

## **SMT**

**DATE** 5 November 2010

**REPORT OF** The Community Investment Manager

**SUBJECT** **Community Investment Performance & Achievements Report Quarter 2 2010/11**

**STATUS** Open

North East Lincolnshire Council is the Accountable Body for Working Neighbourhoods (WNF) and Local Enterprise Growth Initiative (LEGI) funding. This report presents the position at Quarter 2 2010/11 against the regeneration external funding within the remit of the Community Investment Team:

- Commissioning and Implementation of the Change Framework;
- Change Grant Programme;
- Future Jobs Fund (FJF).

### **RECOMMENDATIONS**

- Note the Quarter 2 performance of the programmes.
- Ratify the actions arising and submit the Change section to the Change Board for their attention.

**FROM** Andrea Fitzgerald Telephone 01472 326142

**QUARTER 2 (July – Sept 2010)  
PERFORMANCE AND ACHIEVEMENTS REPORT  
COMMUNITY INVESTMENT**

**HEADLINES, OCTOBER 2010**

- **103 long term unemployed have been helped off of benefits and into work**
- **698 individuals have been referred into the Key Workers Programme**
- **898 clients have worked with the Change programme**

**EXECUTIVE SUMMARY**

This report presents the performance of the Community Investment programmes **July 2010 – September 2010.**

**Impact – Quarter 2:**

- **25 unemployed residents were helped off benefits and into work as an outcome of Change activity.**
- **315 individuals were referred to the Key Worker Programme.**

**Performance – Quarter 2:**

- **3 Change contractors did not hit their expected targets.**
- **1 Change enhancement grant project reported exceptions this quarter and remedial actions are in place.**

Date: 5 November 2010

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## 1. Introduction

1.1 This report provides an overview at Quarter 2 2010/11, against the regeneration programmes within the remit of the Community Investment Team.

1.2 This report provides a summary position at the end of Quarter 2 2010/11, detail is provided within the appendices of the report:

- **The Framework for Change**
- **Change Grant Programme**
- **Future Jobs**

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## Framework for Change

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### 2.1 Quarter 2 2010/11 Performance:

- **26% (£2,171,945) of the Change funding** (£8m) ring fenced to strategic commissioning was invested in 6 delivery contracts (appendix 1).
- **50% of commissioned services did not meet their performance targets** but have shown improvement since Quarter 1 when an Exception Report was requested.
- **348 individuals were engaged** through the Change framework contracts.
- **25 individuals claiming out of work benefits gained employment.**
- **315 individuals were referred to the Employment Support Key Worker service.**

2.1.1 The table in figure 2.1.2 summarises Change contract performance at quarter 2 (appendix 2). Where there has been a 20% or more under performance by the service in the achievement of outputs for two successive quarters, the Accountable Body will request the contractor to submit an exception report. This requires the submission of a detailed action plan, for approval by the Accountable, detailing what actions will be taken to ensure that performance targets will be achieved. Contractors risk claw back or withdrawal of funding if the action plan is not approved.

2.1.2 In Quarter 2 (appendix 2) contract performance against the framework reported:

- **3 contractors achieved forecasted performance targets**
- **3 were not able to meet key outputs forecasted**

2.1.3 A summary of investment against the current financial profile of the programme is shown at appendix 1a with a full breakdown at appendix 1b. All under-spends from 2009/10 are reallocated to the framework to be utilised in future years to ensure we maintain a commissioning approach based on quality and improvement. Key points from the summary include:

- **£4.2 million remains aligned to the commissioning fund (excluding ERDF match).**
- **£345k is aligned to the pilot grant fund.**
- **The Board has a contingency fund of £83k.**

2.1.4 8 Contracts delivered services in quarter 2. The Key Worker Team and Collaborative were commissioned outside of the Framework. An overview of the programme is included in Appendix 4. **Points to note from Quarter 2 include:**

- **Stepping Forward To Work**

**This service achieved their performance targets in Quarter 2. They reported a 17% overspend against forecast in quarter 2 however are reporting a 7% underspend in total.** This service provides specialist support to individuals with a learning disability. A Specialist Key Worker has now been recruited on a temporary basis (1 October 2010 to 31 March 2011) in order to support Change clients actively engaged on Foresight's programmes.

