

Cabinet

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European Social Fund, Families with Multiple Problems Programme

Report of Corporate Management Team

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Cllr Neil Foster Cabinet Portfolio Holder for Regeneration.

Cllr Claire Vasey Cabinet Portfolio Holder for Children and Young People's services

Councillor Morris Nicholls, Portfolio Holder for Adult Services

Purpose of the Report

1. To provide an update on the Department for Work and Pension's preferred bidder for the North East Contract Package Area (CPA) to deliver the European Social Fund (ESF) Support for Families with Multiple Problems provision and identify the implications for County Durham.
2. The report will also seek approval for the Corporate Director to utilise delegated powers to enter into negotiations and complete contract documentation and deliver the programme in County Durham.

Background

3. Department of Works & Pensions (DWP) is using around £200m of funding it receives from the ESF to help families with multiple problems overcome barriers to employment. This provision will support the wider cross-government Welfare to Work agenda to help improve the lives of families with multiple problems. This is in line with the commitment made by the Prime Minister last year to try to try to support every troubled family in the country before 2015.
4. This provision is aimed at individuals in multi generational families with multiple problems that require support to move into employment. The recent DWP co-design of services report highlights that many of these families are already known to and receiving support from local authorities; therefore, local authorities will be the prime means for identifying families/households to participate in this provision. It is expected that families with multiple problems who could benefit from employment focussed support will be prioritised and this could include families that have been stabilised following intensive

support from family intervention services, people with disabilities and health conditions, lone parents and other disadvantaged parents, older workers, people from ethnic minorities or people with low or no qualifications. To be eligible, families will have to have at least one member on DWP out of work benefits and a history of worklessness in the family.

5. The ESF provision will require a whole family approach to tackling the entrenched worklessness and complex need of these families, with the ultimate aim of improving social inclusion and social mobility and by helping the clients to enter and progress in employment, helping alleviate child poverty.
6. The Government has recently announced a further funding opportunity for Councils to work with Families that currently require multi agency support and have suggested the appointment of a "Family Co-ordinator" within each authority. Initial development funding has been made available to Councils, with the Think Family Board taking a lead on this.
7. While a great deal of service integration and linkage has already been undertaken as part of the roll-out of the One Point service offer, it is envisaged that the appointment of the Coordinator would ensure that delivery of the existing Think Family related projects including this ESF contract will be maximised, ensuring the most appropriate families are targeted, the required interventions are appropriately resourced and duplication of referral does not occur. Further information will be made available once the Durham approach has been agreed with the Department for Communities and Local Government.

Progress to date

8. Since summer 2011 DWP have been completing a procurement process through the Framework for the Provision of Employment Related Services to choose one of nine Prime Contractors to deliver in the North East CPA. On 17th October 2011 DWP announced that the preferred bidder for the North East CPA was The Wise Group. Discussions with the preferred bidder to finalise delivery, financial and contractual arrangements are ongoing. However, on the basis of the wide ranging services already provided to this client group, Durham County Council have been selected to provide end-to-end delivery in County Durham from December 2011 until December 2014. Over the 3 year period it is expected that we will be approximately 1,265 clients from multiple families across County Durham start on the programme.
9. The success of the ESF programme in County Durham will be judged on the following target outcomes (see Appendix 2 for description of client journey):
 - Conversion of starts to progress measure outcomes = 80%
 - Conversion of starts to job sustainability outcome = 25%
10. Unlike previous schemes where providers were paid on the activity they delivered this programme will pay providers based on the results they achieve. Following discussions with the Wise Group it has been confirmed that we will receive the following:

- **Progress Measure Payment** This can be claimed after 26 weeks for individuals who have successfully completed three progress measures.
 - **Job Outcome Payment**– This can be claimed for an individual who has a continuous period of employment of 13 consecutive weeks (26 out of 30 consecutive weeks if JSA claimant)
11. The Wise Group believe that the most effective way to deliver the service within County Durham is to utilise a locally established supply chain partnership. Therefore, part of the Wise Group offer for the ESF Families with multiple problems programme will involve working alongside us to manage a flexible fund throughout the lifetime of the provision to identify any gaps in local services. This funding will be utilised to support local providers to develop innovative service ideas to reduce provision gaps. The Wise Group would welcome the Council’s ongoing input to identify local gaps in provision and review proposals from local partners and particularly specialist providers from the Voluntary & Community Sector (VCS).
12. To support them in this process the Corporate Improvement Team have been engaged to build upon the work being completed to create an integrated, co-ordinated and multi agency approach to supporting families and present a more detailed description of the provision already being delivered by us and partners and the internal processes that are followed when working with families. This work will highlight any gaps in provision of support that is required by families and is intended to enable an informed decision by the Project Board to identify which providers, if any, need to be in our supply chain to deliver specialist provision. A secondary outcome will be the identification of any opportunities to rationalising existing contract or delivery arrangements.

