

To: City Executive Board

Date: 12 November 2015

Report of: Executive Director Organisational Development & Corporate Services

Title of Report: Enhancing pathways for the long term unemployed – application to European Structural & Investment Fund

Summary and Recommendations

Purpose of report: To request approval to deliver a project supporting long term unemployed people into work

Key decision Yes

Executive lead member: Councillor Susan Brown

Policy Framework:

Recommendation(s): That the City Executive Board resolves to:

1. approve the project outlined in the report.

Appendices

Appendix 1 – List of Partners

Appendix 2 – Risk Register

Appendix 3 – Equalities Impact Assessment

Background

1. The Oxfordshire Local Enterprise Partnership (LEP) is responsible for championing and developing the Oxfordshire economy. It seeks to achieve its aims by channelling a range of funding streams into local programmes. These include the Regional Growth Fund, the Local Growth Fund, the City Deal and European Structural Investment Funds (ESiF).

2. One of the two main ESiF programmes is the Labour Market and Community Development Programme which aims to deliver a series of measures across the county to help local people enter and thrive in the local labour market, and support local communities in tackling some of their economic, environmental and social challenges. It is split into three strands as follows; NEETS & Young People, Unemployment and meeting lower level skill gaps, and Furthest from the Labour Market.
3. In June 2015, the Oxfordshire LEP in partnership with the Big Lottery's Building Better Opportunities programme released details of a tender opportunity which targets provision for pathways to employment for the long-term unemployed. The funding call requested specialist provision across all of Oxfordshire but with a particular focus on priority areas in Oxford and Banbury. Locally, this opportunity is seen as the way in which services currently provided by Job Clubs, will continue to be delivered, although the funding available means that a more extensive service can be offered than the current provision.
4. The funding available is £1,164,000, with half provided through the LEP, and half as match funding from Big Lottery, with the successful project being delivered over three years from March 2016. The value of the project requires approval from the City Executive Board (CEB) to go forward.
5. The project requires 295 participants to be supported, with 13% of participants (39 people) to be moved into work, and the same number to move into training or education. Of the 295 participants, 147 must be unemployed (in receipt of Jobseekers Allowance) and 148 must be economically inactive (in receipt of other benefits, or not in receipt of benefits and not working). In comparison, the Welfare Reform Team have supported 30 people into work during the first six months of the year, 9 of which were economically inactive, and 21 who were unemployed. As such these outcomes are considered to be achievable, especially given the buoyant Oxfordshire economy.
6. The Council in partnership with Aspire Oxfordshire Community Partnership Ltd have developed a proposal to bid for this funding, with the Council acting as lead bidder. Bidding for this funding supports some of the key objectives in the Council's Financial Inclusion Strategy:
 - Residents will be engaged by partners to support them to learn the skills they need to obtain work
 - Residents will receive training for the type of work which is available locally, so they are best placed to obtain employment
 - Residents will be supported to overcome barriers to work
7. Having recently delivered an employment support project financed by the European Social Fund, the Council has the necessary experience to manage this opportunity. In terms of project delivery, the Council's role will be to provide governance support; expertise in audit, performance management, monitoring and evaluation.

8. Oxford City Council will not be responsible for the delivery of frontline services but by acting as the lead organisation will enable a number of local charities and social enterprises to access ESiF funding, which would have been impossible otherwise. The Council will also benefit from being able to access the services provided, ensuring they are targeted at priority areas. As the lead partner, the City Council will be responsible for managing the funding for the Partnership, and ensuring the programme's audit requirements are fulfilled.
9. To achieve the outcomes of the funding call, the Council's bid envisages employment support being offered through a partnership of community-based employment practitioner professionals, employed by a range of local organisations with a countywide reach. A list of partners is provided in Appendix 1 with a brief summary of what they will contribute to the project. The bid has been developed in collaboration with Aspire, who will lead the operational delivery of the new service. Practitioners will have a shared identity and code of Best Practice, a shared network of employers and partner agencies, common referral forms and processes, a dedicated participant database and shared communication channels and social media platform.
10. A brief summary of project activity is detailed below:
 - Regular 121 mentoring and integrative coaching and counselling to understand individual circumstances and help overcome barriers to employment and social inclusion;
 - Dedicated, expert support to address barriers around mental wellbeing, debt & the transition off benefits;
 - Proactive support to participants to access and progress through career advice, education, training, volunteering and work experience opportunities available in the county to develop work readiness;
 - Building strong relationships with local employers to raise their awareness, understanding and confidence to offer more employment opportunities to participants;
 - Offer initial in-work coaching support to help sustain the transition to employment.
11. In addition to these activities, the project will also provide:
 - Dedicated auditing and governance support as well as regular participant, community and stakeholder engagement and involvement activities. This will help local communities take greater ownership of the project and involve influential stakeholders such as local authorities and Further Education/Higher Education providers.
 - Awareness raising and relationship building activities with local employers including through Job Fairs, mental health first aid, myth

busting and awareness activities and establishing a network of Employer Ambassadors.

- Monitoring and evaluation activities to reflect on the outcomes and performance of the partnership's activities, including self-evaluation activities
12. Partners for the project were selected following a meeting hosted by the LEP at which the City Council expressed a desire to be a lead organisation and requested expressions of interest from partners wishing to deliver frontline services. The Council then hosted two further meetings to shortlist the select partners ensuring partners knew exactly what they were signing up to and that they were committed for the full three year period.
 13. There is a two stage process to apply for this funding. The outcome of the Stage One application will be determined in October 2015 with one or two applications invited to proceed to Stage Two. At this point a detailed submission will be required explaining how participants will be supported including statements describing key processes, governance arrangements, and management of the audit requirements. The successful bid will be announced in February 2016 with the project commencing in March 2016.
 14. To support the development of the bid, an application can be made to Big Lottery's Performance Development Fund. The Council has requested £35,200 from this fund to support the development of a secure database, website design, creation of common policies and monitoring procedures, and recruitment costs in advance of the project starting.

Financial Issues

15. There are no financial costs to the Council in delivering this project. Part of the funding will be used to cover the full cost of an officer at Grade 7, to carry out the duties assigned to the Council in this project. This funding is not shown in the Council's budget as the outcome of the application is still pending.
16. As the lead bidder the Council will be responsible for all the project funding, and for ensuring the project is delivered in accordance with European regulations. There is a risk to the Council in taking on this role. Funding can be withheld or clawed back if the correct procedures have not been followed and if evidence is not available for items of expenditure. A failure to deliver on outcomes is not penalised in the same way, providing we are able to clearly explain the reason for under performance. Experience gained in the last year in delivering an ESF funded project will mitigate this risk. The audit requirements were met in full for this project with no financial penalties being incurred. The risk register at Appendix 2 provides further details of the mitigating actions which will be put in place.

Legal Issues

17. Advice was provided by the Council's legal department to ensure that the project does not contravene State Aid regulations. Further advice will be required from Law & Governance in establishing the governance of the project, including the establishment of service level agreements between the Council and the partners who will receive funding.

Environmental Impact

18. The bid must meet the regulatory requirement of the ESF programme in this area (namely 1081/2006 Article 2, para 2) which requires projects to deliver sustainable development. Sustainability will be achieved by delivering the project close to where participants live through community based organisations. The only travel costs which will be reimbursed will be those relating to public transport. There is also evidence to suggest economically active people are more likely to recycle.

Level of Risk

19. A risk register is included at Appendix 2

Equalities Impact

20. An initial equality impact assessment is included at Appendix 3

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