

To: City Executive Board

Date: 15 October 2014

Report of: Head of Customer Services

Title of Report: Oxford City Council's European Social Fund Project

Summary and Recommendations

Purpose of report: To advise the City Executive Board of the purpose of the European Social Fund Project and associated funding.

Key decision? Yes

Executive lead member: Cllr Susan Brown, Board Member for Customer Services and Social Inclusion

Policy Framework: None

Recommendations: The City Executive Board is asked to:-

1. Note the proposed outcomes and funding arrangements for the project; and
2. Give project approval for the European Social Fund Project

Appendices

1. Breakdown of project costs
2. Risk Register
3. Equalities Impact Assessment

Introduction

1. Following the conclusion of the successful Local Authority (LA) Led Pilot undertaken by Oxford City Council during 2013, the Council was invited by the Department for Work and Pensions (DWP) to bid for unallocated European Social Fund (ESF) money in order to build on the learning from the LA Led Pilots.
2. The City Council's bid was based on applying the learning from its LA Led Pilot project, which focused on customers affected by the Benefit Cap and Bedroom Tax (Under Occupancy Regulations), to a different customer base, namely customers currently renting privately in the city. The customer group was selected for a number of reasons including:
 - They are a group of residents we know very little about;

- There is an ever growing gap between the amount of Housing Benefit customers can receive due to the Local Housing Allowance (LHA) rates councils are obliged to use to assess Housing Benefit, and the amount of rent being charged by landlords in the private sector.
 - The private rented sector in Oxford stood at 28% as at the census in 2011 and this makes it the largest sector after owner occupiers.
3. Based on the learning from the LA pilot; the ratio of customers to caseworkers and the type of support required, the outcomes for the project are to engage with 600 tenants within the private rented sector. The welfare reform team aim to help 90% of tenants in this group to undertake training in either access to work, financial capability or digital capability with a view to at least 10% entering employment.
 4. As the customer base is different however, it is envisaged that the barriers to employment will also differ to some extent.
 5. The project was signed off by the DWP in early March 2014 and runs from March 2014 to June 2015 with the first three months dedicated to recruiting resources to the project and setting up the appropriate procedures. A detailed breakdown of the recruiting and finance of the project is included in the Finance section below.
 6. Customer contact started in early June 2014 to test the processes and determine what additional partners would be needed for this project based on customer need.

Ongoing Support for Customers Impacted by the Welfare Reform Agenda

7. The Welfare Reform Team will continue to support customers affected by the Benefit Cap and the Bedroom Tax, even if they do not meet the criteria for the European Social Fund project. There are currently 100 such households who are receiving support from the Welfare Reform Project Officers and the Discretionary Housing Payment (DHP) Officer. This is to support people to downsize to smaller accommodation but also to seek help with debts, applying for an exempting benefit or with training and work where this is a viable option for customers.
8. The Discretionary Housing Payment (DHP) Officer provides the majority of the support for customers who require smaller, or more affordable accommodation (60 customers). The Welfare Reform Project Officers providing support to households where work is an option, or where additional support is required due to the presence of multiple barriers to work (40 customers).