Timescales

13. It is envisaged that the implementation of the ESF Families with Multiple Problems programme will follow the following timescales:

Activity	Timescales
Prime Contractor announced	17 th October 2011
Meeting between Wise Group and DCC to finalise delivery, financial and contractual arrangements	3 rd November 2011
Approval sought from EDMT	w/c 14 th November 2011
Brief Portfolio Holders (CR, NF, CV & MN)	w/c 21 th November 2011
Report progress to Think Family Board	22 nd November 2011
Approval sought from CMT	December 2011
Approval and sign off sought from cabinet for approval	January 2012
Delivery commences	January 2012

Proposed Delivery Model

14. The proposed delivery method across County Durham will be aligned to the existing Think Family Strategy which takes a broader view by ensuring that both parents and children are able to get the support they need, at the right

time, to help their children achieve good outcomes. It means making sure that families receive integrated, co-ordinated, multi-agency, solution focused support. This approach is based on established provision already delivered by us and bringing it together along with specialist providers (where required) to create a seamless family journey. As this programme will tackle numerous barriers around health, Anti Social Behaviour (ASB), poor parenting, child protection, housing, unemployment and skills, debt/financial inclusion it will therefore contribute towards the Council's Corporate Priorities of Altogether Wealthier, Altogether Healthier, Altogether Safer and Altogether Better for Children & Young People.

15. The proposed delivery model will be underpinned by the following established provision:

- Family Intervention Project (FIP) Team
- Derwentside Training
- Housing Solutions
- One Point Integrated Service
- Family Pathfinder Team
- Social Inclusion Team – This team is responsible for tackling issues that cause individuals to be socially excluded from society including Adult/Community Learning, Workable Solutions and Welfare Rights

14. It has been identified that all these service areas will already engage with these potential clients who could then be referred onto the programme assuming they meet the required criteria. They will assess the clients to identify the family issues against their own processes and then provide support to help them overcome these barriers in their specialist field. Therefore, it is expected that service areas will refer families that are currently in the cohort and prevent the need to engage additional families which would cause capacity issues. Once service areas have supported clients in their specialist areas they will refer families to the Family Employment Coaches who will support them to overcome the work-related barriers. The Family Employment Coaches will be additional capacity paid for through the expected income from the programme and it is proposed that they will be managed by the FIP team.

15. From the initial discussions it is anticipated the following capacity will be required across all the services participating in delivery:

- Additional Family Coaches x2
- Job Placement Officers x2
- Contract Administrator plus apprentice (2)
- Training Officers x4

This additional capacity will have indicative costs of £295,000 which, based on the confirmed progress measure fee per client will still leave £79000 per

annum from progress fee income to cover training / mileage and associated costs and to begin to commission any additional personal development and work-related provision. A further regional pot is to be made available by the Wise Group for the commissioning of further services under a method yet to be determined, but which will at a local level be informed by the service mapping currently being undertaken.

16. With regards to the governance structure it is proposed that the Think Family Board will provide the strategic overview of the programme and the 3 geographical sub-groups, with the addition of representatives from Adult Learning and Derwentside Training, will provide the operational overview on the successful implementation, ongoing delivery and progress of the programme.

NEXT STEPS

17. The next steps of the ESF Families with multiple problems programme are as follows:
 - Finalise the delivery, financial and contracting arrangements with Wise Group following the meeting on 3rd November 2011
 - Complete mapping exercise of current provision delivered including details on eligibility criteria and how it is funded to provide us with a menu of support.
 - Identify any specialist provision that is required and engage with the necessary providers.
 - Discussions with delivery staff to talk about the processes involved, the information that needs collecting and how to enhance the existing service offer through this programme
 - Organise and deliver awareness training to make staff clear of the ESF programme
 - Identify and resolve data-sharing protocols
 - Identify the performance management system
 - Recruitment and training of additional staff.

Recommendations and reasons

- 1 Note the extra opportunities provided by the ESF Families with Multiple Problems programme to support disadvantaged individuals and families in County Durham.
- 2 The Corporate Directors for Regeneration and Economic Development and Resources utilise delegated powers to enter into negotiations and complete contract documentation and deliver the ESF programme in County Durham.

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Background Documents

- **DWP ESF Support for Families with multiple problems – call for evidence (July 2011)**
- **DWP Worklessness Co-Design of Services (June 2011)**
- **DWP ITT Families with Multiple Problems (July 2011)**

Appendix 1: Implications

Finance – The financial implications of recruiting additional capacity will be approximately £295,000 per annum over 3 years against a minimum contract value of £1,598,644. This is to be met from the progress fees, which are deemed as being achievable based on the work already undertaken by the individual service areas. Subject to demand and client volumes, additional resource may be required, to be fully funded from the remaining progress fees or the work outcome payments.

In the current economic climate, some elements of any outcome payments may need to be recycled into demand stimulating activity to create future employment opportunities for clients of this programme.

