

WORKING WIRRAL - WORKING NEIGHBOURHOODS FUND

1.0 EXECUTIVE SUMMARY

1.1 This report provides an update on the progress of the Working Wirral programme.

1.2 Cabinet is requested to:

- Approve the Wirral Economic Development and Skills Partnership (WEDS) recommendation to allocate Working Wirral resources to the following organisations to deliver Working Wirral outcomes: Arch Initiatives, Wirral PCT and Wirral Change;
- Note the Government's consultation that is taking place with regards to confirmation of the allocation of Working Neighbourhoods Funds (WNF) for 2009/10 and 2010/11;
- Approve the allocation of resources to activity recommended by the Investment Strategy Board and the continuation of funding to activities that support investment and business growth activity;
- Agree the use of Working Wirral funds to enable ERDF resources to be drawn down to deliver activity to increase employer engagement.

2.0 BACKGROUND

2.1 Cabinet on 13 March (Item 26 Minute 553 refers) agreed that the Working Wirral resources (including Working Neighbourhoods Fund (WNF), Deprived Areas Fund and the European Social Fund's Complementary Strand) should be used to commission activity to deliver the Investment Strategy priorities of tackling worklessness, improving skills levels and increasing enterprise, business growth and investment. It was further agreed that the commissioning process would be overseen by Wirral's Economic Development and Skills (WEDS) Partnership in respect of employment and skills, with the Investment Strategy Board advising on the priorities for investment and business growth.

2.2 The first round of Working Wirral commissioning identified that a maximum of £5 million would be available to allocate to activity to increase employment, skills levels and enterprise that can take place up to 31st March 2011. This figure reflects the fact that the allocations made for WNF for 2009/10 and 2010/11 have yet to be confirmed by the Department for Communities and Local Government.

3.0 WORKING WIRRAL ROUND 1 COMMISSIONING

3.1 The WEDS Partnership meetings of 21st October and 1st December 2008 considered and agreed the recommendations from the WEDS Commissioning Group that the following projects should be recommended for approval since they met the aims and outcomes outlined in the Working Wirral commissioning brief:

3.2 **Arch Initiatives – Mentoring into Employment**

This project aims to provide ex-drug users with employer-based training and training-related opportunities in the health and social care sector and to provide support into mainstream education, training and work.

- 3.3 The project will recruit trainees who have attended ARCH's Aftercare Service and who have been drug free or abstinent for a minimum of 12 months. The trainees are employed as mentors to support current service users of the Aftercare Service who are likely to require additional support in order to avoid relapse.
- 3.4 The project will engage 25 mentors per year and will run from early 2009 until the end of March 2011. From each cohort of 25, six Wirral residents will progress onto training or voluntary work, 10 will gain job specific qualifications at NVQ level 2 or above, and 16 will gain employment within 6 months of the intervention.
- 3.5 The WEDS Partnership recommends that this project is funded from early 2009 to 31st March 2011 up to a maximum of £179,896 subject to detailed contracting.

3.6 **Wirral PCT - Working 4 Health**

The project will support people on working age benefits and employees on sickness absence back to work, through combining existing health services, additional specialist health support and appropriate employability programmes, combining bio-psychosocial rehabilitation services with employment services. Activities will include:

- One-to-one intensive case management support
- Increased support to health professionals to link employment to health benefits through development and delivery of a bespoke training package
- Awareness-raising about management of long-term health conditions for service providers supporting clients to return to work.

The project will produce 120 employment outcomes for working aged benefit claimants; 200 employees returning to work; 200 employers engaged; and 800 people attending Link Info seminars, the majority of whom will be healthcare professionals.

- 3.7 It is proposed by the WEDS Partnership that this project is funded from 1st April 2009 to the end of March 2011 up to a maximum of £561,592 subject to detailed contracting.

