

Committee:	Executive	Agenda Item No.:	6
Date:	27 <sup>th</sup> October 2008	Status	Open
Category	2. Decision within the functions of Executive		
Subject:	Working Neighbourhoods Fund		
Report by:	Consultant Programme Manager		
Other Officers Involved	Chief Executive's and Partnership Manager		
Director	Chief Executive Officer		
Relevant Portfolio Holder	Policy and Strategy Regeneration		

## **RELEVANT CORPORATE AIMS**

REGENERATION – Developing healthy, prosperous and sustainable communities  
By targeting the most deprived areas within the District in respect of the Worklessness Agenda.

### **TARGETS**

The Working Neighbourhoods Fund will impact on the National Indicator 153 – Working age people claiming out of work benefits in the worst performing neighbourhoods. Bolsover District Council has agreed a holding target with the LAA of reducing the out of work claimant rate within the worst performing neighbourhoods from 28.7% to 25.4% by March 2011. The Local Authority's success in tackling worklessness will also be measured against a further 4 indicators, these being:

- NI 117 – 16 to 18 year olds who are not in education, training or employment
- NI 118 – Take up of formal childcare by low income working families
- NI 163 – Working age population qualified to at least Level 2 or higher
- NI 172 – VAT registered businesses in the area showing growth.

### **VALUE FOR MONEY**

The principles of Value for Money – economy, efficiency and effectiveness will be applied in all interventions considered.

## **THE REPORT**

### **Background**

1. Executive Members will recall the Authority's award of Working Neighbourhoods Fund earlier this year (Minute No. 886 refers). The Working Neighbourhoods Fund was introduced as part of the Local

Government Finance Settlement and is one element of the new Area Based Grant. It provides resources to local authorities to tackle worklessness and low levels of skills and enterprise in their most deprived areas.

2. The WNF allocation to Bolsover District Council is:

2008/09	£2,055,516
2009/10	£2,440,522
2010/11	£2,535,018

3. As part of the Council's approach to tackling worklessness, a Commissioning Framework has been established to allocate the funding in two ways:-
- i) the Local Authority's focus upon the people who are **already receiving benefits** and are unemployed and try to encourage them back into work and off benefits, and
  - ii) tasking the Local Strategic Partnership for Bolsover with identifying measures to address and **prevent the need to be in receipt of benefits** or become unemployed.
4. In respect of (i) above, the Council has established a Core Worklessness Group with the Leader of the Council having delegated powers to agree the Working Neighbourhoods Fund spend.
5. £1m per annum has been allocated to the Local Strategic Partnership (LSP) in respect of 2(ii) above

### **Progress Update**

6. The Core Worklessness Group (CWG) held its inaugural meeting on Monday 23<sup>rd</sup> June 2008. Membership and Terms of Reference for the group have been agreed.
7. The Commissioning process has been formalised and a set of key commissioning documents have been agreed. These include:
- Commissioning Framework
  - Commissioning Brief
  - Single Source Tender Justification Form
  - Combined Project Proposal and Appraisal Form
  - Risk Impact Assessment
  - Scoring Framework
8. Targets against NI 153 have been set by the Government Office for the East Midlands through the Local Area Agreement. NI 153 is the primary indicator for the Working Neighbourhoods Fund – "Working age people claiming out of work benefits in the worst performing neighbourhoods". The measure for this indicator is defined as those Lower Super Output

Areas (LSOAs) with a benefit claim rate of 25% or more based on a four quarter average between May 2006 and February 2007.

