

18 JANUARY 2024

Report Title:	UK SHARED PROSPERITY FUND: PHASE 3 EMPLOYMENT AND SKILLS
Report of:	HEAD OF ECONOMIC GROWTH

REPORT SUMMARY

The purpose of this report is to enable the Director of Regeneration and Place to consider and approve the ringfenced allocation of funding from the UK Shared Prosperity Fund (UKSPF) which has been received by way of grant funding from the Liverpool City Region Combined Authority (LCRCA) for the purpose of delivering the Wirral Ways to Work programme to the value of £1,461,216.

The report supports the delivery of the Council Plan 2023-2027: Wirral Working Together and in particular the People-Focused Regeneration Theme.

This is a key decision, and this matter affects all Wards within the borough.

RECOMMENDATION/S

The Director of Regeneration and Place is recommended to approve the allocation of the UK Shared Prosperity Fund as set out in paragraph 4.1 of the attached report.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Wirral Ways to Work Programme is helping to address worklessness in Wirral. Wirral is an area which has levels of worklessness exceeding regional and national averages. The Wirral Ways to Work programme has been identified as an essential activity in the Economic Strategy 2021-2026 to tackle worklessness across the borough. The services deliver accessible community-based services which ensures economically inactive residents are provided with the relevant 1:1 support to compete both for jobs currently available in the labour market and for future opportunities created through the wider regeneration programme. This programme is designed to focus on those furthest away from the labour market and in the most deprived communities in Wirral, complementing the mainstream services provided by the Department of Work and Pensions.
- 1.2 The Phase 3 Employment and Skills element of the UK Shared Prosperity Fund commences from 1 April 2024 to 31 March 2025. Following the end of the ESF in September 2023 and the end of the Liverpool City Region Combined Authority (LCRCA) SIF gap funding period to 31 March 2024, this provides ringfenced funding for the continuation of the Liverpool City Region Ways to Work Programme, which includes the Wirral Ways to Work programme.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 **Do Nothing:** The Council takes no action and did not continue the Wirral Ways to Work Programme. This option would leave a significant gap in Employment Support Services across the borough and would also impact the delivery of the wider Ways to Work Programme managed by the Liverpool City Region Combined Authority.

3.0 BACKGROUND INFORMATION

- 3.1 The Wirral Ways to Work Programme is part of the LCR Combined Authority Ways to Work programme. The programme is designed to engage eligible economically inactive young people and adults and support their progression into education, employment, and training via a suite of flexible, tailored employment support services.
- 3.2 The current programme has been delivering since April 2016 and has achieved the following outcomes as of 30th September 2023:
 - Engaged 10,264 Wirral residents onto the programme.
 - Supported 6,134 Wirral residents back into employment or training; and
 - Positive outcome rate of 60%.

This level of performance is extremely successful for a programme of this size and the nature of clients the programme engages with being furthest away from the labour market. The wider LCR Ways to Work Programme typically achieves a positive outcome rate of securing employment or training of 42% which shows Wirral is outperforming the city region average.

- 3.3 Wirral Ways to Work has provided immense benefit to residents who have been supported into employment and training opportunities. This not only supports a more inclusive Wirral economy, but also improves the health and wellbeing and life chances of individuals and their families through increased household incomes,

improved mental and physical health, personal confidence, social networks, and aspirations.

- 3.4 The Wirral Ways to Work Programme has been funded through ESF since 2016 to 31 September 2023. The programme is currently being funded by SIF from 1 October to 31 March 2024. From the 1 April 2024 UK Shared Prosperity funds are available for employment and skills activity and the Council has worked with the LCRCA to secure funding for the continuation of these services until 31 March 2025. The decision to accept the UKSPF grant funding allocation of £1,461,216 was taken by the Section 151 Officer on 31 January 2024 in accordance with 2(d) of Part(C) of the Constitution 'Overview and Scheme of Delegations of Authority to Officers'. In respect to the receipt of grant funding, express delegation is given to the Section 151 Officer. Relevant Chief Officers are required to subsequently report the acceptance of the grant funding to the appropriate Committee.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The value of the UKSPF Grant funding agreement is £1,461,216. Table 1 shows how the funding is distributed between services:

Budget Heading	Amount
Worklessness Support Service	£869,988
Internal Salary costs (inc. new time-limited post)	£307,605
Employer wage subsidy programme delivered by 14-19 team (ILM Programme)	£180,533
Fund for recruitment & redundancy activities.	£103,100
TOTAL	£1,461,216

- 4.2 The rationale for the breakdown of funding has been determined as follows:
- Worklessness Support Service costs including an uplift of salary costs of 4% since the original contract award in November 2022.
 - Staffing costs to support:
 - Delivery and compliance of the full UKSPF programme,
 - ILM delivery team within 14-19 Team for employer / young person engagement support and administration of grants.
 - A new time limited post to support recruitment and redundancy activity within the Economic Growth Team which is a new element of the UKSPF programme from previous funding streams.
 - Balance remaining attributed to the employer wage subsidy programme (ILM) and recruitment and redundancy support for employers.

