

**SW COMPETITIVENESS AND EMPLOYMENT
EUROPEAN REGIONAL DEVELOPMENT FUND
ENGLAND EUROPEAN SOCIAL FUND PROGRAMME**



ESF PERFORMANCE AND PROGRESS REPORT

Purpose

To provide PMC members with information on the SW ESF Competitiveness Programme's performance.

Recommendation

PMC members are asked to note the contents of this report which gives information on the financial and participant performance progress in the delivery of the ESF SW Competitiveness Programme. Members are invited to discuss any issues arising.

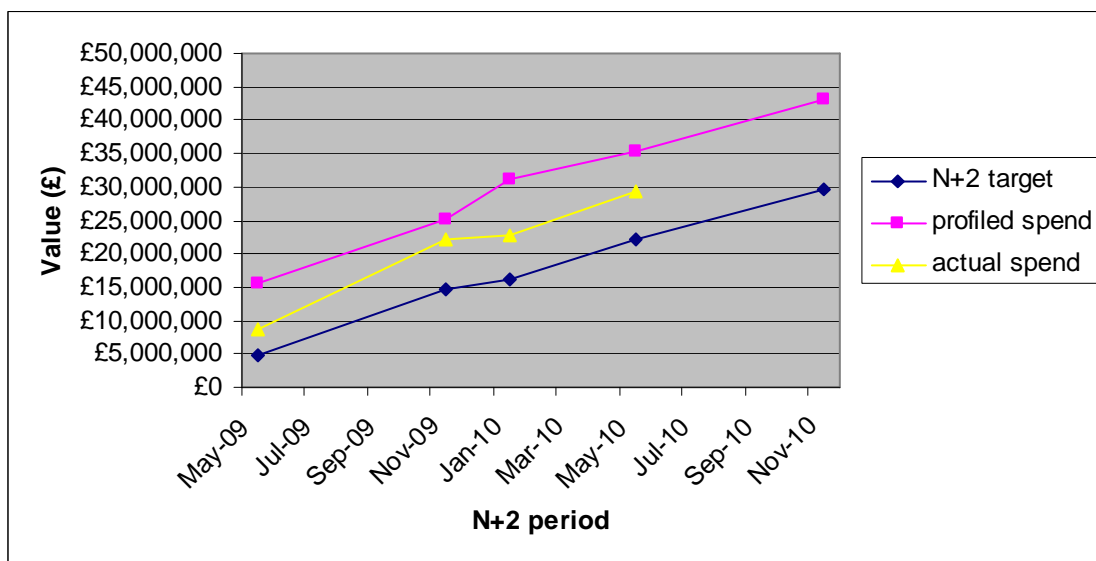
Performance

Spend

Claims have now been submitted by the Skills Funding Agency and DWP for the period ending February 2010 and partners are now using the ESFd on-line, INES system whereby claims are input electronically, speeding up the process.

The actual spend¹ declared for the SW totals **£29.3m**.

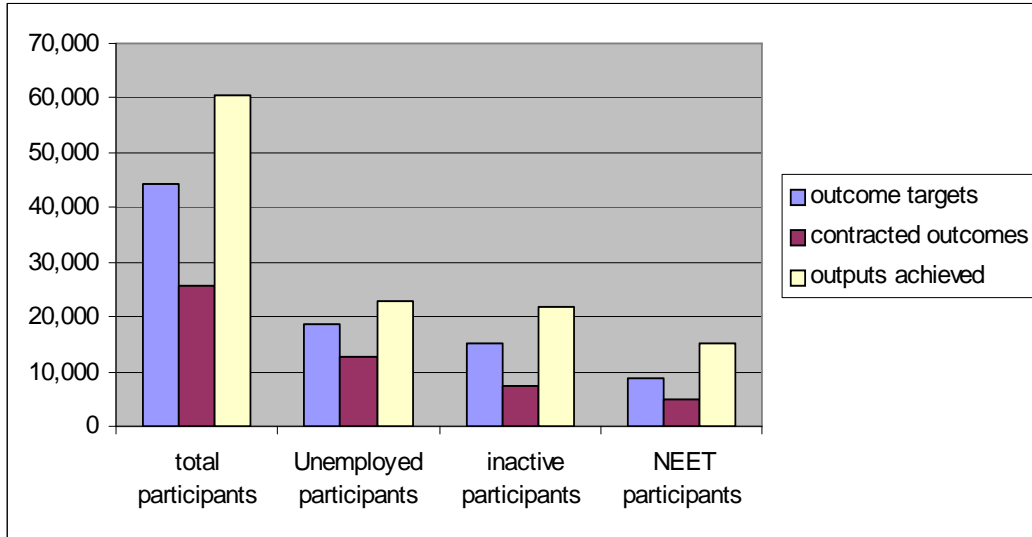
The required spend to meet the 2010 N+2 target (including the advance) has already been exceeded putting the SW programme in a strong position, **at 111%** above the end of year target which compares favourably with other regions, with only SE and NE in advance of this. The claims for May 2010 are due to be processed by the end of June which will show a further increase.