9. Using the measure as detailed in 8 above, the LSOAs that GOEM will use to measure progress against NI 153 are as follows:

LSOA	Ward Name	Working age population (16-59/64)	Average worklessness benefits claimants	Rate (%)
E01019509	Shirebrook North West	638	213.75	33.5
E01019507	Shirebrook East	1,007	312.50	31.0
E01019488	Bolsover West	914	268.75	29.4
E01019498	Elmton-with-Creswell	913	252.50	27.7
E01019523	Whitwell	665	182.50	27.4
E01019483	Bolsover North West	1,273	322.50	25.3
<b>Total</b>		<b>5,410</b>	<b>1,552.50</b>	<b>28.7</b>

10. The average claim rate of the 6 LSOAs highlighted above is 28.7%. The current target that GOEM has negotiated with Bolsover District Council through the Local Area Agreement is a 25.4% claimant rate by 2011. In terms of numbers, this equates to a **net reduction** of 163 people off benefits and into work by March 2011. The district's success at impacting on indicator NI 153 will be measured by the claimant rate of these 6 LSOAs solely.
11. Whilst the 6 LSOAs highlighted above will be a priority, it has been agreed that interventions commissioned by the CWG and the LSP may be widened to impact on the top 20% most deprived as an analysis of the Indices of Multiple Deprivation shows that nearly 50% of Bolsover district's LSOAs fall within the top 20% most deprived nationally.
12. To maximise use of the WNF and to ensure sufficient time is made available to target and impact in local communities, the Leader of the Council via delegated authority, has agreed that projects will be allowed to span a 3 year period. This is feasible as the WNF grant is a rolling programme of funding and therefore allows the Local Authority flexibility in utilising the spend.

### **Commissioning Activity**

13. A conference was held on Friday 11<sup>th</sup> July 2008 to officially launch Bolsover's allocation of the Working Neighbourhoods Fund. The conference was well attended by over 70 delegates and included a guest speaker, Councillor Stephen Houghton, Leader of Barnsley Metropolitan Borough Council and Chair of the newly formed Government WNF National Tackling Worklessness Review Team.

14. The afternoon saw delegate participation in workshops which were used to identify key priorities and potential intervention projects under the following themes:
  - a. Fit for Work
  - b. Skills for Work
  - c. Growth at Work
  - d. Access to Work
  
15. A summary of the key priorities as detailed in 14 above were then made available to all conference delegates and further consulted on through the various Action Groups of the Local Strategic Partnership and the Core Worklessness Group.

### **Core Worklessness Group**

16. The Core Worklessness Group has met three times, and has agreed a list of priority interventions for future commissioning. A summary is shown on the following pages.

### **Local Strategic Partnership**

17. The Local Strategic Partnership has been tasked with commissioning activities that are less direct interventions to prevent worklessness. From the feedback received at the launch of the WNF, five priority themes emerged, these being:
  - Volunteering
  - Financial inclusion
  - Raising aspirations
  - Employer engagement
  - Transport
  
18. Further to the above, Commissioning Briefs for each priority theme are currently being progressed and are at varying stages of development. The LSP has agreed that under the first round of commissioning, approximately £1.9m of the LSP's total allocation of £3m WNF would be made available. The remaining WNF will be made available via a second round of commissioning to be undertaken in 2009. This will enable an assessment of the range of activities that have been commissioned to be undertaken so that recommendations for future commissioning can be targeted appropriately. A summary of the LSP's strategic priorities and indicative interventions/costings are also summarised on the following pages.

## CORE WORKLESSNESS GROUP

Strategic Priority	Proposed Activity	Indicative Cost (where known)	Commissioning Timescale
1. Reducing Worklessness and increasing enterprise and skills	Additional Adviser to provide outreach support within the Family Employment Initiative team to work with economically inactive adults	£238,017	<b>Approved</b>
	Business start-up support and advice through a BizFizz Coach in Clowne and Elmtown with Creswell (1 yr only)	£24,927	<b>Approved</b>
	Business start-up support and advice for people with disabilities/learning difficulties		<b>Short Term</b> A Commissioning Brief is being prepared
	Business start-up support and advice for women, particularly in Bolsover, Creswell in Shirebrook		<b>Medium Term</b> A scoping study is currently being undertaken.
	An ILM programme to tackle worklessness and provide accredited training for those with multiple barriers including ex-offenders, substance mis-users, young people not in employment, education or training and the long term unemployed.		<b>Medium Term</b> Project ideas currently being formulated
	Pre 'Skills for Jobs' intervention and development including courses for JCP/CET clients who need more intensive support and guidance than is presently provided, i.e. red/amber clients that are furthest away from the labour market	£180,000	<b>Short Term</b> A Commissioning Brief is being prepared
	Pre-employment gateways and job-specific short courses, sector focused to meeting employer needs – either reactive to inward investment or proactive to meet specific hard to fill vacancies in specific sectors. Engaging JCP and CET clients who are close to employment but need job-specific skills	£240,000	<b>Short Term</b> A draft commissioning brief is being prepared