Contract payments will be made in arrears and will be output dependent, with a time lag for payment which is at least 26 weeks from the first engagement. Flexibility exists however, to slow or accelerate our engagement and activities dependant on the available staffing resource, client progression and funding profile.

Staffing – It has been identified that additional capacity within the Family Intervention Project Team, Derwentside Training and Sections of Adult Wellbeing and Health will be required to successfully deliver the programme in County Durham. It is envisaged that an additional two workers, along with four additional training staff, a Contract Administrator and an Apprentice will be required. This additional staffing will be fully funded from the fees attached to the progress measures element of the programme and will support the joint working principles demonstrated by the Integrated Service Model. Two Placement officers will be required to source the employment opportunities, to be funded from the Job outcome element of the programme.

Risk – A comprehensive risk assessment has been completed. There are three reportable risks identified in appendix 5

Equality and Diversity / Public Sector Equality Duty – As a co-financed European Social Fund activity both ESF and DWP Equality Impact Assessments are in place to support this work. A County Council Equality Impact Assessment scoping document is being prepared as part of the preparations for project delivery, reflecting the programme aims of reducing inequalities and Social exclusion and improving Social mobility for disadvantaged groups.

Accommodation - no immediate issues

Crime and Disorder - no immediate issues

Human Rights - none

Consultation – Through programme development phase, this was undertaken nationally via DWP as part of the co-design of services. Since the release of the

Invitation to Tender, consultation and engagement at a local level has been primarily through the Think Family Board, with forthcoming sessions planned with Registered Social Housing providers across the County.

Procurement - none

Disability Issues - none

Legal Implications – Wise Group are currently in post tender discussions with DWP to finalise their contract and will also be starting to discuss with their sub-contractors the more formal arrangements between them. Given this, it is likely that the preferred bidders will be in a position to start their discussions with DCC by the beginning of November. Once contracts have been signed with DWP the Wise Group will finalise the sub-contract arrangements with ourselves and provide us with a copy of their bid.

APPENDIX 2: Description of Client Journey

ENGAGEMENT



GENERAL MEASURES



SELECTED MEASURES



JOB SEARCH & PLACEMENT



ONGOING SUPPORT

As we are currently engaged and delivering support to this target group through the internal services of FIP, Family Pathfinder, One Point Integrated Service, Derwentside Training and Adult Learning Service and their multi-agency partners this provides greater certainty that we will have sufficient referrals to the programme and therefore enough individuals to achieve progress measures. This current capacity along with an investment of half the expected progress measures payments will ensure that the delivery of the general and selected progress measures will be fully funded. The payments received for successfully moving individuals into employment will be a bonus. Therefore, once the breakeven point is achieved there is the possibility to re-invest into stimulating job opportunities to sustain the success of the programme.

APPENDIX 3: Overarching Progress Measures Areas:

- **Interventions to Overcome Family Barriers**
 - Effective Parenting; Established Childcare; Enhanced Family Relationships; Improved Carer Responsibilities
- **Reducing Social and Economic Isolation**
 - Improved Financial Management; Reduced Fuel Poverty; Increased positive social activity; enhanced personal development
- **Interventions to Tackle Work-Related Barriers**
 - Developed Vocational Skills; Individual Employability Portfolio; Sector led Vocational Routeway
- **Addressing Health and Housing Related Barriers**
 - Improved Health Outcomes; Introduction of Lifestyle Plan; Improved Housing Environment; increased housing stability
- **Interventions to Enhance Workplace Development**
 - Improved job stability; Career Advancement
- **Addressing Geographical and Technological Isolation**
 - Increased Technological Ability; Improved Geographical Integration
- **Increasing Personal Capacity**
 - Recognition of Strengths and Weaknesses; Improvement in Self Worth

APPENDIX 4: Reportable Risks

Risk associated with not agreeing recommendations

Risk Description	Potential Impact	Measures to mitigate the risk (if not already in place state implantation date)	Risk Owner
Potential, additional income of £1 million will not be generated	Project will not proceed. Detrimental impact on ESF families. Adverse impact on the Council's priority theme Altogether Wealthier.		Graham Wood

Risks associated with agreeing recommendations

Risk Description	Potential Impact	Measures to mitigate the risk (if not already in place state implantation date)	Risk Owner
Insufficient capacity and resource to deliver the programme.	Unable to achieve output targets and receive progress payments	Use current FIP DT/ ALS staff to deliver the programme until new staff are recruited.	Graham Wood
Insufficient jobs available to allow participants of the programme to gain/ sustain employment.	Projected job outcome payment not received. Adverse impact on Service budget.	Links with employers have been made through Derwentside Training, FE Colleges and Enterprise Agencies. Links also made with County Durham Apprenticeship Programme to ensure individuals can be referred to access available apprenticeship opportunities. Links with the Work Programme after 12 months.	Graham Wood