

# BRIDGEND COUNTY BOROUGH COUNCIL

## REPORT TO CABINET

12 JANUARY 2016

### REPORT OF THE CHIEF EXECUTIVE

#### COMMUNITIES FIRST 2016/17

##### **1. Purpose of Report.**

1.1 The purpose of the report is to:

1. seek approval from Cabinet to submit a Single Delivery Plan to Welsh Government for grant funding for the Communities First programme for 2016/17;
2. seek endorsement for a 12 month extension of contract arrangements for a Financial Well-Being and Support project provision with Bridgend Citizen Advice Bureau (CAB);
3. authorise a waiver from the Council's Contract Procedure Rules under rule 3.2.3 to enable the Council to enter into a Service Level Agreement with Newport City Council for the provision of an on-line monitoring tool for the Communities First (C1st) programme;
4. update members on the Communities For Work programme. (C4W)

##### **2. Connection to Corporate Improvement Objectives/Other Corporate Priorities**

2.1 The actions in the report support the Welsh Government's (WG) national programme objectives. Locally the actions support all Corporate Plan objectives.

##### **3. Background.**

- 3.1 Funding for the current Communities First Programme is scheduled to end on the 31<sup>st</sup> March 2016. This funding has been provided to support 3 separate Cluster Delivery Teams and Delivery Plans in Upper, Mid and Lower Cluster in the County of Bridgend. These clusters were designated via statistical data from the Welsh Index of Multiple Deprivation. Funding has been at a level of: Upper Cluster £602,614; Mid Cluster £568,464; and Lower Cluster £567,237.93 and has supported a broad range of activities for Learning, Health and Prosperity purposes with a staffing structure of 35 full time equivalent posts directly employed by the Council.
- 3.2 In addition, contract arrangements are in place with Bridgend CAB for the provision of a Financial Well-Being and Support project to the value of approximately £80,000 per annum. The contract has in place an extension of the contract clause which will allow the continuation of this project for the 2016/17 financial year.
- 3.3 Funding for 2015/16 has also included a Communities First and Pupil Deprivation Grant (PDG) match funded project with schools in the Lower Cluster. WG has confirmed that the current arrangements will not be taken forward for the 2016/17

year. It is therefore intended to enter into discussions with schools to ascertain whether activities can be taken forward under the Communities First Programme only.

- 3.4 WG has issued 'in principle' offer letters to award a maximum grant of £1,738,317 to the Council for the County of Bridgend. This is at the same level of funding as the current year. At this stage, this is an indicative level of funding which will be confirmed subject to the submission of a Delivery Plan by February 5<sup>th</sup> with financial approval expected in mid-March 2016 after the ratification of WG budgets on the 8<sup>th</sup> March.
- 3.5 Previously WG required the submission of separate plans for each of the 3 clusters. For 2016/17 WG are giving Local Delivery Bodies (LDB's) the option of developing a Single Delivery Plan rather than the 3 separate Cluster Plans Bridgend currently has in place. This is a welcome shift which will simplify the management of the grant and allow a move to more thematic way of working without adversely affecting delivery within the Cluster areas.
- 3.6. Cabinet has previously approved in principle to enter into discussions with WG to deliver a European Social Funded project Communities for Work. Discussions are on-going with WG regarding the legal arrangements with the Council which will require the signing of a Deed of Entrustment.
- 3.7 Newport City Council has developed a bespoke software system for the recording and monitoring of the Communities First Programme and is making the system available to other authorities for a small one-off fee of £3,000 per cluster, £9,000 in total, which will be covered by WG grant funding. As this is a unique and bespoke system for the purposes of the C1st Programme, WG has encouraged the take up of this system and has confirmed that it is eligible expenditure.
- 3.8 In accordance with the Council's Contract Procedure Rules, Rule 7.2.2 requires a minimum of three quotes to be requested from businesses preferably registered on the National Procurement Website for contracts between £5,000 to £25,000. However, because of its technical and unique merits it is considered that this service can only be provided by Newport City Council and is therefore exempt from such a requirement under rule 3.2.3. which states that a waiver from tendering or obtaining quotations may be obtained where:

The works/goods/services can be provided only by a particular Tenderer for reasons that are technical, artistic, or connected with the protection of exclusive rights

In order to enter into this arrangement it is proposed that the Council enters into a direct agreement in the form of a Memorandum of Understanding with Newport City Council.

#### **4. Current situation / proposal.**

##### Communities First

- 4.1 Due to the level of funding indicated for this Council there will not be a requirement to re-structure the Programme on a wholesale basis. Activities will be refined and

re-shaped to meet WG targets and outcomes framework to ensure that activities remain fit for purpose. It is intended therefore to implement a minor management re-shaping to simplify the management of the Programme to allow for the move to more thematic way of working. This will require consultation with affected members of staff before April 2016. Subject to WG confirmation of funding, staff contracts will be extended to the 31<sup>st</sup> March 2017. Any staff changes will follow the Council's Human Resources policies and be subject to any appropriate staff and Trade Union Consultation.