- **Better Life, Better Futures**

**This service remains as receiving a red rating in quarter 2 as it has failed to meet performance targets to date and reported a 39% under spend in total although there has been a 46% overspend during this quarter.** Although this project is still behind on its key contract payment output, the gap in underperformance has decreased dramatically from a 62% to a 26% during this quarter. This service pays its subcontractors based on outputs achieved and therefore this will have some impact on under spend. This service was requested to submit an exceptions report at the end of quarter 1 and they are continuing to work towards achieving their contracted outputs.

- **Worklessness Collaborative**

**The project is being administered only during the evaluation period. The full evaluation of the programme will inform decisions about future funding.** The evaluation will go to the next Board meeting to be held 18 November. This will show what things have had the biggest impact so that we can ensure that we are able to invest in things that will make a big difference for the longer term.

- **Stepping Forward To Work**

**This service has not yet been able to make up performance targeted to date however they're catching up considerably. It was reported last quarter that the service was underperforming by 40% and at the end of quarter 2 this has improved to an underperformance of 27%. They reported a 32% overspend against forecast in quarter 2 however are reporting a 40% underspend in total.** Underperformance is attributed to the timing of the training programme being provided as it is delivered on a 10-week cycle. An exceptions report was submitted at the end of quarter 1 and they are continuing to work towards achieving their contracted outputs. Sufficient numbers are engaged with the service and working towards these targets.

- **Employment Support Key Worker Team (ESKWT)**

**The service reported a 30% underspend in quarter 1. 22 of the clients supported by Key Workers have entered in to employment during quarter 2, this is a direct result of the multi-agency support they have received which has been facilitated and supported by the Key Worker.** During quarter 2, 315 clients were referred to the Key Worker service, all of whom were contacted by a Key Worker as part of the follow up to the referral, these numbers meant that a high proportion of clients were unable to be contacted within 24 hours of referral.

- **Equipped for Employment**

**This service continues to receive a green rating in quarter 2 as it has over exceeded its key contract payment output by 820%. This service has reported a 12% over spend to date although there was an 82% over spend during this quarter.** Demand for the service is higher than originally forecasted as clients are requesting training rather than have skills assessment and being signposted on to the step in the Change pathway at this point. This service has not been able to achieve its primary and secondary outputs. Following discussions with the contractor the Change Board will not renew this contract next financial year as this gives the opportunity to reflect on learning and take into account recommendations in the emerging Skills Strategy.

- **CERT Foundation CIC**

**This service has achieved its target for this quarter but has not yet been able make up the performance targeted for quarter 4 2009/10 resulting in an underperformance of 56% underperformance to date.** The service has reported a 20% under spend against the forecasted budget for quarter 2. The contract has put in place a plan to address underperformance this financial year.

- **Building Skills 4 Life**

**This contract has achieved the target set for its key contract payment output early, resulting in all available ILM funds for the current year (2010/11) being allocated.** Opportunities have been created in a range of both blue and white collar positions in Shoreline, Care Trust Plus, VANEL, Foresight, CPO Media and Contract Lincs. Investment allocated to delivery in 2012/13 has been brought into 2010/11 and 2011/12 to enable the higher than expected performance targets to be met. A revised supplemental letter of agreement has now been signed to reprofile funding and outputs.

## **2.2 Recommendations arising for the Board:**

- The Board notes the progress of the Change contracts to date.
- The Board sets out a strategic commissioning plan to address gaps and mitigate underperformance.

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## **The Change Grant Fund**

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**3.1 The Grant Fund has invested in 2 enhancement projects to date, equating to a total of £149,384 and 11 pilot projects equating to a total of £451,405.**

### **3.2 Grant Fund Exceptions at Quarter 2 2010/2011:**

#### **3.2.1 The ASGARD Employability Project (Enhancement Grant)**

**This project remains behind target.** The service provider submitted an exception report to the grant panel and the panel agreed that outputs could be revised as those included in the original bid document were not able to be achieved. The service team have now submitted reviewed forecasts to be agreed by the Grant Panel and the Community Investment Team. If agreed the revised forecasts will be in place next quarter for the Asgard project to work towards.