Strategic Priority	Proposed Activity	Indicative Cost (where known)	Commissioning Timescale
	To broaden the availability of work placements and deliver a scheme which compliments and adds value to existing provision.		<b>Medium Term</b> A scoping exercise is currently being undertaken
	Apprenticeships: <ul style="list-style-type: none"> <li>▪ Explore public sector apprenticeships</li> <li>▪ Develop provision for lower entry level apprenticeships</li> </ul>		<b>Medium/Long Term</b> A working group is being set up to take this forward
	A Masterplan for Shirebrook Town Centre has been produced. Opportunities for maximising training/employment will arise from masterplan developments over the coming years.		<b>Long Term</b> A feasibility study on options for the Drum public house is to be undertaken Development briefs are to be prepared
2. Improving access to employment	'Bus to Work' Mini-bus service picking up from Langwith, Shirebrook and Bolsover and taking people to work at Markham Vale, Clowne and Balborough Links. SSP funding secured until June 2009, WNF required beyond then.	£130,088	<b>Short Term</b> Full proposal to be invited. Exemption from Contract Standing Orders is required
	A Workwise Derbyshire Scheme to include scooter loan, bike to work, personalised travel planning, subsidised driving lessons, and 'how to get to' leaflets. Feasibility study into providing bus or taxi vouchers for the first two months of employment, and the development of an interactive website to bring together all existing transport information	£130,745	<b>Short Term</b> Full proposal to be invited. Exemption from Contract Standing Orders is required

## LOCAL STRATEGIC PARTNERSHIP

Strategic priority	Proposed Activity	Indicative Cost (where known)	Commissioning Timescale
1. Increase the employability, skills and confidence of local people through high quality volunteering	Increase the number of high quality volunteering opportunities in order to improve the confidence, capacity and skills of local people, including those who are unemployed and/or experiencing poor health	£192,000	<b>Short Term</b> A Commissioning Brief has been agreed by the LSP. Exemption from CSOs is required.
2. Financial inclusion for all	Four streams of activity to financial inclusion, to include: <ul style="list-style-type: none"> <li>▪ savings accounts</li> <li>▪ affordable loans</li> <li>▪ access to free debt advice</li> <li>▪ money education.</li> </ul>	WNF to be made available from Commissioning Round 2	<b>Medium Term</b> A scoping exercise is currently being undertaken.
3. Improving employer engagement and employee retention and advancement	To improve the engagement of employers and provide an aftercare service to aid job retention and advancement of employees. Occupational health and mentor support are potential elements within the scheme	£400,000	<b>Medium Term</b> A Commissioning Brief is currently being prepared
4. Raising aspirations	Raising aspirations within the NEET group, with a focus on: <ul style="list-style-type: none"> <li>▪ teenage parents</li> <li>▪ those that have been NEET for 6+ months</li> <li>▪ young people with drug/alcohol problems</li> <li>▪ those in care, have been in care or are homeless</li> </ul>	£530,000	<b>Short Term</b> A Commissioning Brief is currently being finalised
	Raising aspirations of people in care, care leavers and homeless people	£107,000	
	Raising aspirations within all Yr 11s	£200,000	
	Raising aspirations within local communities	£267,000	

Strategic priority	Proposed Activity	Indicative Cost (where known)	Commissioning Timescale
5. Improving job outcomes for people with learning disabilities/mental health issues	To create a community interest company based at Markham Vale Environment Centre that will employ and provide training to vulnerable adults with learning disabilities and mental health issues in the management of the developing green tourism resource in Bolsover & Chesterfield	£141,000	<b>Medium Term</b> A draft Commissioning Brief has been agreed in principle by the ESG. Exemption from CSOs is required
6. Reducing health inequalities	Provide a District/Practice Nurse to work as a member of the existing Family Employment Initiative Team based in Shirebrook	£100,000	<b>Short Term</b> A Commissioning Brief is being prepared. Exemption from CSOs is required



## Financial Update

19. The table below provides summary information on the WNF allocations, approvals and commitments for both the LSP and the CWG.

