

Chichester District Council

THE CABINET

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Chichester in Partnership – ChooseWork Project

1. Contacts

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2. Executive Summary

Since its inception in January 2013, the Council's ChooseWork project has been, and continues to be, very successful, delivering 187 work placements, helping 94 local residents back into work, with an estimated saving to the public purse of £772,586.

The project is currently part funded by CDC and the Department of Work and Pensions (DWP). However, this funding is for a fixed term which only runs to 31 March 2017. DWP's funding programme is changing to a short-term commissioning process rather than a grant process. Significant long-term DWP funding will therefore not be available for the project in the future.

This report reviews the project, its outcomes and achievements, asks the Committee to note the recommendations of the Overview and Scrutiny Committee, and recommends that Cabinet supports and funds the project and seeks partnership match-funding.

3. Recommendation

- 3.1 That Cabinet approve the continuation of the ChooseWork project for a further three years from March 2017 and that the Council continues to support the project by hosting it and part funding it at 30% of the total cost from unspent balances and the unallocated New Homes Bonus.**
- 3.2 That the Economic Development Manager and Partnerships Officer seek and agree partnership contributions and match funding towards the balance of the cost of the project**
- 3.3 That, if there is a shortfall in funding secured from partners, a further report is made to Cabinet to consider the future of the programme**

3.4 That Cabinet considers the recommendations of the Overview and Scrutiny Committee as set out in section 8.4

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 tackle the issue, the Council's Economic Development Service, 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 Department for Work and Pensions (DWP) totalling £26,500 to employ a part time Work Experience Coordinator for two years, with CDC paying the on costs.
- 4.3 'ChooseWork' was established in January 2013. Based within the Economic Development Service, the Work Experience Coordinator worked with the local Jobcentre Plus to provide good quality work experience for unemployed people across the District. During its first two years, around 120 people per year benefitted from interaction with the work experience coordinator, and 92 unemployed people were placed into voluntary work experience (exceeding the target of 80), 47% of whom quickly found work and better future prospects. Over 30 companies were involved in offering work placements (see Appendix 1). A return on investment calculation (based on DCLG figures) indicates that this project over a 2 year period saved the public purse an estimated £361,636 – 14 times the original investment of £26,500.
- 4.4 The ChooseWork 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 ChooseWork 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 Some ChooseWork participants also suffered from low level mental health problems preventing some from getting work, and others, who have gone through treatment, having nowhere else to go. To assist, during 2014 Chichester Wellbeing funded a number of ChooseWork workshops called 'Choose Your Future'.
- 4.6 In June 2014 the Cabinet welcomed the progress of the project and commended the co-ordinator, Steve Hill, on his achievements. Throughout the first two years of the project the DWP also expressed their satisfaction with ChooseWork.
- 4.7 Cabinet supported a three-year extension and enhancement of the project to employ a second part-time co-ordinator to enable coverage of rural areas, and allocated £30,000 (£10,000pa) to contribute to the total cost. However, at the end of 2014 the DWP advised that they could now only allocate funding on a

year-to-year basis. Nonetheless, they 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, in line with DWP's changing priorities, the project delivered monthly employability and personal development workshops and individual support in the rural areas of the District. ChooseWork engaged with 299 clients, 66 work experience placements were delivered, and 34 new work experience providers engaged, exceeding all targets (see Appendix 1).
- 4.9 At the end of 2015 DWP agreed further funding of £38,770, extending the project to March 2017. DWP now recognise that some people are much further from being ready for the work place than others due to their personal circumstances. This has influenced the direction of the project to provide an even more holistic and personal development approach to supporting people on their 'personal journey to work' (current outcome targets in Appendix 1).
- 4.10 DWP continue to be impressed with our track record. However, their funding approach is changing to commissioning local services with payment on results, rather than directly grant funding targeted projects. The Council does not yet know what will be commissioned or if it will align with the needs of residents in our District, although DWP have indicated that, initially, there will only be short-term contracts to undertake specific work for the local job centre, as a need arises.

5 Outcomes to be achieved

- 5.1 Assisting people into work has a wide range of benefits and positive knock-on effects for the economy and society as a whole. ChooseWork supports the Council's own strategic priorities for the economy and for community wellbeing. The project assists in improving the quality of the labour market and supports the needs of local employers through the provision of short-term work placements, many of which develop into permanent employment.
- 5.2 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 it has on other issues such as health and wellbeing. The intended outcome is to continue to support people to improve their employment chances and, where possible, to find paid employment, particularly those that face social injustice such as lone parents, ESA claimants, care leavers, 50+, ex-offenders and unemployed people in rural areas.
- 5.3 There are many intangible benefits for the clients of the ChooseWork scheme. This can be seen through the case studies in Appendix 2. Furthermore, the council's Corporate Policy team has completed an evaluation of the ChooseWork project (see Appendix 3). It states:

"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.

The financial benefits associated with getting workless individuals back into work are significant."

