

# Executive Decision Report

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## **European Social Fund Bids (Employment Hub & EmployMe)**

Decision to be taken by: City Mayor  
Decision to be taken on: 23 October 2017  
Lead director: Mike Dalzell

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**City Mayor**

## **Useful information**

- Ward(s) affected: All wards
- Report author: Joanne Ives
- Author contact details: 37 2934
- Report version number: 1

### **1. Summary**

This report seeks approval to accept funding from the European Social Fund, and to allocate £304,000 from resources set aside for the Economic Action Plan, to deliver two key Leicester to Work initiatives – the Employment Hub and the EmployMe project.

The EmployMe project will provide recruitment incentives for small and medium sized businesses to employ young people aged 16-24 year olds from disadvantaged groups, and help these young people to access these employment opportunities.

The Employment Hub will provide a co-ordinated partnership offer for businesses and individuals who are seeking apprenticeship, traineeship, and work placement opportunities. The project will also aim to specifically support individuals of all ages that are most disadvantaged to access employment and training opportunities, thereby helping them move into the labour market.

### **2. Recommendations**

- 2.1 To note the council is delivering the EmployMe project, with external revenue funding of £370,757 from the Youth Employment Initiative (YEI) and the European Social Fund (ESF).
- 2.2 To approve an allocation of £49,000 for the EmployMe project, to be funded from resources set aside for the Economic Action Plan.
- 2.3 To accept a grant of £1,973,814 from the European Social Fund for the Employment Hub project, and agree for Leicester City Council to act as accountable body in relation to this funding.
- 2.4 To approve a City Council match funding contribution of £255,000 for the Employment Hub project, to be funded from resources set aside for the Economic Action Plan.
- 2.5 To delegate to the Director of Tourism, Culture & Inward Investment, in consultation with the Director of Finance, the authority to distribute and allocate the ESF funding to further the aims of the project subject to the terms of any agreements required in consultation with Legal Services.

### **3. Supporting information including options considered:**

- 3.1 The Leicester to Work theme of the Economic Action Plan (2016-2020) sets out how the Council will support those most in need to move into the labour market,

gaining the relevant skills they require and addressing business needs.

3.2 This includes an objective to develop an Employment Hub for employers looking to recruit apprenticeships, internships, work placements and work experience. Particular emphasis will be to support the most disadvantaged people in our communities.

3.3 External funding has been secured for two projects as follows::

#### **EmployMe Project**

3.4 Funding of £370k has been secured from the European Social Fund and the Youth Employment Initiative (YEI) to deliver the 'EmployMe' project, total project costs £555k. The project is led by the Council's Early Years service, and provides additional support to Connexions, Looked After Children and the Youth Offending Service to support their clients aged 16-24 into employment opportunities with funding for additional staffing, finance and recruitment incentives.

3.5 A match funding allocation of £49k from resources set aside from the Economic Action Plan will provide recruitment incentives for small to medium enterprises to employ young people aged 16-24 year olds from disadvantaged groups.

#### **Employment Hub Project**

3.6 The Council has received confirmation of £1.9 million funding from the European Social Fund, subject to contract, for the delivery of the Employment Hub project. This will contribute to delivery of apprenticeship targets within the Economic Action Plan (2016-2020).

3.7 The project will provide a co-ordinated offer for businesses and individuals who are seeking apprenticeship, traineeship, and work placement opportunities. The project will also aim to specifically support individuals of all ages that are most disadvantaged to access employment and training opportunities, thereby helping them move into the labour market.

3.8 The Council's Economic Regeneration service is leading a partnership of seven organisations to deliver the Employment Hub, and these partners are all providing match funding as part of the project. Match funding provided by the council is from existing staff costs and an allocation of £255k from resources set aside for the Economic Action Plan.

#### **4. Details of Scrutiny**

None

#### **5. Financial, legal and other implications**

##### **5.1 Financial implications**

The report proposes approval to accept £1.9m of ESF funding and to act as accountable body for the ESF Employment Hub project; and the approval of £304k match funding to be contributed from resources set aside for the Economic Action Plan.

Colin Sharpe, Head of Finance, ext. 37 4081

## 5.2 Legal implications

Any use of funds or grants utilising the ESIF funding will need to comply with the conditions of funding, These have not been reviewed by legal but would not be negotiable in any event. Any grant agreements for funding to third parties will need to reflect the requirements on the Council under the funding terms.

In addition, where they are to an entity and not an individual, issues of state aid should be considered, regardless of the source of funding.

If there is not already one in place, a partnering agreement in relation to the Employment Hub project should be entered in to as soon as possible to secure the respective rights and obligations of the partners.

Emma Horton, Head of Law (Commercial, Property & Planning) ext 37 1426

## 5.3 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which apply?)

### 5.3.1 Equality Implications

The Employment Hub project will support owners/managers of businesses within Leicestershire to enable them to grow and develop their business. Particular emphasis will be to support the most disadvantaged people in our communities. Equality data will be captured in relation to the ownership of these businesses in compliance with European Social Fund guidance.

The EmployMe: project provides additional support to Connexions, Looked after children and Youth Offending Services to support their clients aged 16-24 into employment opportunities through staffing finance and recruitment incentives

Many of the proposed activities contribute substantially to all of our Public Sector Equality Duty aims: eliminating discrimination, promoting equality of opportunity and fostering good relations between different groups of people.

The proposed business support and investment will provide opportunity to expand their businesses resulting in opportunities for both their current and potential new employees.

**6. Background information and other papers:**

**7. Summary of appendices:**

**8. Is this a private report (if so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

**9. Is this a “key decision”?**

Yes

**10. If a key decision please explain reason**

Acceptance of European Social Fund revenue to value of £1.9m, which exceeds £1m and which has not been specifically approved by Council.