



## WMCA Board

<b>Date</b>	25 May 2018
<b>Report title</b>	Employment Support Pilot
<b>Portfolio Lead</b>	Skills & Productivity - Councillor George Duggins
<b>Accountable Chief Executive</b>	Nick Page, Solihull Metropolitan Borough Council email: npage@solihull.gov.uk tel : (0121) 704 6018
<b>Accountable Employee</b>	Julie Nugent, Director of Productivity & Skills email: julie.nugent@wmca.org.uk tel: (0121) 214 7942
<b>Report to be/has been considered by</b>	WMCA Programme Board - 11 May 2018

### Recommendation(s) for action or decision:

#### The WMCA Board is recommended to:

- (1) To delegate authority to approve the award of the Employment Support Pilot to the WMCA Director of Productivity & Skills, in consultation with the Portfolio Lead for Skills & Productivity.

## **1.0 Purpose**

- 1.1 To outline and agree the actions required to allow the Employment Support Pilot Contracts to be awarded to enable a June 2018 start date.

## **2.0 Background**

- 2.1 The first Devolution Agreement states that: “The Combined Authority will develop a business case for an innovative pilot to support those who are hardest to help [into employment]. The business case should set out the evidence to support the proposed pilot, cost and benefits and robust evaluation plans, to enable the proposal to be considered for funding at a later date, subject to Ministerial approval.”
- 2.2 Government indicated that the pilot should be innovative and designed to fill gaps in the ‘what works’ evidence. The results will be used to inform future government policy and the next spending review.
- 2.3 A business case was submitted to government on 24<sup>th</sup> February 2017. Government formally announced the award of £4.7m funding on 1<sup>st</sup> August 2017.
- 2.4 WMCA Board have agreed that the delivery of the pilot should be externally procured. The value of activity to be procured is a maximum of £4m with funding to be dispersed through a payment by results model. The funding opportunities were published on April 11<sup>th</sup> 2018 and divided into 9 separate LOT’s (Funding Opportunities) across the WMCA geography: Batchley and Brockhill (Redditch), Binley and Willenhall (Coventry), Birchills Leamore (Walsall), Camp Hill (Nuneaton & Bedworth), Cannock North (Cannock Chase), Chelmsley Wood (Solihull), Glascote (Tamworth), Shard End (Birmingham) and Washwood Heath (Birmingham).

## **3.0 Wider WMCA Implications**

- 3.1 As agreed with government, the Employment Support Pilot can be delivered within non-constituent member areas but cannot be delivered in the same areas as the Thrive Into Work Programme. Each local authority area in scope was asked whether they would like the pilot to be delivered within their area and to select their priority area for the pilot. The areas were agreed by WMCA Board at its meeting on 8<sup>th</sup> September 2017.

## **4.0 Progress, options, discussion, etc.**

- 4.1 In December 2017 a prior information notice was released informing the market of WMCA’s intention to procure delivery of the Employment Support Pilot and facilitate a market warming event. This was warmly received by the market with over 73 organisations expressing an interest and 58 organisations attending the session.
- 4.2 Through consultation with both the market and our Local Authority colleagues this has helped to refine the Employment Support Pilot and contributed to the specification released 11<sup>th</sup> April 2018.
- 4.3 In partnership with Local Authorities, Employment Support Pilot awareness events were held throughout April 2018 to promote the opportunity to local stakeholders and potential applicants.

4.4 The procurement process is scheduled to be completed by the end of May and the release of funding for the pilot from the Department for Work and Pensions is dependent on delivery commencing by 29<sup>th</sup> June. To allow the successful organisations to have time to effectively mobilise their delivery and commence activity by this date, contracts need to be awarded prior to the June Board Meeting. It is therefore proposes that the Board delegate authority to approving the award of contracts for delivery of the Employment Support Pilot to the Director of Productivity & Skills, in consultation with the Portfolio Lead for Skills & Productivity.

## **5.0 Financial implications**

5.1 The budget for the pilot is £4.7m over 3 years from 2018/19. Of the £4.7m, £500k will be allocated for Management and Administration and £200k for Evaluation.

5.2 The expected combined legal and procurement costs are c£30k. The first 20k of this is to be met from the £500k management and admin budget which will also cover the Employment Support Programme Manager post and 2 other support posts which will be recruited following the procurement exercise. This budget needs to be carefully managed to ensure costs stay within the £500k over the 3 years.

5.3 Any delay to the commencement of the contract may impact on the ability to meet the key outputs agreed between WMCA and DWP during the first financial year. If expected performance targets are not achieved in year 1 this may then impact on the release of funding in year 2.

## **6.0 Legal implications**

6.1 The procurement process and legal contracts required to support the pilot are being dealt with by external specialists. The deadline for responses is the 14<sup>th</sup> of May 2018 with interviews to be held week commencing 21<sup>st</sup> May 2018. It is anticipated that the Director of Productivity and Skills will be notified of successful applicants by the 28<sup>th</sup> of May 2018.

## **7.0 Equalities implications**

7.1 The activities of the portfolio are reflected in the WMCA Equalities Scheme.

7.2 The pilot should aim to reach harder to reach groups. All information produced or used in connection with the pilot should be as accessible as possible to people with disabilities and to people whose level of literacy in English is limited. The representation of users/customers should be monitored and appropriate steps need to be taken to ensure the customer make up reflects the diversity of the local area

## **8.0 Other implications**

8.1 N/A

## **9.0 Schedule of background papers**

9.1 N/A

## **10.0 Appendices**

10.1 N/A