3.8 **Wirral Change – BRM Employment Outreach**

The project will encourage and engage progression of Wirral's BRM workless communities into employment, training or education through the provision of outreach and support services within the community and by working with employers and existing agencies to be sensitive to the needs of these communities. The organisation has evidenced that it is able to respond and quickly design or re-design appropriate services to meet the target communities' needs. The project will deliver 120 clients gaining sustainable employment lasting more than 26 weeks; 80 clients gaining 'stepping stone' short-term employment; and 80 clients undertaking training at level 2 or above.

- 3.9 It is proposed by the WEDS Partnership that this project is funded from 1st April 2009 to 31st March 2011 up to a maximum of £540,883 subject to detailed contracting.

4.0 **WORKING WIRRAL FUNDING**

- 4.1 As reported to Cabinet on 23 July 2008 (Item 11 Minute No 149 refers), the first commissioning round now has available £6,760,000. This includes an allocation of £5 million of WNF together with the recently approved £1.67 million of ESF resources.

Subject to the agreement of the recommendations in this report allocations against this sum to date are as follows:

Commissioned Projects	£
Wirralbiz	1,069,000
Connexions – Nextstep Plus	385,822
Involve NW – Reachout and Reachout Plus	1,685,079
Arch Initiatives – Mentoring into Employment	179,896
Wirral PCT – Working 4 Health	561,592
Wirral Change – BRM Employment Outreach	540,883
Total committed to date (subject to detailed contracting)	4,422,272

5.0 WORKING NEIGHBOURHOODS FUND – ALLOCATIONS FOR 2009/10 AND 2010/11

5.1 Wirral has been allocated £28,267,778 of WNF from 2008 – 2011 through the Area Based Grant. However, only the first year's allocation was confirmed by Government due to an error that had been made in the original calculation relating to how the funding should be allocated nationally across the local authorities.

5.2 The Government has now announced that following a review of the way in which eligibility for WNF was calculated they have drawn up proposals for revising the criteria and how it will be applied in respect of allocating WNF for 2009/10 and 2010/11. The Government are now intending to consult on these proposals and responses are required by the 9th January. They then anticipate that they will confirm allocations for 2009/10 by the end of January 2009.

5.3 The proposed changes would mean that Wirral would receive an increased allocation of WNF and benefit by some £144,581 as follows:

2009/10

Original allocation: £9,841,046 Revised allocation £9,879,492

2010/11

Original allocation: £10,238,708 Revised allocation £10,344,843

6.0 INVESTMENT AND BUSINESS GROWTH ACTIVITY

6.1 Cabinet on 13 March (Item 26 Minute 553 refers) noted that activity relating to investment and business growth would be progressed in consultation with the Investment Strategy Board.

6.2 The Investment Strategy Board on 7 November 2008 identified a number of areas of activity that could be developed further through Working Wirral funding and this included marketing and International Links. The Investment Strategy identified “image” as one of its five key areas of activity and there is no doubt that the marketing activity undertaken to date has greatly improved Wirral's position. However, it is equally clear that this improvement needs to be built upon to help place Wirral where it should be in the Investment market. An annual allocation of £100,000 for 2009/10 and 2010/11 would support the marketing of Wirral to Investors.

6.3 In addition to issues considered by the Investment Strategy Board there are currently a number of activities that address issues such as removing barriers to business investment by reducing business crime, including Community Support Officers, for which continuation of funding would ensure that outcomes relating this priority area would be

retained. It is therefore proposed that a maximum of £250,000 is allocated from Working Wirral for 2009/10 and 2010/11 together with £140,000 for each of the two years for The Mersey Partnership to support its inward investment work for Wirral. This funding would be contingent upon the Government's confirmation of the allocation of WNF for 2009/10 and 2010/11.

7.0 EMPLOYER ENGAGEMENT – ERDF RESOURCES

7.1 Members are informed of progress on the Merseyside City Employment Strategy (CES). Knowsley Council, as CES facilitator, has been asked by the NWDA to act as an Accountable Body for, and lead on the development of, an Investment Framework for Action Area 4.2 of the ERDF Programme for Merseyside which includes activity aimed at linking people to employers. Initially, some £6 million ERDF is available in Merseyside to fund activity between January 2009 and December 2010.