Finance

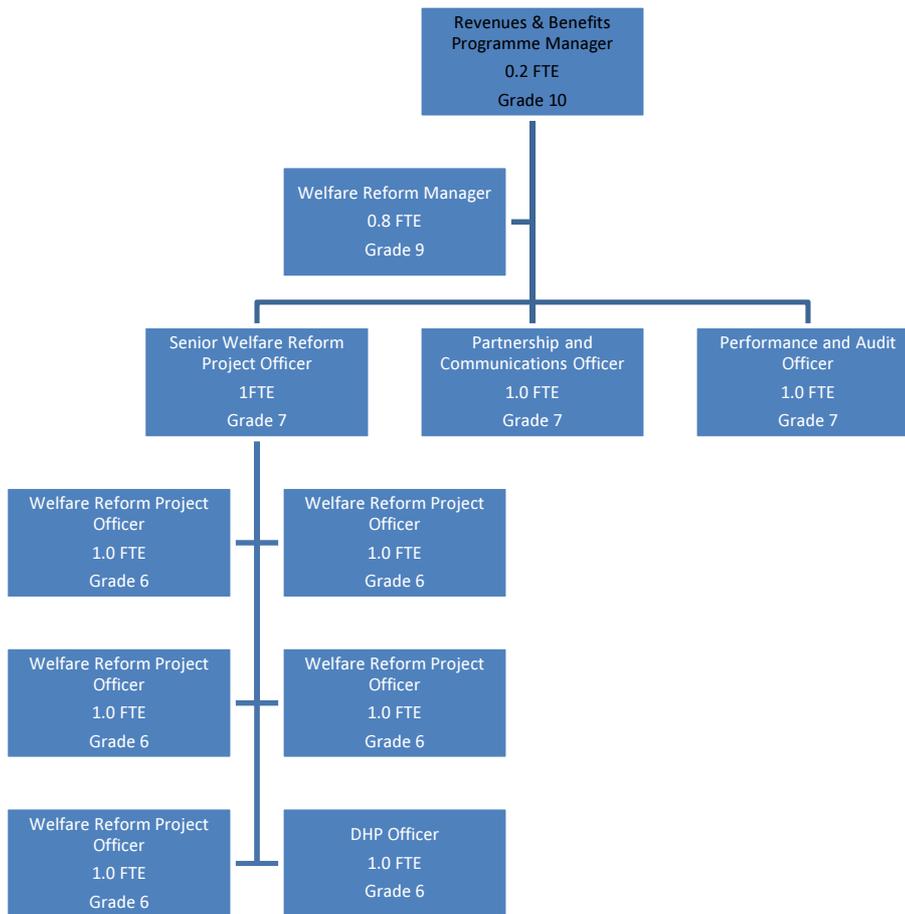
9. The total project cost is £593,648 of which £292,787 is grant funding provided from the European Social Fund. A large proportion of the funding has been spent on recruiting four additional posts to deliver the project: two caseworkers to engage and work with customers, a Partnership Development and Communications post and a Performance and Audit Officer. All of the posts have been recruited to on a temporary basis with all except one recruited internally on a secondment basis. These posts are shown on the structure chart in paragraph 16 below.
10. £81,000 of the grant is to fund participants' training or work related activity and travel. If participants do not incur these costs, the grant is forfeit.

Total project costs

Total project cost	£593,648
Total ESF support	£292,787
Total match funding available from OCC	£300,862

11. The match funding for the project is made up from posts within the Welfare Reform Team highlighted in blue and orange in the structure chart below. The posts highlighted in green are the posts recruited as part of the project and are temporary appointments.
12. The Discretionary Housing Payments Officer post highlighted as orange is a temporary post within the Welfare Reform Team.
13. The Revenues and Benefits Programme Manager and the Welfare Reform Managers costs are apportioned on the amount of time they will be spending on the project.

14. ESF Project Structure Chart



15. The grant conditions require that project expenditure is claimed retrospectively on a quarterly basis through an invoicing mechanism. The Council will not make its final claim until September 2015. The Council is also required to submit regular updates on progress of the project to the funding body.
16. A Performance and Audit Officer has been recruited for the life of the project to ensure that quarterly claims are made in a timely fashion and the all expenditure claimed is eligible as part of the project.
17. The Council have agreed the co-location of a member of the Jobcentre to work within the Welfare Reform Team to provide employment advice. This post attracts no additional cost, but is helping the Council to better understand how the organisations could potentially work together in the future under the terms of the Local Support Services Framework.

Monitoring

18. The outcomes of the project are being monitored via an established performance management framework developed as part of the LA Led Pilot.

19. The funding body undertook a baseline visit in May 2014. Based on the preparatory work undertaken and the procedures in place, the Team were satisfied that the project would be managed in a robust and effective manner.

20. The project will report monthly updates to the Organisational Development and Customer Services Board. The project will also report to the Welfare Reform Officers Group which in turn reports to the Welfare Reference Group for Members.

Risk

21. An evaluation of the risks associated with the implementation of this project has been carried out. A detailed Risk Register is attached at Appendix 3.

Environmental Impact

22. No impact

Equalities Impact

23. An initial impact assessment was carried out as part of the European Social Fund bid and can be found at Part 5 of Appendix 1. No undue, adverse impacts have been identified. A separate assessment can also be found at Appendix 3.

Financial Implications

24. The total cost of the project exceeds £500k although this funding includes matched costs. Resources for this project are committed until June 2015. Any expenses incurred in carrying out the project can be claimed from the European Social Fund, up to the value of the total funding agreed.

Legal Implications

25. Funding for this project is provided by the European Social Fund – England 2007-2013 Operational Programme. Our application is made as a non co-financing organisation.