### **3.2.2 OWEN Project (Enhancement Grant)**

**To date the contract has exceeded engagement targets by 34%. The project has reported a 23% under spend.** OWEN project have submitted a Change Control form to the Grant Panel requesting a revision to the project targets.

### **3.2.3 Get Started with the Arts**

**This pilot has so far achieved 70% of interactions and has already achieved its target of 3 individuals participating in formal volunteering a quarter early. There has been a 17% under spend reported.**

This pilot offers two workshops lasting 5 days in music and in dance workshop, informal accredited learning, soft skills development and general employability skills.

### **3.2.4 Fast Track to Process Technician**

**This pilot has not met forecast outputs to date and reported an under spend of 86% reflecting this challenge.** During this quarter it has been found that the take up of the course was not as high as expected however the levels of basic skills is higher than expected and therefore clients have had the requirement to access basic skills training.

This Project is predominantly for people who 19 years and above who are in receipt of JSA benefits who want to enter into industry. Research is showing that the companies involved with this Business Collaborative who are supporting this project will adopt the programme with future operators and would pay for the training themselves.

### **3.2.5 Active Leisure Whilst Learning**

**This pilot is presently on track although it is reporting an under spend of 86% this is due to costs not showing on the ledgers at the end of quarter 2.**

The main aim of the pilot is to look at giving tasters of different qualifications by completing certain units of different qualifications but not whole levels the units picked will be able to be transferred to other qualifications. The learners are then provided with a wrap around package of support that empowers them to overcome the barriers that prevent them from entering employment through Sports Development, Arts Development, Libraries, Museums, Archives, Leisure and Tourism Services.

### **3.2.6 Seafood Employment and Learning Pilot**

**This pilot has not achieved its forecasted outputs for this quarter and has reported a 43% under spend.**

This pilot is working with employers to identify job vacancies and to shape the content of training provision required and up skill and retrain clients supporting them to access the 'hard-to fill' jobs in the local seafood cluster in retail and manufacturing roles. During this quarter there have been 8 clients enrolled.

### **3.2.7 Lone Parent Holistic Pilot**

**This pilot has reported an 86% under spend and has not met its outputs for this quarter.**

The project is testing approaches to encourage lone parents to learn in order for them to be able to help their children to learn through creative arts and digital technology. 2 clients have so far interacted with the pilot. The team report challenges around referrals to date and are exploring links with agencies such as JobCentre Plus.

### 3.2.8 Prospects

**This pilot has reported a 54% underspend in quarter 2 however the majority of this is due to invoices in transit which have not yet been paid. They have successfully got 10 care leavers into work placements.**

The aim of this pilot is to engage 10 care leavers in both education and employment over a 6 month period in order to build confidence, aspiration and ultimately independence whilst addressing the many issues a care leaver is faced with. Overall they have engaged with 12 care leavers however some did disengage in the early stages of the programme. Work placements have been sourced for all individuals engaged.

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## 4. **The Future Jobs Programme**

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- 4.1 145 jobs had to be filled by the end of June 2010 and only 1 post was not filled in North Lincolnshire. **North East Lincolnshire invested £154,375 in job creation resulting in 25 long term unemployed accessing jobs in the borough.** A list of employers and job titles for the 25 posts is included in Appendix 5.
- 4.2 An extension to our original bid was awarded and will draw in £1,328,810 to the Humber region with a target to create 175 jobs for long term unemployed young people on JSA and 30 jobs for long term claimants on out-of-work benefits in areas of high unemployment by 31 March 2011. **NELC's own target within this bid is to create a total of 95 jobs between July 2010 and February 2011. To date we have posted 57 jobs with the Job Centre and have already filled 46 of these.**
- 4.3 The Community Investment Team proposed a retention payment scheme to be introduced as part of NELC's Future Jobs Fund programme. A commitment was made in the original bid to DWP that Working Neighbourhoods Funding would match fund DWP funds with the intention of extending the jobs beyond the initial 6 months. It has been agreed that we would award a single retention payment at the end of a 3 month extension of the Future Job.