6. Proposal

- 6.1 In line with the current Getting People into Work Strategy (approved by Chichester in Partnership in December 2014 and adopted by Chichester District Council's Cabinet in March 2015), it is proposed to continue Choose Work for at least a further three years.
- 6.2 The project currently employs three part-time co-ordinators (FTE of 1.3). The total cost of the project from March 2017 to March 2020 is £120,000. This will continue to fund salaries for the part-time coordinators over three years, including the employer's pension contributions and estimates on redundancy figures as at 31 March 2020.
- 6.3 It is estimated that, at March 2017, there will be c. £10,000 remaining from the £30,000 previously allocated from the New Homes Bonus reserve.
- 6.4 DWP are currently unable to provide any further funding to continue the project. Through their adoption of the GPIWS, both the Council and Chichester in Partnership have confirmed their wish to see the project continue, but Chichester in Partnership partners have not come forward with any financial support. Officers are now actively seeking partner funding, but there are no guarantees this will be forthcoming. An oral update on securing partnership funding will be made to the meeting.
- 6.5 Therefore, it is proposed that Cabinet:
 - confirm that the £10,000 funding already allocated can be used to help extend the scheme for a further three years
 - allocate further funding of £26,000 from the unallocated New Homes Bonus which, with the existing £10,000, equates to 30% of the project cost over 3 years
 - Authorise officers to seek and agree partnership contributions from partners and businesses who have benefitted from ChooseWork, and to seek other match-funding towards the cost of the project. Should this partnership funding not be secured that a further report be brought back to Cabinet to consider the future of the programme

7 Alternatives that have been considered

- 7.1 Do nothing. If no further funding is found, the project will end in March 2017. This will not address the identified need, nor address the actions in the Getting People Into Work Strategy. The number of people on ESA or incapacity benefits in Chichester currently stands at 2,580. These people need a lot more support to be ready for work. Over the lifetime of this project ChooseWork has exceeded the targets set, made a positive impact on the lives of local residents, assisted numerous local businesses, and has a very positive image with both residents and partners.
- 7.2 Seek alternative sources of funding or bid for funds from a source other than DWP. The council has submitted a stage one application to the Big Lottery Building Opportunities fund. If successful this would fully fund the project for two years and CDC funding would not be needed. We will not know the result

of this until later in the year and, if successful, a full stage two application will be required. To continue the ChooseWork project some certainty is needed now.

- 6.3 Chichester District Council could invest a reduced sum. This option would not keep the project at its current level of service for 3 years, and would reduce the number of people and businesses assisted.

7. Resource and legal implications

- 7.1 If the scheme continues as is the part-time posts will continue to be managed by the existing resources of the Economic Development Service.
- 7.2 It is proposed that the CDC investment is funded from the unallocated New Homes Bonus.
- 7.3 CDC chairs and is the lead partner on Chichester In Partnership. The monitoring and review is managed by the 'Worklessness Steering Group' which is supported by the council's partnership officer and attended by a ChooseWork co-ordinator.

8. Consultation

- 8.1 Chichester in Partnership wishes to see the project continue. Partner organisations consulted in the development of the GPIWS include DWP, 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, the CAB, West Sussex County Council and 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. In July 2015, Gary Edwards, DWP Grant Funding Officer commended the success of ChooseWork stating "*good to see the engagement in a number of rural areas and the continued linking with Social Landlords. I've been telling other local authority contacts to make more of their links with RSLs on the back of what is happening in Chichester. We all need to be working closely once Universal Credit begins to roll out in West Sussex*".
- 8.3 In June 2014 Cabinet supported the extension of the project. In July 2015 Overview and Scrutiny Committee received a report on the progress of the Getting People into Work Strategy which includes ChooseWork.
- 8.4 In September 2016, Overview and Scrutiny Committee (OSC) received a report on the progress of ChooseWork and considered options for the future of the project. They have recommended to Cabinet:
1. That the Choose Work Project be continued.
 2. That the change in focus of the Choose Work Project from Job Seekers Allowance (JSA) claimants to Employment Support Allowance (ESA) claimants be acknowledged and supported.
 3. That the Council continues to support the project by hosting it and part funding it at 30% and, if in the event there is a shortfall in funding, the

Council makes up that shortfall, but that further enhancements to the project should be sought.

- 8.5 Members will wish to consider the views of the OSC when making their resolution.

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 improving their resilience. It raises individual skills and aspirations; offers career guidance and work experience; and supports local businesses to employ local people. If individuals return to work they will not be claiming benefits and are less likely to demand other services such as health, police and housing.
- 9.2 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.
- 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

10 Other Implications

	Yes	No
Crime and 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		✓
Other (please specify) eg biodiversity		✓

11 Appendix

Appendix 1 – ChooseWork outputs from Jan 2013 to date

Appendix 2 – ChooseWork case studies

Appendix 3 – ChooseWork Project – Post Project Evaluation

12 Background Papers:

None