5.0 LEGAL IMPLICATIONS

- 5.1 Legal Services has reviewed the Grant Funding Agreement from the LCRCA and determined that it is in line with previous UKSPF grant funding agreements issued. The Section 151 Officer has therefore signed the agreement to accept the funds. The grant funding may be subject to clawback if the Council does not comply with the conditions of the Grant Funding Agreement.
- 5.2 Paragraph 4.1 includes one external service that has been procured by the Council for the Worklessness Support Service and there is legal provision within the existing contract for these services to be extended for the duration of the UK Shared Prosperity Fund. Subject to approval of this report, a separate Officer Decision

Notice will be progressed for approval, setting out details of the 12-month period contract extension in compliance with the Public Contract Regulations (2015) and the Council's Contract Procedure Rules.

- 5.3 The Council will take steps to ensure the use of UKSPF funding is in accordance with UK subsidy control legislation.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 Securing grant funding from UKSPF funds enables the Council to fund the relevant compliance and support roles that are needed to ensure successful delivery of the Wirral Ways to Work Programme. This will include a new time limited post for the duration of the fund to support the recruitment and redundancy element of the programme as detailed in 4.2.

7.0 RELEVANT RISKS

Financial

- 7.1 The LCRCA may withdraw or reduce, or require the Council to repay all, or any proportion of the Grant on grounds listed in the Grant Funding Agreement if the Council does not adhere to the purpose or terms and conditions of the grant. The Council will mitigate this risk through regular monitoring and performance management of all relevant contract activity. Additionally, if all available grant funding is not spent by the end of the UKSPF funding period, the council risks not drawing down the full allocation. This will be mitigated by appropriate commissioning and ongoing risk and financial management throughout the period to ensure spend and delivery meets the required profile.

Reputational:

- 7.2 Failure to continue the Wirral Ways to Work Programme could lead to a negative impact on Wirral residents and potential for reputational damage for the Council. The acceptance of the grant funding will help to mitigate this risk.

Operational/contractual:

- 7.3 The LCRCA may terminate the grant on giving the Council 3 months' notice if there is a change in government policy or if there are financial constraints or if the LCRCA no longer intends to support the project to achieve the LCRCA's objectives. This will be mitigated by ongoing risk and financial management plus regular contract meetings with the LCRCA. Additionally, the contractual obligations that the Council has received within its UKSPF grant offer from the LCRCA will be passed on to any contracted suppliers.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 This project supports the Inclusive Economy theme of Wirral's Economic Strategy which was developed in full consultation with partner organisations and residents.
- 8.2 Further consultation has been undertaken to brief the Chair and Party Spokespersons of Economy, Regeneration and Housing Committee on this report.

9.0 EQUALITY IMPLICATIONS

- 9.1 The Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment (EIA) is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 The potential impact of the Worklessness Support Service Contract has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Economic Strategy, which can be found here: <https://www.wirral.gov.uk/files/equality-impact-assessment-wirral-economic-strategy-2021-2026.pdf/download?inline>
No material changes to the EIA are required because of this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 Delivery of the Worklessness Support Service is based in a range of accessible community locations across the borough, therefore reducing the requirement for residents to travel to a central Wirral location to access the service. The procurement criteria for this contract included a social value assessment, with the recommended supplier providing some measures in relating to carbon savings from energy efficiency measures within their tender response. Involve Northwest has a full organisational sustainability plan for all employees to adhere to.
- 10.2 Consideration of the climate emergency is a key consideration in the delivery of the Ways to Work Intermediate Labour Market (ILM) Programme. Consideration is given from recognising delivery locations and facilities to the inclusion of environment and climate in the businesses supported through the expression of interest process. The use of technology to reduce the carbon footprint associated with delivering these projects is maximised.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 Community Wealth Building is a people-centred approach to economic growth which reorganises local economies to be fairer and stops wealth flowing out of communities, towns, and cities, and instead places control of this wealth into the hands of local people, communities, businesses and organisations. A key theme in the Council's Community Wealth Building Strategy is Fair Employment and Just Labour Markets and the Wirral Ways to Work Programme supports residents of Wirral back into the labour market via a community-based delivery model.

REPORT AUTHOR: **Sarah Dodd**
(Place and Investment Team - Senior Economic Lead)
email: sarahdodd@wirral.gov.uk

APPENDICES

n/a

BACKGROUND PAPERS

UK Shared Prosperity Fund Prospectus:
<https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Economy Regeneration and Development Committee- European Structural and Investment Fund programme for England 2014-2020: Wirral Ways to Work Programme	4 th March 2021
Policy and Resources Committee European Structural and Investment Fund programme for England 2014-2020: Wirral Ways to Work Programme	17 th March 2021
Officer Decision Notice: Worklessness Support Service Tender outcome report	28 th September 2022
Officer Decision Notice: SIF Gap Funding	19 th December 2023