:: rawm actionbriefing

supporting the voluntary and community sector

SOCIAL INCLUSION

A framework for Local Enterprise Partnerships to develop a Social Inclusion programme within European structural investment funds

INTRODUCTION

Engaging communities in developing a social inclusion programme provides the Local Enterprise Partnership (LEP) with a powerful tool in achieving positive socio-economic outcomes in local areas. Within European Structural Funds the preferred process is Community Led Local Development.

> "Community-led local development (CLLD) is a tool for involving citizens at local level in developing responses to the social, environmental and economic challenges we face today. CLLD is an approach that requires time and effort, but for relatively small financial investments, it can have a marked impact on people's lives and generate new ideas and the shared commitment for putting these into practice". *Common guidance [ ] on Community-Led Local Development in European Structural and Investment Funds. 29th April 2013*

This makes CLLD an ideal tool for mobilising and involving local communities and organisations in contributing to local ambitions for smart, sustainable and inclusive growth. In addition, it would also support the achievement of social inclusion objectives under the 2014-20 EU Structural and Investment Funds (SIF) strategy.

CLLD has been successfully used in previous European programmes in both rural and urban settings. In the 2007-13 EU-funded rural programme it was used for delivery in rural areas through a model known as LEADER. LEADER worked through local partnerships of public, private and civil society sectors coming together as a Local Action Group (LAG). The LAGs then developed and drove a Local Development Strategy (LDS) for addressing local socio-economic challenges.

Even if the LEP chooses not to adopt a CLLD programme or approach, it still has to fulfil the requirement of Social Inclusion within thematic objective ' promoting social inclusion and combating poverty'

This framework has been designed as a guide as to how to incorporate community organisations in addressing social inclusion issues identified within the LEP, and to develop a community based response to the issues.

This enables the LEP to engage community organisations in developing and delivering inclusive socio-economic outcomes, and enabling integration, as well as building community capacity, stimulating innovation (including social innovation), entrepreneurship and capacity for change.

ENGAGING COMMUNITIES IN A SOCIAL INCLUSION PROGRAMMES

By acknowledging that there are socio-economic benefits to engaging community organisations in social inclusion programmes, and recognising that fact, although it may not adopt a CLLD programme, the LEP may wish to consider some of the CLLD processes and structures, in order to enhance its engagement with community organisations.

Successful social inclusion programmes should incorporate participation that encourages the development and discovery of untapped potential from within communities.

This participation engenders a greater sense of ownership and commitment to social inclusion and community-focussed socio-economic activities.

Some of the principles outlined in CLLD guidance can be adopted as good practice, in order to engage community organisations in socio economic social inclusion programmes.

- Community Engagement encourages greater sense of ownership and commitment to the projects.
- Developing community engagement allows access to detailed knowledge of very local challenges to be utilised - this enables the mobilisation of local resources and best use of local assets;
- The LEP and its strategic partners in the Voluntary, Community and Social Enterprise Sector, (VCSE) should create Local Action Groups (LAGs), that can engage in and develop Local Delivery Strategies (LDS). Such area focused bodies may already exist, and can be incorporated into the process and given additional / new terms of reference.
- The LDS enables a coherent cluster of projects, rather than creating a 'cluttering' of local projects in target areas, which might lead to competition for clients. In an effort to maximise impact of a variety of available funds, the LEP should explore how this clustering is achieved and resourced.
- Community engagement involves all local 'actors' in the identification of local need and implementing solutions, supporting the development of trust, shared expertise and joint protocols which endure beyond the life of the project.
- Community engagement facilitates community innovation and enterprise - it may take some time to set up, but tends to have greater sustainability in the longer term.

Analysis of previous CLLD programmes have shown that projects which directly involve local communities in their design, planning and often delivery, result in the most positive social inclusion outcomes.

DEVELOPING COMMUNITY ENGAGEMENT

To develop a comprehensive and sustainable social inclusion programme, LEPs need to be committed to including the VCSE in the growth agenda, and plan beyond mere consultation - this will be through area based consultation, replicating the LAG process, and developing bespoke LDS for specific areas.

Any form of area based activity will also include:

the private and business community, to ensure that progression routes are relevant and robust, enabling beneficiaries to progress into the labour market;

the actors for an area (including local residents and local firms) to identify the problems of that area, and to look for and implement solutions.

While some of this may involve training and supporting individuals, there should also be opportunities for developing the area, possibly working with a few large employers if there are any.

The skills identified and developed through this process will be complementary to those identified within the LEP's strategic development and economic growth plan.

It is important that such activity is reported to, and monitored by, the LEP Board, through member representation. This should be undertaken through subcommittee activity and consultation fora, and by communication with communities of interest or of geography. This process provides an effective feedback loop that facilitates capacity building within community organisations, and ensures that programmes, including social innovation and enterprise activity, are initiated through intelligence and knowledge of the labour provider market, supply routes and areas requiring development.