- 4.2 Redundancies are not expected given the indicative level of funding allocated to the Council as Lead Delivery Body (LDB). Recruitment issues and staff movement have been a major risk to the successful delivery of the Programme and continue to be a challenge for the Programme. Despite this, it is necessary to ensure that employment law is complied with and formal notices of redundancies may need to be served if the final funding allocation is not confirmed before the date notice must be given. If, once received, the confirmed funding levels are in line with the indicative level of funding, any redundancy notice if already given to staff will be withdrawn immediately. Should the confirmed final funding allocation differ greatly from indicative levels meaning redundancies would be necessary then the redundancy consultation would continue (if already started) or commence. In this situation, initially the intention would be to realise savings through the reduction of vacant posts within the current staffing. This would avoid or minimize potential redundancies. If the final funding level requires compulsory redundancies any possible redundancies would be subject to the appropriate staff and trade union consultation. Informal consultation and information sharing with staff has already started and will be on-going through this process.
- 4.3 The commissioned Financial Well-Being project currently delivered by CAB will be reviewed; subject to the findings of that review the current provider could continue to deliver this service, as the contract provides the option for a 12 month extension to the current arrangements for the 2016/17 financial year. No operational issues have occurred during the existing contract period and CAB has exceeded many of the outcomes targets set by the Programme. Cabinet is requested to endorse the continuation of this contract until March 2017 subject to the outcome of a successful review. Should the review identify any issues then the council would work with CAB to resolve these. Should the issues be substantial advice would be sought from WG and Council regarding alternative arrangements.
- 4.4 As in the current Programme, payment of funding will be made in arrears, subject to satisfactory monitoring information being provided to WG on a quarterly basis.
- 4.5 WG is seeking to move to closer alignment between the 4 main grant funding programmes of Communities First, Families First, Flying Start and Supporting People. Work on this alignment is continuing by WG with a report expected in the near future. Work has already commenced on mapping the 4 Anti-Poverty programmes (identified above) in the County of Bridgend. WG has indicated that guidance on this alignment is imminent. It is recommended that C1st progress with the submission of a single plan and when WG's longer term plans are known for all of the 4 Anti-Poverty programmes that internal discussions continue in preparation for this alignment when the details are available.

## Communities for Work (C4W) European Social Fund (ESF)

4.6 Subject to the successful conclusion of discussions with WG it is expected that the project will be implemented from April 2016 onwards. This European funded project is expected to work side by side and managed by the C1st programme. The project will work closely with employment advisors employed directly by the Department of Work and Pensions (DWP) and will provide a broad range of support and advice to long term unemployed adults and young people within the C1st Cluster areas. ESF funding will support a total of 10 posts, to support the work of each of the cluster areas –

- 1 x Finance, Governance and Quality Officer
- 3 x Triage posts
- 3 x Adult Mentor
- 3 x Youth Mentor

4.7 These posts will sit side by side with the C1st programme and recruitment to those posts will be implemented as soon as discussions with WG are successfully concluded. BCBC recruitment processes and policies will be followed and where possible secondment opportunities from partner organisations will be encouraged as part of the recruitment process.

### **5. Effect upon Policy Framework & Procedure Rules.**

5.1 There is no effect upon the Policy Framework and Procedure Rules

### **6. Equality Impact Assessment**

6.1 An Equality Impact Assessment (EIA) will be completed for the C1st grant applications.

### **7. Financial Implications.**

7.1 The extension of current staff contracts for a further year may result in increased redundancy liabilities for the Council, if and when the Programme comes to an end. These potential costs are not covered by the WG grant and will need to be met in the event that WG decide to discontinue the Programme. WG proposals for the Programme after the 2017/18 year remain unclear.

7.2 Redundancy Payments may be incurred should the actual amount of funding confirmed in March 2016 differ greatly from the indicative allocation.

7.3 The implementation of C4W may cause further liabilities to be incurred by the Council as European funding for this project will cover only statutory redundancy costs for the period the person is employed on the project.

### **8. Recommendation.**

8.1 It is recommended that Cabinet –

- a) approves submission of a Single Delivery Plan for funding for the 2016/17 financial year as outlined above and approve the acceptance of the WG Communities First Grant under Delegated Powers;
- b) endorses the extension of the Financial Well-Being and Support project contract with Bridgend CAB, subject to a positive review and assessment for a 12 month period; and
- c) authorises a waiver under Contract Procedure Rule 3.2.3 from the requirement to competitively tender the provision of an on-line monitoring tool on the basis that Newport City Council is technically the only potential provider of the service
- d) authorises the Chief Executive to enter into a Memorandum of Understanding and any ancillary documentation for the use of the Communities First database, with Newport City Council, in consultation with the Assistant Chief Executive Legal and Regulatory Services and the s151 Officer; the terms of the Memorandum of Understanding and any ancillary documentation to be approved by the Assistant Chief Executive Legal and Regulatory Services and the s151 Officer
- e) delegate authority to the Chief Executive in consultation with the Communities Cabinet Member, the Assistant Chief Executive Legal and Regulatory Services and the s151 Officer to enter into of a Deed of Entrustment for the C4W programme on terms to be approved by the Assistant Chief Executive Legal and Regulatory Services and the s151 Officer.
- (f) Note that an update report in respect of the Communities First Programme will be presented to Cabinet within the next six months.

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**Background documents**

None