	<b>LSP £</b>	<b>CWG £</b>	<b>Total £</b>
WNF Allocation	3,000,000	4,031,056	7,031,056
Management and Admin Budget	106,126	106,126	212,252
WNF Available for Commissioning Interventions	2,893,874	3,924,930	6,818,804
WNF approved to date	-	426,292	426,292
WNF Indicative Cost of Priority Interventions	1,937,000*	680,833**	2,617,833
Remaining WNF	956,874	2,817,805	3,774,679

\* *Indicative figures only i.e. actual WNF required may go up or down during the commissioning/tendering process*

\*\* *Many of the CWG's priority interventions summarised on previous pages do not have an indicative cost attached to them yet so this figure appears low at this stage*

## Suspending Contract Standing Orders

20. The Local Authority and the LSP have taken the strategic decision to commission only sizeable projects to ensure maximum impact with WNF resources.
21. The Local Authority's procurement regulations state that Contract Standing Orders (CSOs) apply when contracts exceeding £50,000 are entered into by the Local Authority.
22. Taking into account 21 above, CSOs will apply to the majority of interventions commissioned by both the CWG and LSP. Consideration of whether interventions should be commissioned via an open tender process, or whether there are justifiable reasons for a single source tender, takes place during the commissioning process.
23. The CWG and the LSP have identified a number of interventions to be commissioned where there are justifiable reasons for suspending CSOs. These reasons have been discussed and supported by the Head of Shared Procurement. Endorsement from the Executive is now being sought to suspend CSOs for the following projects:

<b>Project Description</b>	<b>Reasons for Suspending CSOs</b>	<b>Estimated Contract Value</b>
<p><b>Volunteering</b> To expand the team at Community Voluntary Partners (CVP) to enable a volunteering service to be provided to VCOs and volunteers across the district. This will involve:</p> <ul style="list-style-type: none"> <li>• Establishing a volunteer forum</li> <li>• Creating volunteering opportunities</li> <li>• Placing 250 volunteers over 3 years</li> <li>• Providing training and support to VCOs to improve the quality of volunteering</li> </ul>	<ul style="list-style-type: none"> <li>• There is no holistic volunteering infrastructure in Bolsover since the closure of Voluntary Action Bolsover.</li> <li>• CVP was been set up by the LSP as the infrastructure organisation specifically to support the Voluntary and Community sectors.</li> <li>• CVP receives core funding from BDC and a Service Level Agreement to March 2011 is in place</li> <li>• CVP is best placed to deliver a volunteering service within the district and has a good track record in delivery and working with the LSP</li> </ul>	<p>Community Voluntary Partners (CVP) – up to £192,000 over 3 years</p>
<p><b>Learning Disabilities</b> To set up a Community Interest Company (CIC) based at Markham Vale Environment Centre that will recruit staff to support adults and young people with learning disabilities in the work place. Trainees will undertake land management and conservation work and profits earned will be reinvested in the company.</p>	<ul style="list-style-type: none"> <li>• Essentially the provision of WNF is towards a 'project', rather than a service that is required to be procured</li> <li>• The WNF will lever in significant match funding as DCC is proposing to attach 3.8 fte of its existing staff resource to the business</li> <li>• DCC is a lead player in and host to staff at Markham Vale and the Bolsover Countryside Partnership</li> <li>• DCC has a good track record in delivering significant grant programmes effectively</li> </ul>	<p>A contribution of £141,000 WNF is being sought to support the project in the first two years. It is proposed that this will be a joint project with Chesterfield Borough Council and a similar amount of funding will be sought from Chesterfield's WNF allocation. Derbyshire County Council is the project deliverer</p>
<p><b>Workwise Derbyshire</b> A cross-cutting transport project based on the Workwise scheme in Merseyside that aims to reduce the transport barriers people face when accessing employment. Project components</p>	<ul style="list-style-type: none"> <li>• Workwise Derbyshire is an enhancement of an existing project 'Wheels to Work'. Derbyshire Rural Community Council (DRCC) has been running the Wheels to Work project for a number of years in Derbyshire</li> <li>• Tendering the service would be a costly and time-consuming</li> </ul>	<p>Derbyshire Rural Community Council (DRCC) up to £130,745 over 3 years</p>