While the main emphasis of social inclusion is European Social Fund (ESF), as programmes tend to focus on the skills of the individual, the LEP, through its area based LAG activity, can explore social innovation programmes that respond to community needs by using European Regional Development Fund (ERDF) funding.

Dialogue should therefore take place between LEPs, potential LAGs and the Managing Authorities, to ensure from the outset that needs and concerns are addressed, and a clear process and protocols are put in place.

LEPs should encourage local authorities and the VCSE to identify appropriate resources, from a variety of sources to support the activity, and maximise the impact of structural funds.

The backing of local authorities and the VCSE is vital for the success of this process. It is also important to recognise that the framework does not sit outside any other inclusion or community focused activity or framework such as health.

The BIG Lottery Fund (BLF) opt-in offer provides an opportunity to match/co-finance social inclusion programmes. Currently the BLF has agreed to additional funds for ESF social inclusion activity. A number of current BLF programmes may also be eligible for match funding, as would other social inclusion / voluntary sector activities funded through Department of Health (DoH), other grant funders or national voluntary organisations. Depending on the nature of the activity, such funding may be eligible for ESF or ERDF programmes.

Negotiations for use of such funding and programmes will have to take place at a local level.

THE SOCIAL INCLSUION FRAMEWORK – an outline

The framework can be used to address the social inclusion issues identified within the LEP, and to develop a community based response to the issues, ensuring social inclusion has enduring benefits beyond the life of the investment.

The framework recognises the long journey that some individuals need to take, to become economically active within the labour market. The social exclusion faced by specific individuals and groups cannot be ameliorated through single solution, one size fits all, interventions.

The prime aim of the framework is to provide a social inclusion programme, funded though EU structural funds, which facilitates individuals accessing skills and opportunities, joining the labour market and becoming economically active.

The framework provides access for those furthest from the labour market through the provision of preparatory work. Enabling individuals to benefit from such resources needs to be undertaken at a community level, with identifiable progression routes, and flexible enough to suit individual needs.

It also outlines an access process to medium / higher level skills and work experience opportunities that can be provided by accredited learning establishments and other provider organisations.

Statutory and 'accredited' training organisations have had some, although not extensive, success with excluded groups. However, the most appropriate first stop access route is to VCSE organisations that have access to excluded individuals and groups.

USING THE FRAMEWORK

The framework is split into three distinctive phases.

1. **Introduction to change** is a short to medium intervention for individuals, provided by community organisations with greatest knowledge and access to socially excluded individuals.

    This phase focuses on the individual, and the life skills/styles and barriers that impede their progress.

    Activities developed within this phase should focus on issues that an individual can change within their own life, such as time keeping, lifestyles, debt and finance re-adjustment, child care responsibilities, confidence etc., allowing them to progress to more complex interventions, accredited training or work experience, as well as any other issues identified that prevent people from getting work.

    While it is not essential that these courses are certificated, there are 'low level' accreditations available through ASDAN or NOCN that can boost an individual's confidence or belief in their ability to achieve.

2. **Addressing needs** is a more structured programme, addressing the specific issues of excluded individuals with complex needs.

    These are issues that are outside the individual's control to change, and need a structured and more formal approach e.g. skills, knowledge and qualifications, or work experience.

The programme should offer opportunities to acquire appropriate skills and experiences bespoke to their need, acknowledging the 'journey' they are undertaking into the labour market.

Within the programme there should be elements of advice and guidance, skills acquisition – including study skills for those wishing to acquire higher level qualifications - work experience, mentoring of the individual, and monitoring and reviewing of their participation, progress and the handling of any barriers to their progression which may arise.

The programme needs to maximise the impact of structural funds by acknowledging other programmes that offer similar support, and encourage programmes that complement existing resources and offer additionality to the whole process and, therefore, to the individual's journey.

3. **Sustaining and growing the community** encompasses the role that social innovation and social enterprises can play, in facilitating the sustainability of community organisations in engaging, developing and delivering social inclusion programmes.

While the first two elements are focused on the individual's need, this third element builds on the principle of engaging communities and businesses in identifying, developing and managing solutions to identified issues. This may include capital investment, as well as business support.

However, social enterprise and community-led innovation does not just have to develop and deliver services to address social issues. By its very nature, social innovation and social enterprise will have a social purpose, but that purpose can include developing a specific product, or products and activities that compete with 'mainstream', private, provision.

This element recognises the importance of providing not only training for those facing social exclusion but also to openly engage communities in developing entrepreneurial and organisational skills that enables them to participate, own and develop solutions to their issues and subsequent social exclusion.

