deliver qualifications recognised by the Qualifications and Curriculum Authority, (QCA).

Successful providers (including partners and consortia arrangements) will be required to use the London Multi-Agency Skills Team (MAST) Licence to Skill Employability Templates¹⁷ in order to demonstrate comprehensive planning against all elements of provision for work-focused, learner-centred employability programmes. In particular the templates will need to focus on partner activities within the learner journey and be able to demonstrate added value to existing mainstream funded programmes. Guidance regarding the templates will be set out in the prospectus.

Tenders will request that prospective bidders provide evidence of their most recent verified accounts, from which a rating will be ascertained to give comfort of Financial Security. Those organisations that do not reach the minimum required rating will not be offered a contract. Organisations that have not yet operated for a sufficient period to enable a set of audited accounts to be available will have a financial risk assessment built into the monitoring carried out by the LDA ESF co-Financing Team.

¹⁷ <http://www.jhconsulting.org.uk/strategy.asp> - "Skill Template Toolkit Part 1 and Skills Template Toolkit Part 2 Work Focused"

6. Cross cutting themes

The LDA Co-financing plan will ensure that the three cross cutting themes of sustainable development, diversity and equality and health are interwoven throughout all projects. The programme has a key role in achieving the aims of the Mayor's vision of a sustainable world city with equality of opportunity.

The LDA will develop the Prospectus and application form to ensure that the three themes are explicit to providers and evaluation of project proposals will take into account the themes within the scoring system adapted.

Equalities

Equality is a key theme for London as ethnicity, gender and disability are significant dimensions of economic inequality. Londoners of different faiths, sexual orientation and ages also suffer discrimination. The mainstreaming approach to equalities work we have adopted is founded on our target setting, monitoring, training and the comprehensive use of equalities and community cohesion impact assessment processes to ensure all planned work positively impacts on Equality groups.

The LDA Co-financing Plan will seek to promote equalities of particularly disadvantaged groups that are unrepresented in the labour market including BAME groups, women, over 50s, disabled and refugees.

Health

Similar to the Equalities cross cutting theme, the LDA is mainstreaming its approach to considering its impact on health, in part through our impact assessment process but also working towards building health outcomes into our economic development activities. The LDA recognises that health and economic development are connected in two distinct but related ways. Firstly the wider health sector has a material role as an economic force for London and may provide sustainable employment opportunities under the Co-financing Programme, and secondly there is the fundamental role of economic development in improving health of Londoners and tackling health inequalities.

Through the LDA's ESF Co-financing Programme the impact on Londoner's health will be seen through improvements to the social infrastructure and increases in employment levels. The impact of employment on health is the most strongly evidenced of the wider determinants of health whilst inversely, unemployment has a major negative health impact. Men who experience unemployment are more likely to have serious mental health or substance abuse problems than those in employment. Additionally, unemployed women have higher rates of diagnosed disorders than employed women and are far more likely to be impacted upon by their spouse's unemployment. Our work through the programme to tackle the challenge of worklessness will therefore support better health outcomes for Londoners.

We will also be working with employers around the workplace health agenda, both in terms of encouraging them to adopt best practice and also to support people with health issues to remain in employment.

A Sustainable London

Sustainable development is made up of 3 elements: social, environmental and economic; and to successfully address this cross-cutting theme applicants will need to consider and contribute to all three of these elements. We seek to minimise the negative environmental impacts of London's development and maximise opportunities for improving London's environment and quality of life.

Sustainable Development is one of the four Charter for London principles set out in the Economic Development Strategy.¹⁸ Sustainable Development is one of the three cross-cutting themes covering all the actions in the Strategy and is based on three elements: strong and diverse economic growth; social inclusivity; fundamental improvements in environmental management and use of resources.

- protecting the environment and careful use of natural resources

All projects will be asked to state in their application what environmental impact their projects may have and in operation will be encouraged to ensure that all positive opportunities are taken in the use of resources and protection of the environment. If the proposed environmental support resource can be set up we support the idea that applicants as part of the contractual process will have to engage with the resource to review their environmental performance and then develop an environmental policy and action plan for implementation. If this can't be established then as part of the environmental aspect of sustainable development applicants will be expected to make positive contributions to the following 5 priority areas: energy, water, waste, procurement and transport. Projects will also be encouraged to look at how they could integrate relevant aspects of sustainable development into the courses they run and/or use the environment as a medium for training delivery. This theme will be monitored as part of the regular monitoring process that is undertaken on projects.

- progress which recognises the needs of everyone

The nature of the activities to be funded under the programme will contribute to sustainable development principally by achieving progress which recognises the needs of everyone and assists beneficiaries towards social inclusion and independent living through employment.

- maintaining high and steady levels of economic growth and employment

In addition, the mayor's Spatial Development Strategy¹⁹ provides a spatial and policy context for activity in the LDA Programme. The London Plan provides a framework for sustainable development for the London economy and the priority areas of intervention and investment are reflected in the LDA Co-financing Plan and will support the maintenance of high and steady levels of economic growth and employment.

