

Chichester District Council

OVERVIEW AND SCRUTINY COMMITTEE

13 September 2016

Chichester in Partnership – Choose Work Project

1. Contacts

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2. Recommendation

- 2.1 That the committee considers the future options for the Choose Work Project as set out in section 5 and 6 and makes recommendations to Cabinet about the future direction and funding of the project.**

3. Executive Summary

This report sets out the history and background of the Choose Work partnership project. This project was set up by Chichester in Partnership as part of its “Getting people into Work Strategy” in 2012 and has helped 23 local residents back into work or to move their lives forward in the projects first 2 years. Appendix 1 includes the more recent of two independent evaluations of the project which conclude that the holistic nature of the project delivers successful outcomes for the clients it is hard to measure the overall social impact. The project is currently part funded by CDC and Department of Work and Pensions (DWP) until 31 March 2017. The project has had to adjust its focus over time in response to the outcomes DWP sought from its funding in response to a changing employment context in the district. DWP has informed us that it will be allocating funding by a commissioning process rather than a grant process for the next financial year 2017/18 and it is therefore uncertain whether DWP funding will be available for the project in the future. This report reviews the project, its outcomes and achievements, and asks the Committee to consider its view of the future direction and funding options for the project from April 2017.

4. Background

- 4.1 In September 2011 Chichester in Partnership identified that rising unemployment and the particular issue of long term unemployment was a growing issue for the district and could have an impact on the quality of life. To begin tackling the issue, Chichester District Council’s Economic Development Service and the Partnership’s Officer, in consultation with numerous partner organisations, developed the ‘Getting People into Work Strategy’ (GPIWS) 2012-15 and accompanying Action Plan. It was approved by Chichester in Partnership in May 2012 and adopted by Chichester District Council’s Cabinet in June 2012.

- 4.2 The Partnership successfully applied for grants from the DWP totalling £26,500 to employ a part time Work Experience Coordinator for two years, with CDC paying the on costs.
- 4.3 'Choose Work' was established by the Chichester in Partnership working group in January 2013. It was agreed by the group that CDC would host the service working closely with the local Jobcentre Plus to provide good quality work experience for unemployed people across the District. Around 120 people per year have benefitted from some form of interaction with the work experience coordinator and, in its first two years, Choose Work exceeded its target of engaging 80 people into work placements. In the first two years 92 unemployed people were placed into voluntary work experience in local businesses, 25% of whom (ie 23 persons) found work and better future prospects. Over 30 companies were involved in offering work placements. For every person back to work it is estimated to save the public purse £8956 (source: Department of Communities & Local Government). The project has cost in total £130,367.25, approximately if only 15 people get back into work from being on the project it will make its money back for the public purse.
- 4.4 From the outset, the Choose Work Coordinator also offered mentoring and coaching to the individuals. In January 2014 the University of Chichester carried out an evaluation of the scheme with extremely positive results, stating:
- "It is clear the Choose Work Programme has been effective in providing a holistic approach to enabling people into work. Each individual is treated as such with attention given to finding out their hopes and aspirations and the challenges they face on the way. These challenges can be numerous and not immediately apparent."*
- 4.5 The Choose Work Coordinator also found that some participants suffer from low level mental health issues (e.g. anxiety, depression, learning difficulties). While such issues prevent them from getting work they are not bad enough to receive medical assistance or, in some cases, clients have come through treatment and have nowhere else to go. To assist, during 2014, Chichester Wellbeing funded a number of Choose Work workshops called 'Choose Your Future'.
- 4.6 Throughout the first two years of the project the DWP expressed their satisfaction with Choose Work and it was therefore agreed to apply for funding from the DWP for an extension and enhancement of the project for a further three years until 2017. However DWP priorities had changed over this period. Job Seekers Allowance (JSA) figures in the area have reduced from 1460 in January 2013 to 540 in September 2015 and as the main funder of the project the outcomes had to reflect this change. The DWP focus shifted to those claimants on Employment and Support Allowance (ESA)¹ and those in rural areas, also they would only do funding on an annual basis. Therefore from 2015 Choose Work employed a second part-time co-ordinator who would extend the project to rural areas, leaving the existing co-ordinator to focus on groups facing social injustice, especially those in the City of Chichester and the 'Think Family' Neighbourhoods.