While social enterprises can focus on the 'social and welfare' elements of engagement, they can also develop marketable services and products that enable individuals to progress into the labour market - real jobs, real products through businesses with a social purpose.

Support can be offered to geographic communities or communities of interest offering start up activity, as well as developing a sustainable and expanded business model.

REFERENCE AND FURTHER READING

Development and delivery of the European Structural and Investment Funds strategies: supplementary guidance to local enterprise partnerships August 2013 Annex G Community Lead Local Development
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/224755/13-1049-development-and-delivery-european-and-investment-fund-strategies-guidance-for-leps.pdf

ESF Works   (may close at end of January 2014)
 http://www.esf-works.com/esf/esf-2014-2020/overview

Common guidance of the European commission' on Community-Led Local Development in European structural and investment funds   January 2013
http://ec.europa.eu/regional_policy/what/future/pdf/preparation/clld_guidance_2013_01_31.pdf

BIS / SFA Community Grant outline Web Site
http://www.dwp.gov.uk/esf/funding-opportunities/community-grants/

Embedding Social Inclusion: A framework to support LEP investment strategies for the 2014-20 EU Structural and Investment Fund programme
http://www.regionalvoices.org/sites/default/files/library/Embedding%20social%20inclusion%20RV%20national%20version.pdf

INTRODUCTION TO CHANGE - Phase one

Phase aims to:

- Introduce and explore the issues of change for those who wish to begin their journey to the labour market.

- Identify specific needs of target community and address these issues within the programme

- Explore and develop personal skills of confidence, decision making, lifestyle changes, budget and financial management considerations, as well as other specific skills they will need to develop in order to make that change.

- Be delivered in accessible venues, provide 'soft skills' with low level accreditation.

- Develop community access programmes through grass roots groups with a turnover of under £100,000, and with access to specific communities - geographic, ethnic, gender, disability etc.

Outcomes

While activities should not be prescriptive, they need to offer constructive and achievable solutions to individuals, and not just offer an environment to air issues with no solutions. Solutions should be SMART and related to the individual enabling them, and encourage them to progress to a higher level of intervention.

Activity and delivery process	Funding	Specifics and progression
- Potential for community grants programme across the LEP area, focusing on hard to reach communities and utilising the community organisations that have access to such groups and are capable of providing support. - Programmes would be funded up to £12,000 - Providers / applicants would be expected to provide a specific 'curriculum' as part of the application process. - Low level accreditation would be a focus for those with little or no experience of success within the education system. Programmes developed through this process should be short to medium intervention that cannot be delivered or gained through any other process.	The programme can be funded through ESF, which has specific restrictions on expenditure. It is possible that some ERDF expenditure can be allocated that will enable community groups to develop their capacity, infrastructure and capital assets, enabling them to support targeted groups. Funded for ESF programme matched by either SFA, as they have indicated an interest in continuing to match this programme, the Big Lottery Fund, EU Social Inclusion allocation or some current programmes. Match funding for ERDF will need to be identified.	- Community programmes have a tradition of developing 'soft skills' in individuals as part of their journey towards the labour market. - Skills developed within this programme should enable people to begin to identify their progression routes beyond involvement in the programme. - Such skills involves decision making, study skills and identifying how change will impact on their lives, developing life skills, life management, as well as financial management and change. - While no rigid outcome can be set against the programme or individuals, it would be envisaged that a percentage of individuals would progress to low level courses or accredited courses in formal establishments.

ADDRESSING NEEDS – Phase two

Phase aims to:

- Offer progression from the programme funded through community grants. The provision should include generic programmes that explore issues related to change, and more specific skills or experiential activity, especially for those with additional barriers in accessing the labour market.
- Continue provision located within the VCSE - organisations will be encouraged to develop bespoke programmes that address the needs of specific communities e.g .
  - o Substance misuse
  - o A history of offending
  - o Multi generational worklessness
  - o Age related discrimination
- Be skills focused, providing specific forms of support addressing the specific needs of individuals in accessing work or additional training related to the labour market.