Project Description	Reasons for Suspending CSOs	Estimated Contract Value
<p>include scooter/bicycle loan, subsidised driving lesson vouchers, personalised travel planning etc as well as a feasibility study into bus/taxi vouchers and the development of a website that brings together all existing transport information</p>	<p>procedure and runs the risk of introducing a duplicate service</p> <ul style="list-style-type: none"> <li>• Procuring DRCC to manage the Workwise Derbyshire scheme will provide economies of scale</li> <li>• Tendering the service would put at risk funding from the Coalfields Regeneration Trust that has been secured until March 2011.</li> <li>• DRCC has a good track record in project delivery and can commence almost immediately</li> </ul>	
<p><b>Mini Bus</b>  'Moving Forward' mini-bus service linking workers from Langwith, Shirebrook and Bolsover to business parks at Markham Vale and Balborough Links</p>	<ul style="list-style-type: none"> <li>• WNF will enable a (relatively) new bus service to continue when funding from the Alliance SSP ends in June 2009. WNF will therefore be used to fund an existing service</li> <li>• Tendering the service would be costly, time consuming and could potentially introduce a competitive service when the infrastructure already exists</li> </ul>	<p>Chesterfield Community Transport up to £130,088 to March 2011</p>

<b>Project Description</b>	<b>Reasons for Suspending CSOs</b>	<b>Estimated Contract Value</b>
<p><b>Practice Nurse within FEI Team</b>            To recruit a Practice/District Nurse to work within the existing Family Employment Initiative Team based in Shirebrook to address health needs and provide appropriate signposting where appropriate.</p>	<p>The Executive approved the suspension of CSO's for an additional Adviser within the FEI Team, minute 188 refers. The same reasons apply for the recruitment of a Practice Nurse within the team:</p> <ul style="list-style-type: none"> <li>• The Family Employment Initiative is already established, supporting families in Derbyshire and North Nottinghamshire, with very successful outcomes</li> <li>• Support for the continuation of the FEI from partners is strong, with financial support from Derbyshire County Council committed for the next three years.</li> <li>• To consider the procurement/tendering process would be unnecessarily time consuming and would seriously jeopardise the best practice developed by the FEI.</li> </ul>	<p>Coalfields Regeneration Trust up to £100,000 over 3 years</p>

## **ISSUES/OPTIONS FOR CONSIDERATION**

Whether to agree the suspension of Contract Standing Orders 4.8.3 as set out in the report.

## **IMPLICATONS**

Financial: Detailed in the report

Legal: The suspension of Contract Standing Orders 4.8.3 in relation to the interventions as detailed in para. 22, as a tendering process would usually be required for WNF commissioned interventions under the Local Authority's Procurement procedures.

Human Resources: None

## **RECOMMENDATION(S)**

- (1) that the report be received
- (2) that the Executive suspends Contract Standing Orders 4.8.3 for the reasons given above in relation to the interventions listed.

## **REASON FOR DECISION TO BE GIVEN IN ACCORDANCE WITH THE CONSTITUTION**

To ensure that WNF is targeted to best effect and where needed and to ensure that the tendering process does not unjustifiably distort the result.

ATTACHMENTS: **N**  
FILE REFERENCE:  
SOURCE DOCUMENT: