

WORKING WIRRAL - WORKING NEIGHBOURHOODS FUND

1.0 EXECUTIVE SUMMARY

1.1 Cabinet is requested to approve the financial recommendations of the Wirral Economic Development and Skills Partnership (WEDS) and the Investment Board in relation to Working Wirral funding and note that the Government has now confirmed the Working Neighbourhoods Fund allocation for 2009/10 at £9,879,402.

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 Wirral had been originally 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. This was due to an error that had been made in the original calculation on how the funding should be allocated nationally across the local authorities. The Government has now announced the outcome of the consultation that has taken place on their proposals for revising the allocation criteria and how it will be applied for 2009/10. The revised criteria will mean that Wirral will receive an increased allocation.

2009/10 Original allocation:	£9,841,046	Confirmed revised allocation	£9,879,492
2010/11 Original allocation:	£10,238,708	Expected revised allocation	£10,344,843

2.3 The Government announcement of 24th February 2009 confirmed the 2009-2010 allocation of WNF at £9,879,492.

2.4 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. As reported to Cabinet on the 23 July (Item 11 Minute 149 refers) a further £1.67 million of resources were allocated to Wirral through the ESF Complementary Strand making a maximum of £6.67 million available for Round 1 activity.

2.5 Cabinet on 15 January (Item 11 Minute 334 refers) agreed that consultants should be appointed to further develop the Investment Framework to enable targeted commissioning of the Working Wirral programme to be taken forward to deliver activity against the three priority areas set out in the Investment Framework (Competitive Wirral People, Competitive Wirral Places and Competitive Wirral Businesses) and it also

considers the implications of the economic downturn. This work will be completed by the end of March 2009 and reported to a future Cabinet meeting.

3.0 WORKING WIRRAL ROUND 1 COMMISSIONING

- 3.1 The WEDS Partnership meetings on the 20th January 2009 and 18th March 2009 agreed the recommendations from the WEDS Commissioning Group that the following projects should be recommended for approval.

Advocacy in Wirral – Wirral Bridges

- 3.2 This project supports individuals with severe and enduring mental health issues into work and provides further support once they are in employment. The project uses positive roles models of people with mental illness who have already made the transition from benefits to employment, and offers dedicated peer support. There are clear referral links into the scheme from GPs, Community Mental Health Teams and the Primary Care Advice Link project. The project will work with 30 participants with targets of getting 5 people into paid employment, 14 people into voluntary work and 11 people to receive in-work support.

- 3.3 It is recommended by the WEDS Partnership that this project is funded from April 2009 to the end of March 2011 up to a maximum of £49,246 subject to detailed contracting.

Wirral Learning Consortium – Supporting Wirral

- 3.4 This is a consortium project led by Leasowe Millennium Centre and delivered in partnership with North Enders Cafe Club, Beechwood Power House, Forum Housing Association and Tranmere Community Project. The project aims to provide support to all unemployed people from the target groups with a key focus on people living within Wirral's most deprived areas. Its intention is to enable unemployed people to gain specific training that meets their individual needs and that of local employers. The project will directly engage workless people aged 16 – 60 and support them into jobs. The consortium has an established track record in delivering training and support to Working Wirral target groups and they will use that experience to deliver this project.

- 3.5 The project targets 300 people into jobs as a direct result of this intervention, with indirect outcomes of a further 150 people into voluntary work and 190 people into further education or training.

- 3.6 It is proposed by the WEDS Partnership that this project is funded from March 2009 to the end of March 2011 up to a maximum of £1,104,998 subject to detailed contracting.

WIRRAL MIND MENTAL HEALTH - Project

- 3.7 The project employs people with chronic mental health issues on a 1-year fixed-term contract to work at a social enterprise cardboard recycling plant. Participants will gain skills, experience and qualifications to move into further employment opportunities. The project works with people who have been economically inactive for long periods, and have no/low qualifications as a result of chronic mental health issues.

- 3.8 The project will engage 25 participants per year, a total of 50 over the life of the project. It is expected that the retention rate will be 80%, retaining 20 participants per year, all of whom will progress into employment – a total of 40 employment outputs over the life of the project.

- 3.9 It is recommended by the WEDS Partnership that this project is funded on a pilot basis from April 2009 to the end of March 2011 up to a maximum of £752,783 subject to detailed contracting.

REMPLOY – Linking Wirral People into Employment

- 3.10 The proposal aims to assist economically inactive residents, primarily those suffering from learning, mental health and/or physical disabilities and claiming incapacity benefit, to progress along the continuum to access employment opportunities. The project uses a consortium approach including Remploy, The Social Partnership, Voluntary and Community Action Wirral, Scientiam, CPL Training and Liver Lifts.
- 3.11 The project anticipates that over the two years of the programme, 550 participants will gain employment within 6 months of the intervention, and 450 participants will gain NVQ Level 2 or above.
- 3.12 It is proposed by the WEDS Partnership that this project is funded from April 2009 to the end of March 2011 up to a maximum of £806,308 subject to detailed contracting.

CHESHIRE & WIRRAL NHS FOUNDATION HOSPITAL TRUST – Improving Health Conditions

- 3.13 The project will ensure that people with severe and enduring mental health conditions are provided with improved health outcomes and improved employment opportunities. Job coaches will work according to an evidence-based model of vocation rehabilitation called IPS, specifically designed for people with severe mental illness, with 3 elements: it places the patient and trains them on the job; it actively includes the employer in the rehabilitation process; and it provides ongoing unlimited in-work support. The job coaches will also coach professional staff within the Community Mental Health Teams (CHMT) to improve the response to employment issues for service users within the teams.
- 3.14 The project is match funded by the Richmond Fellowship who will provide 48% of the total funding, funding two of the four Job coach posts. The project will enrol 200 participants onto the programme over the two years. It is anticipated that 50-55 will progress into paid employment, all of whom will receive in-work support, and that 35-40 participants will progress into education and employment-enhancing activities. Additionally, 55 professional staff within CMHTs will be coached to improve the response to employment issues for service users of the teams.
- 3.15 It is recommended by the WEDS Partnership that this project is funded from April 2009 to the end of March 2011 up to a maximum of £163,140 subject to detailed contracting.

WIRRAL SOCIETY OF THE BLIND AND PARTIALLY SIGHTED – Training and Development project

- 3.16 The project aims to provide and enhance training and employment opportunities for blind and partially sighted people in Wirral. The project will provide specialist support tutors to deliver ICT training courses leading to IT qualifications within a purpose built training unit, and will provide post training support through referrals to specialist advisers in career guidance and self employment.
- 3.17 The project anticipates that at least 12 participants will achieve ITQ levels one and two, and at least four participants will achieve ITQ level 3. At least four participants will progress onto further training, education or employment, with the potential to progress towards becoming an IT tutor with Wirral Met College.

- 3.18 It is proposed by the WEDS Partnership that this project is funded from April 2009 to the end of March 2011 up to a maximum of £37,253 subject to detailed contracting.

WIRRAL METROPOLITAN COLLEGE – First Steps to Employment

- 3.19 This project aims to add value to mainstream training provision by incorporating sector specific skills into entry level training. It is expected to meet an identified sector skills shortage whilst providing a clear progression route to Level 2 qualifications and realistic labour market objectives. Whilst this project will specifically seek to target people from Wirral's 53 most deprived Super Output Areas (SOAs), access will also be available to other Wirral residents, particularly those who are workless, lone parents, people with low/no qualifications, women returners and BRM individuals.
- 3.20 It is recommended by the WEDS Partnership that this project is funded from April 2009 to the end of March 2011 up to a maximum of £130,000 subject to detailed contracting.

4.0 BUSINESS START PROGRAMME Enterprise Solutions – WIRRALBIZ – 3 MONTH EXTENSION

- 4.1 In June 2008 £1,069,000 of Working Wirral funding was approved to provide a comprehensive business start service for Wirral until March 2009 and to provide post start support for the new businesses for a two year period until March 2011.
- 4.2 This project has been very successful in creating new businesses and the new business start target for the period April 2008 to March 2009 is 290. To date 284 new businesses have been created and the target is expected to be exceeded by the end of the financial year. 184 of the new businesses created are within Wirral's 53 most deprived Super Output Areas (SOA's).
- 4.3 Creating new businesses is important for Wirral as the Borough seeks to reduce its significant enterprise gap with the rest of the North West Region which was clearly identified in the Regional Economic Strategy. Wirral also has a stretch target within the Local Area Agreement for new business starts.
- 4.4 The Government's Business Simplification Support Programme (BSSP) aims to reduce the number of business support interventions nationally to less than 100 by 2010 and to this end the North West Development Agency (NWDA) is working to introduce a standard North West business start service from 1st April 2009.
- 4.5 Wirral along with the other Merseyside Councils has been working constructively with the NWDA for some months to bring in the new arrangements by April 2009. It is a complex process and the timescales are tight. Progress is being made and the NWDA have recently confirmed that their Supplier Panel (consisting of the companies who will provide the business start up services) will be in place by 24th February 2009.
- 4.6 Once the Supplier Panel is in place the Council will have to undertake what is being called a "mini tendering exercise" to secure by competitive means the supplier or suppliers who will provide business start services in Wirral. This will obviously take some time to do and it will need to be followed by approval of the tenders by Cabinet. Once a decision is made on the supplier or suppliers they will need time to mobilize their resources before they can begin to deliver the business start service. This could be achieved in late April at the earliest but is likely to be May or June. In these circumstances it is recommended that the current business start programme is extended for three months to ensure that there is no loss of continuity in creating new businesses in Wirral.

4.7 The cost of extending the current programme for three months from April to June 2009 is £262,500. Over this period it is anticipated that a further 72 new businesses will be created in Wirral.

4.8 It is recommended by the WEDS Partnership that a maximum of £262,500 of Working Wirral resources are allocated to extend the WirralBiz programme from 1st April 2009 to 30th June 2009 subject to detailed contracting.

5.0 WORKING WIRRAL FUNDING

5.1 Subject to the agreement of the recommendations in this report, allocations progressed through Working Wirral Round 1 commissioning to date are as follows:

Commissioned Projects	£
WirralBiz	1,069,000
Connexions – Nextstep Plus	347,258
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
Advocacy in Wirral – Wirral Bridges	49,246
Wirral Learning Consortium – Supporting Wirral	1,104,998
Enterprise Solutions - Extension to WirralBiz	262,500
Wirral Mind – ABC Together	752,783
Remploy – Linking Wirral People to Employment	806,308
Cheshire & Wirral NHS Foundation Trust – Improving Health conditions Project	163,140
Wirral Society of the Blind and Partially Sighted – Training and Development	37,253
Wirral Metropolitan College – First Steps to Employment	130,000
Total committed to date (subject to detailed contracting)	7,689,936

5.2 If the recommendations brought to this meeting are approved, the total funding committed will be £7,889,736. This is an over commitment of £1,219,736 on the £6.67 million available for Round 1 commissioning. Funding for these activities is available following the confirmation by Government of Wirral's WNF allocation for 2009/10.

5.3 The projects considered by the WEDS Commissioning group and recommended for approval by the WEDS Partnership have all been assessed to meet the criteria set out in the Round 1 Commissioning brief and will therefore contribute to meeting the outcomes of Wirral's Investment Strategy. It is therefore proposed that these projects be progressed utilising the Working Neighbourhoods Funding allocation for 2009/10 as set out in section 2.2 above. These resources would then be included within the proposed resource allocation for Priority 1 which will be brought forward as part of the Investment Framework proposals (see 2.4 above) and reported to Cabinet in April 2009.

6.0 INVESTMENT STRATEGY BOARD

6.1 The Investment Strategy Board in 7th November 2008 and January 2009 identified a number of areas of activity that would support the Investment Strategy outcomes and should therefore be progressed through Working Wirral funding.

International Links

6.2 The International Links Project will include the following activities:

- the development of economic and cultural relations with China, including the engagement of an appropriate consultant on a retainer basis (approx £30,000 per year); The skills and expertise brought by such a consultancy will support both the development of Projects outlined in the Cabinet report to members on 27th November 2008 and help support trade initiatives between Wirral and the Chinese market. Some Wirral businesses are already trading in that market and the growing Chinese market offers potential opportunities for other businesses in Wirral. The consultancy would also be utilised to deliver seminars on potential businesses links and general advice on taking forward businesses opportunities and protocols, in addition to also supporting/advising Council officers on potential Inward Investment opportunities
- a post within the Corporate Services Department at PO10 (£34,976-£37,555) to co-ordinate activity on all matters relating to International Links. The post will support local businesses to understand and exploit new overseas trade and investment opportunities. The post would be funded from Working Wirral funds until 31st March 2011;
- To support, identify and develop future project activities up to a maximum of £100,000 per year in line with the proposals that were reported to Cabinet in January 2009 (Item 11 Minute 334 refers).

6.3 The overall cost of the project will be £180,000 per annum.

6.4 It is recommended by the Investment Strategy Board that this project is funded up to a maximum of £360,000 from April 2009 to the end of March 2011, subject to detailed contracting

Support for Businesses

6.5 Supporting Small and Medium Sized Enterprises in Wirral is a key objective of the Investment strategy, the Enterprise Strategy and is a key priority for the Invest Wirral team. There are in excess of 3,000 businesses in Wirral that are not registered for VAT and it is envisaged that through growing those businesses, Wirral can increase the number of employment opportunities available to those residents.

6.6 Equally, given the current economic conditions, it is critical that support is available to businesses to enable their sustainability in what is an increasingly difficult time for them. The programme of support will be through a mixture of capital grant and also access to consultancy support. Capital Grant will be offered to Wirral businesses that have viable project proposals to support the sustainability or growth of the company. Grants will be subject to a robust health check and dependant on a business plan being in place.

6.7 The Consultancy support will assist with financial planning and developing a relevant business plan for current market conditions and businesses will receive up to 3 days consultancy free of charge. The total Working Wirral allocation will be £800,000 per annum over a two year period (up to 31st March 2011) and it will be used to provide grant and consultancy support. The project will work in tandem with the ERDF 4.2 project that Cabinet agreed for Working Wirral funding in December (Item 18 Minute 305 refers) as match funding for the European resource. The ERDF 4.2 project will provide support for micro businesses via three Business Advocate posts which will be provided by a third party. The activity will be fully in line with the support services available regionally and the principles of Business Support Simplification Programme. The project will be marketed using the Wirral Business Forum.

6.8 It is recommended by the Investment Strategy Board that this project is funded up to a maximum of £1,600,000 from April 2009 to the end of March 2011, subject to detailed contracting

7.0 **INFRASTRUCTURE SUPPORT**

7.1 Addressing infrastructure constraints has been a key focus for Liverpool City Region partners for a number of years with several key employment sites suffering from significant power supply issues. Additionally, digital access is also an issue for many areas across the North West Region. Following discussion at the Investment Board in January 2009, investment in infrastructure in Wirral was identified as an area that needed specific focus over the next twelve months, particularly given the difficult economic climate. In order to understand Wirral's needs, Officers are exploring the possibility of undertaking work on identifying the issues and the exact infrastructure requirements that the Borough has in order to promote itself as a key investor location for when the economy starts to grow.

7.2 The Investment Board recommended the use of up to £50,000 of the Working Wirral allocation to further investigate infrastructure issues in relation to power and digital access.

8.0 **FINANCIAL IMPLICATIONS**

8.1 Wirral has been allocated £28.4 million of Working Neighbourhoods Fund resources (subject to confirmation for 2010/11). The allocation is paid through the LAA's Area Based Grant.

8.2 In line with the principles set out in the Compact between Wirral Council and Wirral's voluntary and community sector it is proposed that, where necessary, claims from voluntary or community groups in receipt of Working Wirral funding, can be made in advance.

8.3 To comply with the compact and protect the Council's financial position as accountable body for the Funding It is recommended that if any advance funding for cashflow reasons is required, it is only done for voluntary and community sector groups on the maximum of a quarterly basis at a time and that it is subject to:

- i) the organisation clearly evidencing a need for advance funding, and
- ii) that the quarterly performance report submitted at the end of each quarter demonstrates that the project is performing to target and timescales before any further advances of funding are made.

9.0 **STAFFING IMPLICATIONS**

9.1 The post for the Corporate Services Department would be located within the Strategic Development team. The post would provide redeployment opportunities for officers who are part of the Council's redeployment process. The post would be on a fixed term basis until 31st March 2011 (subject to the Government's confirmation of WNF resources) and at the end of the funding the employee would be dealt with in line with the Council's workforce policies. A report will be submitted to Employment Committee in April.

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

European Social Fund Complementary Strand – Report to Cabinet 23.07.08

Working Neighbourhoods Fund – Report to Cabinet 04.09.08

Working Neighbourhoods Fund – Report to Cabinet 16.10.08

Working Neighbourhoods Fund – Report to Cabinet 10.12.08

Working Neighbourhoods Fund – Report to Cabinet 15.01.09

18.0 RECOMMENDATIONS

18.1 Cabinet as accountable body for the Working Neighbourhoods Fund agrees the recommendations of the WEDS Partnership and Investment Board, subject to detailed contracting Working Wirral expenditure for:

- Advocacy in Wirral – Wirral Bridges project up to a maximum of £49,246 for the period 2009 – 2011;

- Wirral Learning Consortium – Supporting Wirral project up to a maximum of £1,104,998 for the period 2009 – 2011;
- Wirral Mind ABC Together Project to a maximum of £752,783 for the period of 2009-2011
- Remploy- Linking people to Employment project to a maximum of £806,308 for the period 2009-2011
- Cheshire & Wirral NHS Foundation Trust – Improving Health project to maximum of 163,140 for the period 2009-2011
- Wirral Society of the Blind and Partially Sighted – Training and Development project to a maximum of £37,253 for the period 2009-2011
- Wirral Metropolitan College – First Steps to Employment project to a maximum of £130,000 for the period 2009-2011
- Enterprise Solutions - 3 month extension to the WirralBiz programme up to a maximum of £262,500 for the period 1 April to 30 June 2009;
- International Links Project up to a maximum of £360,000 for the period 2009-2011
- Support for Small Medium Sized Enterprises project up to a maximum of £1,600,000 for the period 2009-2011
- Infrastructure studies up to a maximum of £50,000 for the period 2009-2011.

18.2 It is recommended that if any advance funding for cashflow reasons is required, it is only done for voluntary and community sector groups on the maximum of a quarterly basis at a time and that it is subject to:

- i) the organisation clearly evidencing a need for advance funding, and
- ii) that the quarterly performance report submitted at the end of each quarter demonstrates that the project is performing to target and timescales before any further advance of funding is made.

J. WILKIE

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