¹ Employment Support Allowance (ESA) -is a benefit for people who are unable to work due to illness or disability

Job Seekers Allowance (JSA) –benefit which is paid to people who are unemployed and actively seeking work.

- 4.7 In June 2014 the Cabinet and OSC received a report and welcomed the progress of the project and commended the co-ordinator on his achievements. Cabinet supported the extension of the project as proposed and confirmed the allocation of up to £30,000 (£10,000pa) from the New Homes Bonus to contribute to the total cost of the project over 3 years. However, at the end of 2014, the DWP advised that they could only allocate funding for a further one year. Nonetheless, the DWP encouraged us to increase the hours of the 2 part-time posts to 48 hours in order to give us greatest value for money.
- 4.8 From January 2015-16 local JSA figures remained low (640) and the project focussed on those 2,680 ESA claimants, helping many harder-to-reach unemployed residents who needed more bespoke support in their journey back to employment. The project delivered monthly employability and personal development workshops and individual support in the rural areas of the District. Choose Work has engaged with 299 clients, 66 work experience placements have been delivered, and 30 new work experience providers engaged.
- 4.9 At the end of 2015 a further DWP funding application was made to extend the project to January 2017. However, as a result of the DWP changed priorities (for a more holistic and personal development approach instead of work experience) they considered the bid to be no longer eligible. The bid was redesigned away from work experience and focussed more on supporting people on their “personal journey to work”. This was an approach that Choose Work was already developing. The bid was resubmitted and accepted by DWP, and produced funding of £38,770 to support the project until 31/03/2017
- 4.10 The Corporate Policy team has completed an evaluation of the whole of the Choose Work project looking at the financial and social benefits to the council and partner organisations investing in the project. This evaluation can be found in Appendix 1. Its findings were that:

“Choose Work can be shown to make a very positive impact on those who engage with it. Feedback from participants, employers and local partners who refer clients to it is overwhelmingly positive and the social benefits to the individuals who engage are clear. However, the scheme can only help those who choose to engage with it and there are still some groups where the potential benefits have not yet been realised. It is also difficult to establish whether those who choose to engage (and are therefore actively seeking help to become employed) would have achieved similar levels of progress without the Choose Work scheme.

The financial benefits associated with getting workless individuals back into work are significant, but generally not realised directly by CDC.”

5 Outcomes to be achieved

- 5.1 As evidenced in the GPIWS, the longer a person is out of work, the more difficult it becomes to secure employment and the greater the impact on other issues such as their health and wellbeing. Consequently the proposed outcome would be to continue to support people to improve their lives and employment chances, particularly those that face social inequality such as lone parents, ESA claimants, care leavers (such as young people just turning 17 in care homes or foster care), 50+, ex-offenders and unemployed people in rural areas.

- 5.2 DWP now recognises that some people are much further from being ready for the work place than others due to their personal circumstances and therefore may need more support for longer. The focus for their funding has influenced the direction of the project away from directly getting people into work to supporting people to be ready for work as measured by their personal development which is reflected in the current outcome targets. There are a lot of intangible benefits for the clients of the Choose Work scheme and this can be seen through our case studies in Appendix 2
- 5.3 The current targets for Choose Work (March 2016- March 2017) are:
- 80 clients moved forward
 - 30 clients that are the furthest distance from the labour market supported to be more resilient
 - 150 clients participated in engagement days
- 5.4 Choose Work supports the Council's strategic priorities for the economy and a current Corporate Plan target which reflects the earlier focus of the project.
- “55 Choose work placements will be provided during 16/17 of which 40% will secure employment at the end of the programme”
- 5.5 The project also supports the vision and priorities set out in the newly revised Community Strategy 2016-2021 which seeks to help the people of Chichester District reach their potential. This project also links with and supports the Think Family service and Wellbeing Service.

