

ITEM: 14

REPORT TO: WEST OF ENGLAND COMBINED AUTHORITY

DATE: 30th OCTOBER 2017

REPORT TITLE: APPROVE EMPLOYMENT SUPPORT INNOVATION PILOT FUNDING

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Purpose of Report

- 1 To provide a brief update on the DWP-funded Employment Support Innovation Pilot being managed by the West of England Combined Authority (WECA) and delivered in partnership with constituent councils.
- 2 To seek approval to grant fund Councils to enable delivery of the pilot project.

Background

- 3 The WECA Employment Support Innovation Pilot (ESIP) is a £3.9m initiative funded by the Department of Work and Pensions. The programme will work with c.3,000 individuals who are in employment, claiming in-work benefits (i.e. Working Tax Credit / Universal Credit) and are resident (or awaiting tenancy) in social housing. The pilot will provide support to these individuals, helping them raise their own skill levels and motivation for career progression leading to more secure or higher quality employment. Overall, the project will seek to maximise participation of the Combined Authority's workforce in the economy and support residents to benefit from the prosperity and opportunities in the region.
- 4 It should be noted that whilst this pilot is a component of the West of England Devolution Deal (published 16 March 2016), para 22 of the deal text refers to target group as "those who are hardest to help and furthest from the labour market". Following detailed discussions with DWP in the development of a successful business case, it recommended the focus of the pilot change to the current cohort.
- 5 WECA will be accountable to DWP for the funding and will monitor delivery and oversee the programme's evaluation. Following an external recruitment process, a Project Manager (Sue Dobson) was appointed on 9 October 2017. A project steering group has been established comprising officers from WECA and constituent councils. Project front-line delivery will commence in early 2018 and last for a two-year period up to and including December 2019.

Funding

- 6 WECA will receive funding from DWP in three tranches (in 2017/18, 2018/19 and 2019/20 financial years) across the life of the project totalling £3,959,652. The majority of funding will be granted to the constituent local authorities, subject to individual grant funding agreements. Each local authority will be responsible for successful delivery in their local area as part of the overall programme, delivered within the levels of funding agreed. The proposed funding split, based on resident population demographics and associated delivery, outputs and targets – and agreed by local authority officers on the WECA Skills Officer Group – is as follows:

Authority	Project funding ¹	Proportion of total project ²
Bath & North East Somerset	£915,000	23%
Bristol, City of	£1,823,000	46%
South Gloucestershire	£915,000	23%
WECA	£307,000	8%

Consultation

- 7 This financial profile of the project was developed by – and in consultation with – officers in the constituent councils within the Combined Authority and WECA officers. A progress update on the programme was discussed at the Skills Advisory Board. Any additional views from the Advisory Board will be provided to the Committee from the Chair of the Advisory Board (Tim Bowles).

Public Sector Equality Duties:

- 8 There are no equalities implications in relation to this report.

Economic Impact Assessment:

- 9 Whilst it is hoped that by providing additional support to the identified cohort of residents there will be a positive impact both for the individuals and for the wider economy, no specific economic impacts arise as a direct result of this report.

Finance Implications:

- 10 This report describes the grant funding of income to be received by WECA from the Department for Work and Pensions. Individual councils are responsible for the successful delivery of the programme within agreed funding levels and subject to a local grant funding agreement. The programme budget has been developed and agreed by officers from each constituent council.

Legal Implications;

- 11 In securing these funds the Combined Authority is relying on its general power of competence and the education powers contained in the Order. Following the transfer of funds to the Mayoral budget the Mayor will use the power to pay grants contained in Article 7 of the Order to allocate the funds to the constituent councils.

¹ These figures are rounded to the nearest '000

² These figures are rounded to nearest whole %

Human Resources Implications:

- 12 Local authorities will choose the delivery model most appropriate to their needs. This may include employing staff (“navigators”) directly to deliver front-line work or undertake this through arrangements with local partners. Differing approaches will have differing HR implications in terms of fixed-term employment of staff.

Recommendation:

- 13 That the WECA approves a sum of £3.96m resource to be allocated as follows:
- a. Within the WECA Budget to fund WECA project costs (£307,000)
 - b. to the Mayoral Budget to enable to allocation of grant funding to councils to meet the costs of delivery (£3,653,000) subject to the full grant of £3.96m being paid to the Combined Authority by DWP.
- 14 That the Chief Executive in consultation with the Mayor be delegated responsibility for making appropriate arrangements for grant funding the constituent council(s) for the delivery of this project including agreeing the profile and amounts of funding between financial years

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