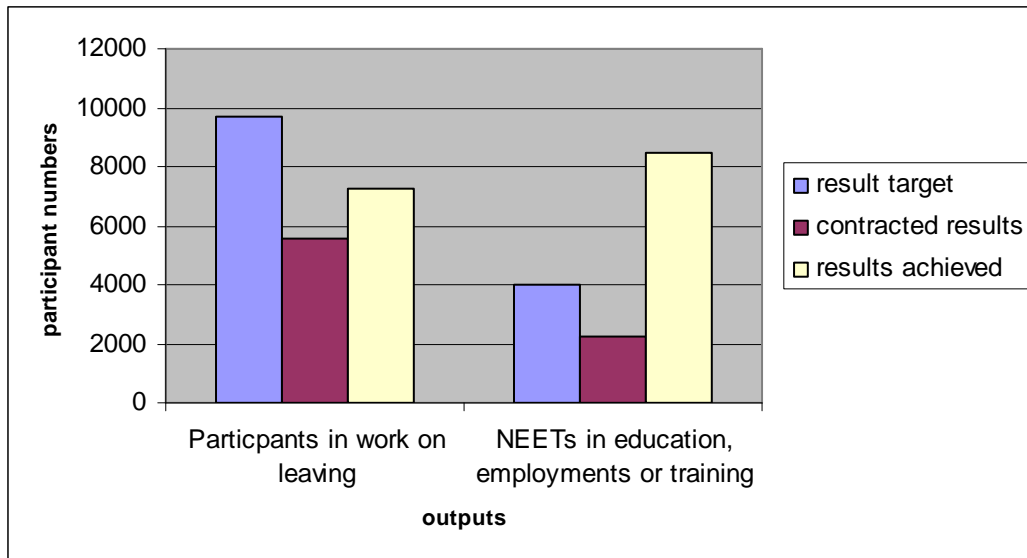
¹ Actual spend = ESF spend + match x the intervention rate (50%)

Priority 1 Outputs and Results

P1 ESF outputs delivered against 2013 output targets



P1 ESF results delivered against 2013 result targets



Performance towards P1 Outputs continues to be very strong. With 7 months remaining until the end of the first half of the Programme (December 2010), the programme has supported over **60,000 participants** against the target of **44,200** of planned participant starts. **7,272** of these people having successfully entered employment against the target of **9,700** of planned job outcomes until 2013.

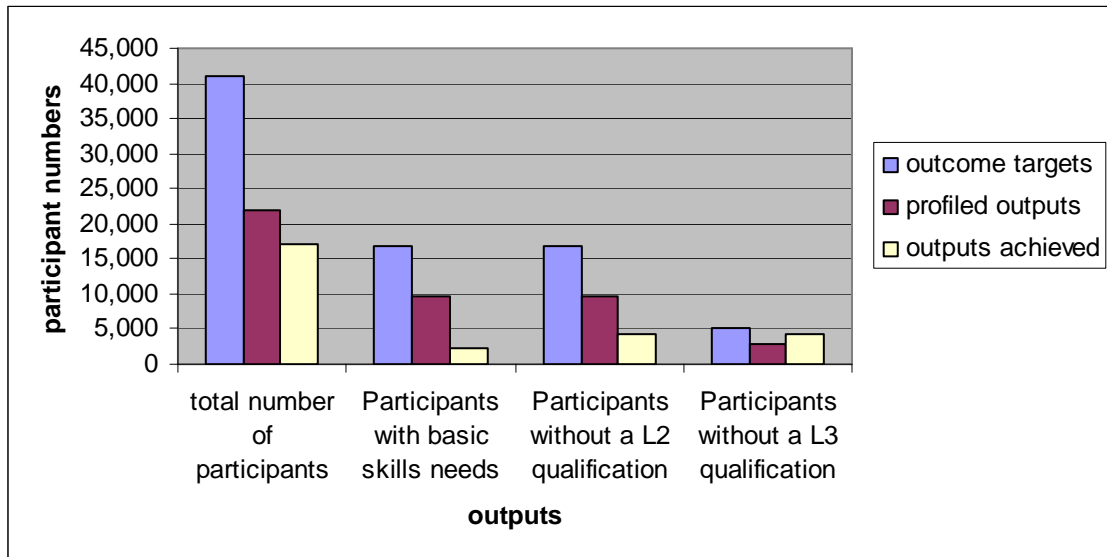
Excellent progress has been made on the movement of the NEET group into employment, education or training with **15,210** young people helped which is far exceeding the target of the 2013 target of **8,800**.

Monitoring of the ESF DWP contracts shows that the contracts in the SW are continuing to perform very well, with good participant levels and job entry rates. Overall, in P1 **18.4%** of participants have gained employment against a target of **22%** which is very encouraging in these difficult economic circumstances and was the highest of the English regions and above the national average of nationally of 14% although we are awaiting further national data to update our analysis.

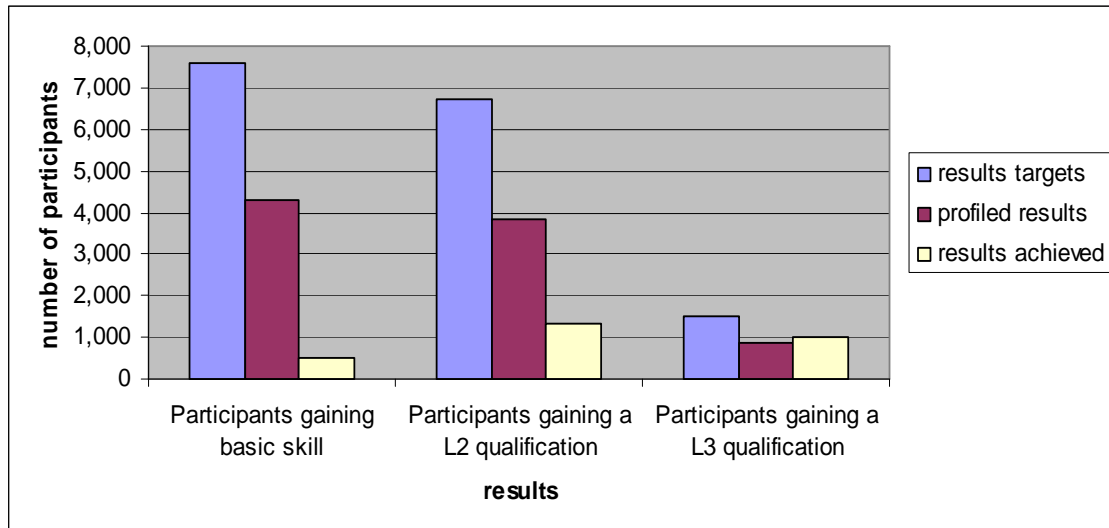
The CFOs in P1 will provide a verbal update on current performance at the meeting.

Priority 2 Outputs and Results

P2 ESF outputs delivered against 2013 output targets



P2 ESF results delivered against 2013 result targets



As previously reported, progress with the provision in Priority 2 has been more challenging although total participant numbers have now increased to 17,115 to February, **73%** towards the 2010 target of **23,500**. The number of Participants with basic skills needs has increased from 1,488 (**15%**) last quarter to 2,170 (**22%**) of the participant target reported to-date. This should now reflect the accurate data and is therefore still disappointing.