Name and contact details of author:-

James Pickering
Welfare Reform Manager
Benefits, Customer Services
Tel: 01865 252647 e-mail: jpickering@oxford.gov.uk

Project Costs

Total project cost	£593,648
Total ESF support applied for is	£292,787
Total match funding available	£300,862

Staff costs

2014	Name of post	Amount
Match	Programme Manager, 7.40 hours, part time	
Match	Welfare Reform Manager, 29.6 hours, part time	
Match	Senior Project Officer, 37 hours, full time	
Match	Welfare Reform Project Officer, 37 hours, full time	
Match	Welfare Reform Project Officer, 37 hours, full time	
Match	Welfare Reform Project Officer, 37 hours, full time	
Match	DHP Officer, 37 hours, full time	
	2014 Total Matched Staff Cost	£227,189
ESF	Welfare Reform Project Officer, 37 hours, full time	
ESF	Welfare Reform Project Officer, 37 hours, full time	
ESF	Performance & Audit Officer, 37 hours, full time	
ESF	Partnerships & Communications Officer, 37 hours, full time	
	2014 Total Staff Cost to be funded from ESF	£121,554
2015		
Match	Programme Manager	
Match	Welfare Reform Manager	
Match	Senior Project Officer	
Match	Project Officer 1	
Match	Project Officer 2	
Match	Project Officer 3	
Match	DHP Officer	
	2015 Total Matched Staff Cost	£73,672
ESF	Project Officer 4	
ESF	Project Officer 5	
ESF	Performance & Audit Officer	
ESF	Partnerships & Communications Officer	
	2014 Total Staff Cost to be funded from ESF	£40,518
	Total	£462,934

Participant costs

Year	Description of expected costs	Amount
2014	Participant Training (£120 per participant for 360 participants)	£43,200
	Participant Allowances (travel etc. at £15 per participant)	£5,400
2015	Participant Training (for 240 participants)	£28,800
	Participant Allowances (travel etc.)	£3,600
	Total	£81,000

Expected indirect other costs

Year	Indirect cost item	Amount
Total	Recharges	£49,714

Risk Register

Nos.	Raised by	Date Raised	Probability	Impact	Gross Risk Score	Proximity	Description	Mitigation	Owner	Target Date	Revised Probability	Revised Impact	Residual Risk Score
ESF 01	JP	30/4/13	2	3	6	Short term	Council fails to claim funding in an accurate and timely manner	Audit & Performance Officer with experience recruited to oversee this element	JP	30/06/15	1	2	2
ESF 02	JP	30/4/13	3	3	9	Short term	Expenditure allocated in the budget is not spent	Audit & Performance Officer with experience recruited to oversee this element. PMF to track expenditure closely.	JP	30/06/15	1	3	3
ESF 03	JP	30/04/13	2	2	4	Long term	Not enough customers can be engaged with in the private sector and therefore targets not met.	Resource brought in from JCP and links being built with partners to help with the identification of suitable customers. There is no financial penalty for not meeting targets.	JP	30/06/15	2	1	2

Initial Equalities Impact Assessment

1. Within the aims and objectives of the policy or strategy which group (s) of people has been identified as being potentially disadvantaged by your proposals? What are the equality impacts?

As this project provides additional support to customers, no group(s) should be disadvantaged. This is because the existing support available will not decline as a result of the project. In general, tenants in the private sector are less able to access support due to the insecure nature of their tenancies and less emphasis being put on this group.

2. In brief, what changes are you planning to make to your current or proposed new or changed policy, strategy, procedure, project or service to minimise or eliminate the adverse equality impacts?

Please provide further details of the proposed actions, timetable for making the changes and the person(s) responsible for making the changes on the resultant action plan

3. Please provide details of whom you will consult on the proposed changes and if you do not plan to consult, please provide the rationale behind that decision.

Please note that you are required to involve disabled people in decisions that impact on them

We are not consulting externally on the project but have engaged with parties in the 3rd sector and also the organisations who deliver services to ensure no negative impacts arise as a result of the project.

4. Can the adverse impacts you identified during the initial screening be justified without making any adjustments to the existing or new policy, strategy, procedure, project or service?

Please set out the basis on which you justify making no adjustments

5. You are legally required to monitor and review the proposed changes after implementation to check they work as planned and to screen for unexpected equality impacts.

Please provide details of how you will monitor/evaluate or review your proposals and when the review will take place

A bi-monthly evaluation of the project will be undertaken and we will be tracking the diversity of our caseload on an ongoing basis to mitigate any risks.