The selection process ensures that projects address all 3 elements of sustainable development and link in with existing programmes and provision in order to help them address the long term viability of their activity. Where possible the LDA identifies opportunities to maximise benefits across a range of objectives. For example, through addressing a skills shortage through an employer-led project aiming at supporting people off incapacity benefit, this can bring about increased sustainability to the economy, better health benefits to the individual whilst improving equality in the workplace.

¹⁸ Economic Development Strategy, LDA s005

¹⁹ The London Plan – Spatial Development Strategy, Feb 2004

7. Implementation

Schedule of Activity

October 2007	CFO Plan Approval
Mid November 2007	Prospectus Launched – LDA Prospectus to be sent out to all interested organisations with the application form. Publicity strategy launched, including direct mailing to a wide list of known providers, advertising in appropriate press and use of information channels and networks. The LDA's website will also be used to promote the programme, with links made to other websites where appropriate. Telephone support line opened
December 2007	Funding workshops held
Early January 2008	Deadline for receipt of applications
March 2008	Collation and sorting of applications Application Assessment and collation of scoring and production of MI data in preparation for Appraisal Panel.
March 2008	Appraisals
April 2008	Negotiations with successful applicants Approval & rejection letters sent to applicants Feedback and appeals process completed
May 2008	Issue of Contracts
June 2008	Delivery starts
July 2008	100 starts
September 2008	Prospectus 2 prepared and launched (provisional)
October 2008	500 starts

Community Grants:

Early Oct 07	PQQ launched
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Late October 2007	Shortlist drawn up for ITT
Mid November 2007	Deadline for ITT
December 2007	Steering Group set up
April 2008	Programme launch
June 2008	Appraisal finished
July 2008	Starters

Table of Quarterly Starts

	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Proposed starts for Priority 1	1079	1565	1672	1926	1926	2160	2160	1926	1565	595	0
Proposed starts for Priority 2	307	445	476	549	549	616	616	549	445	169	0

8. Finance and Targets

Annexe 1:

Priority 1			
Year	ESF (£)	Public Match (£)	ESF + Match (£)
2007	£8,719	£8,719	£17,438
2008	£1,132,958	£1,132,958	£2,265,916
2009	£11,482,573	£11,482,573	£22,965,146
2010	£8,689,091	£8,689,091	£17,378,182
Total	£21,313,341	£21,313,341	£42,626,682

Priority 2			
Year	ESF (£)	Public Match (£)	ESF + Match (£)
2007	£1,281	£1,281	£2,562
2008	£166,442	£166,442	£332,884
2009	£1,868,313	£1,868,313	£3,736,626
2010	£1,189,705	£1,189,705	£2,379,410
Total	£3,225,741	£3,225,741	£6,451,482

Annex 2:

Region	
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CFO and Plan Details (Separate annex for each CFO covered by the plan)

LDA ESF Co-financing Plan

Output and results targets

Priority 1

Target	Quantification
Outputs	
Total number of participants	16,785
1.2 Number and % of participants who are unemployed (a) Number (b) Percentage	7,856 47%
1.3 Number and % of participants who are inactive (a) Number (b) Percentage	8,788 53%
1.4 Number and % of participants age 14 to 19 who are NEET or at risk of becoming NEET (a) Number (b) Percentage	0%
1.5 % of participants with disabilities or health conditions	2,518 15%
1.6 % of participants who are lone parents	1,343 8%
1.7 % of participants aged 50 or over	3,316 20%
1.8 % of participants from ethnic minorities	11,606 69%
1.9 % of female participants	8,560 51%
Results	
1.10 Number and % of participants in work on leaving (a) Number (b) Percentage	2,977 20.5%
1.11 Number and % of participants in work six months after leaving	3,586 24.7%
1.12 Number and % of economically inactive participants engaged in jobsearch activity or further learning (a) Number (b) Percentage	5,053 57.5%
1.13 Number and % of 14 to 19 year old NEETS or at risk in education, employment or training on leaving (a) Number	0

(b) Percentage	
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Priority 2

Target	Quantification
<i>Outputs</i>	
2.1 Total number of participants	4,736
2.2 Number and % of participants with basic skills needs (a) (b)	100% 4,736
2.3 Number and % of participants without level 2 qualifications (a) Number (b) Percentage	0%
2.4 Number and % of participants without level 3 qualifications (a) Number (b) Percentage	0%
2.5 % of participants with disabilities or health conditions	710 15%
2.6 % of participants aged 50 or over	947 20%
2.7 % of participants from ethnic minorities	1,894 40%
2.8 % of female participants	2,368 50%
<i>Results</i>	
2.9 Number and percentage of participants gaining basic skills (a) Number (b) Percentage	2,010 42.4%
2.10 Number and % of participants gaining level 2 qualifications (a) Number (b) Percentage	0%
2.11 Number and % of participants gaining level 3 qualifications (a) Number (b) Percentage	0%