Activity, delivery process and outcomes	Funding	Specifics and progression
- Programme could be developed in a number of ways, dependent on LEP and complementary programmes available. - Medium to long term intervention, focusing on the needs of the individual. - Specific and agreed targets for individuals that will increase their job readiness e.g. Qualifications – possible accredited courses, improvement in basic / work related skills (literacy, numeracy, ICT) Work experience / job tasters. Subsidised employment as well as exploring possibility of Intermediate Labour Market, ILM. - Mentoring of the individual and monitoring of involvement so as to maximise impact and involvement.	Programmes developed in this element could be eligible for BLF match funding. However, there are current BLF programmes (Talent Match, Complex Needs) as well as future programmes (Ageing Well) which comprise elements which may be possible to use as match - current and potential contract holders will need to address these issues with BLF directly The aims and structure of the BLF programmes could be used to model or develop additional programmes in areas where no BLF programmes currently exist. Such programmes could attract BLF match funding. Areas with Youth Employment Initiative (YEI) funding would have to take cognisance of those programmes in developing activities	- There are a number of current and proposed programmes that aim to provide services and support to individuals furthest from the labour market. Talent Match, People with Complex Needs, and Ageing Well are all BLF programmes that will impact on this group, as well as YEI, which has to be matched against ESF funding in 2014 and '15. - Whilst this complexity exists, there is also an opportunity for the LEP to develop specific and targeted intervention and support programmes with stakeholders, including the VCSE, to develop skills and possibly qualifications to access work within supportive, structured and complementary programmes. - Clear progression routes, thorough and robust monitoring, lack of duplication and relevant support and mentoring activity are essential if this phase is to be productive and capable of fulfilling the skills element aims of the LEP strategic plan.

SUSTAINING AND GROWING THE COMMUNITY – Phase three

This phase builds on the principle of engaging communities and businesses in identifying, developing and managing solutions to identified issues:

- These business activities widen the remit of social innovation and enterprise to encompass services and products that may not be reliant on public sector funding.
- Such companies - social enterprises, CIC's, mutuals, co-operatives - have been developed within retail and the service sector - cleaning and estate management, fashion and creative arts sectors etc.
- While providing a place for 'socially excluded' individuals who have the furthest to travel and require additional support to do so, the business model is a standard open market competitive one.
- These companies are businesses, with a social purpose.

This phase has three elements:

(i) **Place based Social Enterprise Development**
- Development of community based enterprises that can help resolve the social exclusion issues within communities of interest or geography.
- Will run alongside the two other phases, enabling the communities where involvement has taken place to grow, and to continue to support its participants
- Will measure business contribution to the growth agenda by standard economic criteria; the value added, by the very nature of their social purpose, should also be acknowledged - this is done through measuring their social impact

(ii) **Total Business Support**
- Encourages communities to develop social enterprises as a response to their economic needs

(iii) **Social Innovation**
- Possibilities around social innovation – could use ERDF to seed lots of very small amounts of cash to test out new ideas and mechanisms.
- Working with commissioners to explore procurement, and finding mechanisms for money to stay in the area longer, rather than leaking out.

Activity and delivery process	Funding
(i) Place based Social Enterprise Development • Providing a mixture of skill based and business support that enables community groups to develop sustainable enterprises. • Ensuring that community provision is economically robust, and capable of developing and delivering social inclusion programmes that are sustainable. • Explore the development of community innovation and enterprise as a method of providing employment for local people.	• ESF funding can be used to provide the personal skills programme offered as part of the business development activity; The BLF could be used to match fund. • ERDF SME business development funds can be used to develop the business - match funding will need to be identified for this element. There may be a possibility of BLF funding, as well as elements of BLF programmes that have the development of social enterprise as an output. • There may be some Local Authority funding available for this programme. Possibility that any asset transferred to VCSE may have match value.
(ii) Total Business Support • Providing support in the development of social enterprises, initiated by community groups. • Programme will support social enterprises that are sustainable, exploring market development, business opportunities and continued employment prospects for local people.	• ERDF SME business development funds can be used to develop the business - match funding will need to be identified for this element • Some local authorities provide small business support funding and this may be used as match
(iii) Social Innovation • Health is often a key area - not just that death rates etc likely to be higher than better off areas, but mechanisms to address this can be very local (for example through schools, food, exercise, etc). And of course health is one of the growth areas in terms of jobs, coping with the demographic changes. • Another example could be social landlords needing to refurbish properties and to maintain local gardens – could be an opportunity for encouraging self employment and social enterprises (Social Landlords to ensure a level playing field by reviewing their procurement rules). Similarly, addressing issues of certification so that local sub-contractors can take on new green jobs around energy efficiency and generation. • Asset transfer - there may be a community asset, e.g. a row of semi-derelict shops, which would be of little value individually or in the open market, but could be developed, to provide more local jobs, establishing key tenants and services or other asset based developments.	• Opportunity for multi funded approach; ERDF, Thematic Objective 1- identifying new processes and products addressing societal need - activity and developments will concern capital assets or business development. ESF programme can focus on piloting and scaling up innovative approaches • Match could come from a variety of sources; BLF (EU allocation or existing programmes – both would have to be negotiated), Social Investment, Local Authority, Charitable Grants • Links to other EU priorities as ways of developing the local transport system to make it easier for local people to take up jobs (perhaps testing routes at unsocial hours to get people to work in neighbouring areas, or providing scooters etc).

More information:	Ted Ryan
Tel:	0121 237 5819
Email:	europe@rawm.co.uk