

7 February 2024

<b>Report Title:</b>	<b>UK SHARED PROSPERITY FUND: WORKLESSNESS SUPPORT SERVICE CONTRACT EXTENSION</b>
<b>Report of:</b>	<b>HEAD OF ECONOMIC GROWTH</b>

## **REPORT SUMMARY**

The purpose of this report is to enable the Director of Regeneration and Place to consider and approve the extension of the Worklessness Support Service contract delivered by Involve Northwest due to the Council securing funding from the UK Shared Prosperity Fund and additional Public Health grant. The value of the contract extension is £1,108,749.

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 extension of the Worklessness Support Service contract delivered by Involve Northwest from UK Shared Prosperity Fund and Public Health Grant for the period of 1 April 2024 to 31 March 2025 to the value of £1,108,749.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

- 1.1 The Worklessness Support Service 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 2021-26 to tackle the level of worklessness across the borough. The Worklessness Support Service is a key element of the Ways to Work Programme delivering accessible community-based services which ensure that out of work 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 Following the decision to accept UKSPF and Public Health Funds for the delivery of the Wirral Ways to Work Programme, the Director of Regeneration and Place has agreed to enter into a contract extension with Involve Northwest to deliver the Worklessness Support Service on behalf of the Council to address levels of worklessness in Wirral.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 The Council could choose not to extend the Worklessness Support Service. 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 (LCR) Combined Authority. The Council would not be able to fulfil the output obligations of the LCR UKSPF Phase 3 for Employment & Skills.

### **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 workless 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 30 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%.
- 3.3 This level of performance is extremely successful for a programme of this size and nature that engages participants 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 that Wirral is outperforming the city region average.
- 3.4 The Worklessness Support Service 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. The Worklessness Support Service was previously funded through the European Social Fund from 2016 to 31 September 2023. Currently the service is funded through LCRCA Strategic Investment Fund) from 1 October 2023 to 31 March 24.

- 3.5 In September 2022 the Director of Regeneration and Place authorised via an Officer Decision Notice, the award of a contract to Involve Northwest for delivery of the Worklessness Support Service for the period of 17 months from 1 November 2022 to 31 March 2024 to the value of £1,358,720. The total value of this advertised OJEU procurement was £3,840,000 which included provision to extend for up to 31 months subject to relevant funding being secured.
- 3.6 From 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'.
- 3.7 On 31 January 2024 the Director of Regeneration and Place authorised via an Officer Decision Notice the breakdown of the allocation of UKSPF Funds from the LCRCA which included an award of £869,988 towards the delivery of the Worklessness Support Service.
- 3.8 UKSPF guidelines state that Employment & Skills related activity under Phase 3 can only support participants who are economically inactive in the labour market. This excludes unemployed people who also often have multiple barriers to gaining employment and who have previously been supported via this service.
- 3.9 In order to maintain a level of universal service for Wirral residents who are out of work (regardless of their benefit status), the Director of Public Health, via their delegated approval for the allocation of spend of the Public Health grant and in accordance with the scheme of delegation, has approved funds to deliver services to this extended client group as set out in paragraph 4.1 of this report. This is proposed to be incorporated into the Worklessness Support Service Contract extension as an aligned activity to the UKSPF element.
- 3.10 As a result of the Council securing UKSPF and Public Health funds, this enables the Director of Regeneration to consider and approve a contract extension for the Worklessness Support Services contract for a period of 12 months from 1 April 2024 to 31 March 2025.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 The value of the Worklessness Support Service contract extension is £1,108,749. The Public Health Grant secured includes £115,000 for continuation of the Help Out service to provide specialist health/wellbeing support that a proportion of clients participating in the Worklessness Support Service need in order to remove wellbeing barriers to work. It is proposed that the two services are integrated into a single contracted and performance managed service from April 2024. Table 1 shows the funding sources of the contract total:

Table 1: Worklessness Support Service Funding: 1 April 2024 to 31 March 25

Budget Heading	Amount
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UKSPF	£869,988
Public Health Grant	£238,761
<b>TOTAL</b>	<b>£1,108,749</b>

- 4.2 From 1 April 2024 to 31 March 2025 the Worklessness Support Service will be contracted to engage a total of 750 participants, of which 295 will be supported into employment and 39 into training.

## 5.0 LEGAL IMPLICATIONS

- 5.1 The Council's Legal and Procurement services have agreed that the contract extension is in line with the Public Contract Regulations 2015 and the Council's Contract Procedure Rules. This is on the basis that that there is no material alteration to the contract, there is provision within the Original OJEU contract notice to extend (and this has not been utilised to its full extent) and the budget has been confirmed in writing.
- 5.2 Should the Director of Regeneration and Place approve the extension to contract, Legal Services will prepare the documentation to record the terms of this and enter into a contract extension with Involve Northwest.

## 6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no additional Council resource implications for the Council. Securing grant funding from UKSPF and Public Health funds enables the Council to fund the relevant compliance and support roles that are needed to ensure successful delivery of the Worklessness Support Service.

## 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 or deliver a reduced service to economically inactive residents could lead to a negative impact on Wirral residents and potential for reputational damage for the Council and its contracted supplier. The acceptance of the grant funding from UKSPF and Public Health Grant will 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. The contractual obligations that the Council has received within its UKSPF grant offer from the LCRCA, including financial obligation as outlined in paragraph 7.1, will be

passed on to Involve Northwest as part of a contract for service delivery prepared by legal services.

## **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.

## **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 Worklessness Support Service supports residents of Wirral back into the labour market via a community-based delivery model.

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## **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 <sup>th</sup> March 2021
Policy and Resources Committee European Structural and Investment Fund programme for England 2014-2020: Wirral Ways to Work Programme	17 <sup>th</sup> March 2021
Officer Decision Notice: Worklessness Support Service Tender outcome report	28 <sup>th</sup> September 2022
Officer Decision Notice: SIF Gap Funding	
Officer Decision Notice: UK Shared Prosperity Fund: Phase 3 Employment & Skills.	19 <sup>th</sup> December 2023
	31 <sup>st</sup> January 2024