7.2 As part of this, Wirral are currently working up a proposal in order to access a share of the Merseyside ERDF allocation. Wirral's project aims to co-ordinate and manage a partnership approach to provision of a first class service for employers, with the overarching aims of both meeting indigenous and inward investment employers' recruitment and training requirements and also tackling issues of worklessness and low skills.

7.3 In order for Wirral to access this additional ERDF resource, we need to identify match funding. Total costs for Wirral's proposed project are £882,647, of which ERDF can contribute a maximum of 50%. Members are therefore asked to approve match funding of £441,324 from Working Neighbourhoods Fund allocation.

8.0 FINANCIAL IMPLICATIONS

8.1 Wirral has been allocated £28.3 million of Working Neighbourhoods Fund resources (including the DAF resources and subject to confirmation of the exact allocations for 2009/10 and 2010/11) and this covers the period 1st April 2008 to 31st March 2011. The allocation is paid through the LAA's Area Based Grant.

9.0 STAFFING IMPLICATIONS

9.1 There are none arising directly from this report

10.0 EQUAL OPPORTUNITIES IMPLICATIONS

10.1 The implementation of Working Wirral will reflect the Council's commitment to equal opportunities.

11.0 COMMUNITY SAFETY IMPLICATIONS

11.1 Projects proposed to be funded through Working Wirral are likely to have positive community safety benefits.

12.0 LOCAL AGENDA 21 IMPLICATIONS

12.1 There are no specific implications arising directly from this report.

13.0 PLANNING IMPLICATIONS

13.1 There are none arising from this report.

14.0 ANTI-POVERTY IMPLICATIONS

14.1 Working Wirral will have significant future benefits for this area.

15.0 SOCIAL INCLUSION IMPLICATIONS

15.1 Working Wirral will have significant future benefits for this area.

16.0 LOCAL MEMBER SUPPORT IMPLICATIONS

16.1 This report will be of interest to all Members of the Council.

17.0 BACKGROUND PAPERS

- 17.1 The Working Neighbourhoods Fund Statement – DCLG and DWP Paper November 2007
Sub National Review of Economic Development – Report to Cabinet 6.09.07
Indices of Multiple Deprivation 2007 – DCLG December 2007
Area Based Grant 2008/09 to 2010/11 – Report to Cabinet 10.01.08
Working Neighbourhoods Fund – Report to Cabinet 23.01.08
European Social Fund Complementary Strand – Report to Cabinet 07.02.08
Working Neighbourhoods Fund – Report to Cabinet 13.03.08
Working Neighbourhoods Fund – Report to Cabinet 09.07.08
Working Neighbourhoods Fund – Report to Cabinet 16.10.08

18.0 RECOMMENDATIONS

That

(1) Cabinet as accountable body agrees the recommendations of the WEDS Partnership and approves Working Wirral expenditure for:

- Arch Initiatives – Mentoring into employment project to a maximum of £179,896 for the period 2009 to 2011;
- Wirral PCT – Working 4 Health project to a maximum of £561,592 for the period 2009 to 2011;
- Wirral Change – BRM Employment outreach project to a maximum of £540,883 for the period 2009 to 2011.

(2) the Government's consultation that is taking place with regard to confirmation of the allocation of Working Neighbourhoods Funds (WNF) for 2009/10 and 2010/11 be noted;

(3) the allocation of a maximum of £100,000 each year for 2009/10 and 2010/11 for marketing activity as recommended by the Investment Strategy Board be approved;

(4) WW resources be allocated to activities to support business investment and business growth outcomes to a maximum of £390,000 each year for 2009/10 and 2010/11; and

(5) the use of Working Wirral funds to a maximum of £441,324 to enable ERDF resources to be drawn down to deliver activity to increase employer engagement be agreed.

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