## SUMMARY:

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 2010/11
 

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**CHANGE PROGRAMME RESOURCE ALLOCATION (WNF ONLY)**

	Amount Committed (April 2008 - March 2013)
<b>Total Allocation</b>	<b>12,400,300</b>
<b><u>Community Investment Team</u></b>	
Core Team Costs	951,335
Administration	238,973
<b><u>Research &amp; Marketing</u></b>	
Research, Development & Evaluation	537,470
Marketing & Promotions	283,888
<b>Management &amp; Admin (budget set by Change Board)</b>	<b>2,011,665</b>
Contingency (5% of M & A)	83,840
<b><u>Grant Fund</u></b>	
Grant fund commissioned to date	600,292
Grant fund budget for future commissioning	345,343
<b>Total - Grant Funding</b>	<b>945,635</b>
<b><u>Framework</u></b>	
<b>Amount commissioned to date</b>	<b>3,371,863</b>
<b><u>Other commitments</u></b>	
<i>ERDF match 'Change Plus'</i>	<i>878,150</i>
<i>Shoreline Offender Work Partnership</i>	<i>798,263</i>
<i>FJF retention payment</i>	<i>40,000</i>
<i>RIEP contribution</i>	<i>10,000</i>
<b>Amount Remaining within Framework Budget</b>	<b>4,260,883</b>

1B

	Budget Forecast	Qtr 2 (July - Sept)	Total Claimed to Date	Variance to date (underspend) /overspend
<b>Infrastructure</b>				
Community Investment Team	£292,400	£39,863	£99,135	(£193,265)
Key Worker Programme	£270,500	£53,233	£109,198	(£161,302)
Worklessness Collaborative	£110,000	£14,244	£43,301	(£66,699)
<b>Grants</b>				
Enhancement Grants	£74,103	£14,292	£25,179	(£48,924)
Pilot Projects	£276,239	£29,522	£42,209	(£234,030)
<b>Framework</b>				
Feasibility Study	£25,100	£25,100	£25,100	-
Lot 1 - Engagement	£68,567	£16,949	£28,255	(£40,312)
Lot 2 - Empowerment	£31,718	£13,083	£17,073	(£14,645)
Lot 3 - Equipping	£88,847	£21,801	£39,135	(£49,712)
Lot 4 - Enabling	£196,735	£39,210	£96,753	(£99,982)
Lot 5 - Business Collaboration	-	-	-	-
Lot 6 - Creating Work Opportunities	£117,098	£58,322	£108,108	(£8,990)
Lot 7 - Sustaining & Growing	-	-	-	-
<b>TOTAL</b>	<b>£1,551,307</b>	<b>£325,619</b>	<b>£633,444</b>	<b>(£917,862)</b>

ALLOCATIONS

Appendix

CURRENT

## CONTRACT PERFORMANCE

Contract	Exception Rating	Key Contract Payment Output	Forecast Q4 09/10	Actual Q4 09/10	Forecast as at Q2 10/11	Actual as at Q2 10/11	Variance over/ (under)	% over / (under) achievement as at Q2	% over / (under) achievement as at Q1
Engagement: Foresight - Stepping Forward to Work		Total number of individuals engaged on the programme in NEL	40	41	40	44	5	6%	3%
Engagement: SARC - Better Life, Better Futures		Total number of individuals engaged on the programme in NEL	290	90	450	461	(189)	(26)%	(62)%
Empowerment: Foresight - Stepping Forward To Work		Individual has demonstrated improvements with their physical health problems	37	-	37	54	(20)	(27)%	(40)%
Equipping: GIFHE - Equipped for Employment		Number of People receiving training on vocational relevance of the qualification aim being studied for and the occupational standards of that sector, including future career development	-	-	20	184	164	820%	1070%
Empowering: Cert Foundation CIC		Number of individuals claiming out of work benefits into employment in NEL	50	-	40	40	(50)	(56)%	(77)%
Creating work opportunities: Shoreline - Building Skills for Life		Number of ILM places created and filled	8	8	10	27	17	94%	169%