6. Alternatives

- 6.1 A new Getting People into Work Strategy 2015-2018 was approved by Chichester in Partnership in December 2014 and adopted by Chichester District Council's Cabinet in March 2015. Choosework is currently a key component of that strategy but its focus has changed in response to funding priorities and with its future funding uncertain there is a need to consider both its priority outcomes and funding. CDC has so far provided 30% funding for the project. Whilst JSA claimants remain at a low level in the District ESA claimants remain around 2680 and require significant support if they are to move towards employment.
- 6.2 The following options are identified for the Committees consideration:
- 6.2.1 *CDC Fully Fund* - The total cost of the project from March 2017 to March 2020 would be £114,000.(£38,000 a year) This would fund salaries for two part-time coordinators over three years, including the employer's pension contributions and estimates on redundancy figures as at 31 January 2020. The objectives of the project could then be set in line with the current and future corporate plans and even more closely with Think Family and Wellbeing projects.
- 6.2.2 *CDC Part Fund* - Continue to provide 30% of the funding (£34,200 over 3 years in total) with further funding being sourced from partners and grants. Despite DWP being impressed with our track record, their funding approach is changing to commission local services with contracting needs determined

by the local Job Centre and their commercial services. It remains to be seen what is commissioned and if it aligns with our own priorities and then decide whether we wish to bid for this money as a council, or as part of a partnership, or allow other existing providers to deliver – currently there is only one generalist supplier locally though other specialist services exist. The alternative is to seek funding from other partners or to bid for funds from a source other than DWP. CDC has bid for £320,000 to the Big Lottery Building Opportunities fund. This fund must be spent in two years. If successful this would fully fund the project for two years and CDC funding would not be needed. If successful in this bid we could build on the Choose Work brand and expand the project with specific schemes to work with young people and carers. We will not know the result of this bid until later in the year. Chichester in Partnership partners will also be approached for funding

- 6.2.3 *CDC ceases funding* - Over the lifetime of this project it has exceeded the targets set and has made a positive impact on the lives of local residents and has a very positive image with both residents and partners. Other outcomes within the GPIWS will still need to be delivered and could be more difficult to achieve without the Choose Work project but we could use the Choose Work branding on any legacy work delivered. As a council we are not legally obliged to deliver such a service, however the Work programme (government's payment by results approach to help the long-time unemployed) will be coming to an end in 2017. They will be bringing in the Work and Health Programme as a replacement but it has less funding than current programmes.

7. Resource and legal implications

- 7.1 If approved both posts will continue to be managed within existing resources of the Economic Development Service
- 7.2 It is proposed that any CDC investment is sourced from the unallocated New Homes Bonus.
- 7.3 Project support and governance is managed through existing resource as CDC chairs and is the lead partner on Chichester In Partnership. The monitoring and review is managed by a Steering Group which is chaired by Mark Webb, Employment Advisor, Change, Grow, Live. The Partnership Officer offers support to this group and leads on project work.

8. Consultation

- 8.1 Partner organisations consulted in the development of the original GPIWS and the new strategy include:
- Department for Work and Pensions
 - Voluntary Action Arun and Chichester
 - Chichester Chamber of Commerce and Industry
 - Chichester College
 - University of Chichester
 - Royal British Legion Industries (a work programme provider)
 - Action in Rural Sussex

- StonePillow
- Chichester and Arun Citizen’s Advice Bureau
- West Sussex County Council
- Affinity Sutton

8.2 The DWP and Job Centre Plus are extremely supportive of this project and consider that it adds value to the work that they are doing. However changes in their funding mechanisms have led to short term funding commitments.

8.3 Previous reports on the progress of the project have been considered by Cabinet and the Overview and Scrutiny Committee and Chichester in Partnership in 2014 and 2015 and have supported continuation of the project.

9. Community impact and corporate risks

9.1 The project has a positive impact on unemployed residents in our district by supporting them back into work and so improving their resilience which in turn may reduce their need for support from a range of public services. It is also raising individual skills and aspirations; offering career guidance and work experience; and supporting local businesses to employ local people.

9.3 Risks to CDC have been kept to a minimum. Estimates for potential redundancy costs, in the event that the scheme is not continued after three years, have been accounted for within the funding proposals

9.5 Without any certainty in future funding we risk losing experienced staff members and their skills. We could also lose the good working relationships we have built with partner organisations such as DWP.

10 Other Implications

	Yes	No
Crime & Disorder:		✓
Climate Change:		✓
Human Rights and Equality Impact: By continuing the scheme we can ensure that any unemployed resident in Chichester can access the scheme irrelevant of what benefit they are claiming. It will also ensure that rural residents will have improved access to the scheme.	✓	
Safeguarding:		✓

11 Appendix

Appendix 1 – Evaluation of Choose Work by Corporate Policy

Appendix 2 – Choose Work case studies

12 Background Papers:

- Evaluation of the Choose Work scheme by University of Chichester on behalf of Chichester in Partnership (February 2014) – OSC papers 28 March 2014