Level 3 participant numbers are considerably better with **4,317** participants **exceeding** the 2010 target of **2,800** participants by 54% which is very pleasing given the demand in the SW for Level 3 technical skills.

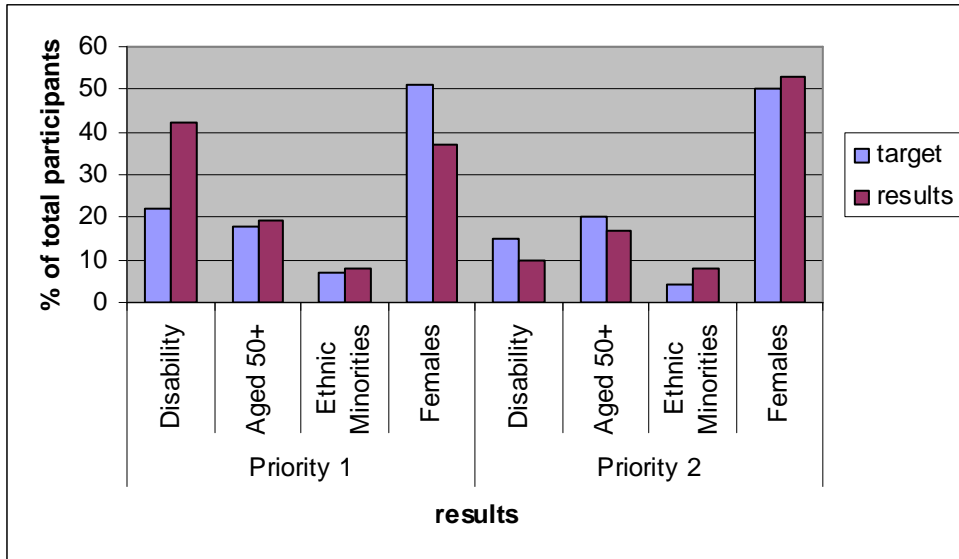
Results are still running well below profile for Basic Skills and Level 2. For Basic Skills, there are still only **500** (11%) results reported, which is a considerably improvement on the 10 reported last quarter but is still of concern, given the target for 2010 is **4,350**.

Performance is again much better at Level 3 with **985** qualifications achieved which is **exceeding** the 2010 target of **850**.

The Skills Funding Agency have undertaken some analysis of the poor Basic Skills performance and from the Basic Skills assessments that all participants undertake on joining their projects only 20% have basic skills needs which is making it very difficult to meet the programme targets of 41%. However this may require the projects to target recruitment more specifically at this participant group as the underlying evidence from the Skills for Life Survey demonstrates that there is a significant basic skills need within the region with 53% of the population with either literacy or numeracy basic skills needs.

The Skills Funding Agency will update the committee on this at the meeting and give further verbal updates and additional information on the programme.

Equality and Diversity Performance



Performance across the equality and diversity targets has changed very little this quarter with only 50+ participants showing a slight rise. Overall results are progressing reasonably well.

In P1 targets are being exceeded for disability, age and ethnicity although female participants are still 14% below. This however is unsurprising given that within the unemployed population, currently, around three quarters are male.

In P2, the situation is reversed with female participation slightly exceeding the target although figures for people with disabilities and age over 50 are currently below profile. The Skills Funding Agency are considering causes for this and will be looked at in further detail.

Summary

The SW ESF programme continues to perform very well having exceeded the spend targets and continually making good progress towards the outputs and results. These compare well with the other English regions.

Performance in P1 for both adults and the NEET group and in P2 performance at Level 3 is a notable achievement with programme targets being exceeded

Overall it should be noted that nearly **70 thousand people** in the South West have been helped to improve their employment and skills prospects with the support of the programme. With some **18 thousand people** having either entered work, training or gained a qualification in just over 2 years of delivery.

There are concerns regarding some aspects of performance in P2 and we will work with the programme partners to understand the reasons for this and take steps to rectify particularly looking ahead to the new opportunities the second half of the programme will bring.

GOSW
May 2010