

TRAFFORD COUNCIL

Report to: The Executive
Date: 16 November 2015
Report for: Decision
Report of: Leader/Chief Executive

Report Title

Working Well Expansion Programme

Summary

This report provides:

- an overview of:-
 - the pilot Working Well Programme and a comprehensive summary of the pilot performance results; and
 - the Working Well Expansion Programme;
- information on:-
 - the proposed Inter Authority Agreement;
 - the procurement process;
 - the proposal that authority to approve the successful bid and to proceed with an award of contract(s) in relation to services required under the Working Well Expansion Programme be reserved to the Leader in consultation with the Chief Executive; and
 - the proposal that Trafford Council assumes the lead contracting role on behalf of GMCA with regard to the contract for services required under the Working Well Expansion Programme.

Recommendation(s)

- 1) That the contents of this report be noted.
- 2) That the proposal that authority to approve the successful bid and to proceed with an award of contract(s) in relation to services required under the Working Well Expansion Programme be reserved to the Leader in consultation with the Chief Executive be approved
- 3) That the proposal that Trafford Council assume the contracting role on behalf of GMCA with regard to the contract for services required under the Working Well Expansion Programme be approved.
- 4) That authority be delegated to the Director of Legal and Democratic Services in

consultation with the Chief Executive to agree terms for and to complete all legal documentation required to complete the Inter Authority Agreement and the contract(s) with the successful bidder(s).

Contact person for access to background papers and further information:

Name: Dominique Adcock

Extension: 4293

Background Papers:

None.

Relationship to Policy Framework/Corporate Priorities	The Working Well Expansion Programme will support the Council's corporate priority of providing Employment and Skills services to the most vulnerable people
Financial	Funding for the expansion programme will come from European Social Fund (ESF).
Legal Implications:	As Lead Contracting Authority Trafford Council will seek indemnities from the other authorities via an Inter Authority Agreement
Equality/Diversity Implications	None.
Sustainability Implications	None
Staffing/E-Government/Asset Management Implications	None
Risk Management Implications	None.
Health and Wellbeing Implications	None.
Health and Safety Implications	None.

1.0 Background

1.1 The Work Programme is a government welfare-to-work programme introduced in Great Britain in June 2011. Under the Work Programme the task of getting the long-term unemployed into work is outsourced to a range of public sector, private sector and third sector organisations.

1.2 The Department for Work and Pensions (“DWP”) has developed with the Greater Manchester Combined Authority (“GMCA”) the pilot Working Well Programme to get

people back into work and since March 2014, GMCA has been piloting a Working Well Programme. The pilot Working Well Programme is a service delivered by key workers working with 5,000 unemployed individuals across GM to get them back into sustained work. The unemployed individuals are employment and support allowance (ESA)/ Work related activity group (WRAG) Work Programme leavers. All are directly referred by Jobcentre Plus.

- 1.3 The Working Well Programme offers several key differences to the Work Programme. It integrates all other mainstream public services into bespoke packages of support; it has lower caseloads for key workers and can intervene on a whole family basis where appropriate.
- 1.4 All participants in the Working Well Programme are long-term unemployed with a health condition and therefore require intensive support provided through keyworkers. All participants are eligible for up to two years of support (though some may require less), and up to a year of in-work support. Support is given to address health, housing, family and skills needs in addition to debt management advice and training and work experience being given.
- 1.5 Previously the pilot Working Well Programme went out to tender and it was agreed by the GMCA in a decision of 25 October 2013 that the lead authority role for the procurement process would be provided by Salford City Council who would procure a provider or providers to carry out the services required under the pilot Working Well Programme and after shortlisting contracts were awarded to Big Life (Manchester, Trafford, Salford) and Ingeus (the other 7 authorities).
- 1.6 The DWP is providing funding to the Salford City Council acting on behalf of the GMCA, under the terms set out in the determination of a grant agreement, to deliver the pilot Working Well Programme.
- 1.7 Salford City Council procured and entered into a number of contracts with the providers to deliver the pilot Working Well Programme services on behalf of the GMCA in consideration for the GMCA authorities agreeing to work with each other pursuant to the terms and conditions of an Inter Authority Agreement.

2.0 Devolution

- 2.1 In November 2014 the devolution deal was agreed with Central Government for Greater Manchester. Part of the devolution of power was around the skills and employment landscape. The vision is: *'Our ambition is to create an integrated employment and skills eco-system, which has the individual and employer at its heart, and that better responds to the needs of residents, business and the economy'.*
- 2.3 There are 5 key components of the employment and skills devolution agreement, one component is the expansion of the existing Working Well Programme, ultimately supporting 50,000 people to progress towards employment. Building on the existing

pilot Working Well Programme, the Working Well Expansion Programme will provide participants with integrated, intensive support going forward.

3.0 Current Performance

- 3.1 Across GM, around 227,000 people are claiming out-of-work benefit. The cost of worklessness and the impact of low-pay have now reached over £2 billion. Rather than a nationally led scheme, the Working Well Programme is managed and led locally which offers us the opportunity to work with local providers who understand the local landscape and can deliver bespoke solutions and products to get the long term unemployed back into work.
- 3.2 The pilot Working Well Programme to date has achieved 54 out of 50 forecast job starts by April 2015, so is exceeding expectations at this early point
- 3.3 Of the eight issues that were cited by the highest proportions of clients as severe presenting issues at the outset of their involvement in the pilot Working Well Programme, all but one have seen larger numbers of clients noting an improved situation (these included mental and physical health). To date there has been an increase in the confidence of pilot Working Well Programme clients in terms of their belief that they will be able to find and obtain work. In addition to this there has been an increase/improvement to the work readiness of clients.

4.0 Expansion Proposal

- 4.1 In addition to supporting residents into employment, the Working Well Expansion Programme will support those in low paid or insecure employment to progress to higher skilled and higher paid jobs. Greater Manchester has low levels of productivity compared with London, and a key outcome of the Working Well Expansion Programme going forward, is to increase productivity levels and reduce dependency of those in work who continue to rely on benefits such as Working Tax Credits.
- 4.2 The Working Well Expansion Programme will consist of three separate elements: the Keyworker Service (which this tender pertains to); the Mental Health Therapeutic Interventions tender; and the Skills for Employment tender. It is envisaged that these elements will begin delivery at the same time and they will work together and integrate with other local services, to provide a holistic approach to moving people into sustainable employment. The Keyworker Service is the linchpin of the future Working Well Expansion Programme and all clients will be supported through this service.
- 4.3 Phase 1 of the expansion is expected to run from 2015-17 based on expanding the existing cohorts of clients. Post 2017 Phase 2 of the expansion will align with Work Programme co-commissioning between GMCA and DWP and the reconfiguration of the GMCA skills landscape (both agreed in the devolution).
- 4.4 The Working Well Expansion Programme will be delivered across all ten Local Authority areas of the GMCA:
- 4.5 It is anticipated that 15,000 clients will receive support over the 51 months, with an aspiration of supporting a minimum of 15% into sustained employment. Clients will be referred to the Working Well Expansion Programme by Jobcentre Plus. The Working Well Expansion Programme will deliver services to these clients for a period of 51 months starting in February 2016. Clients will receive a minimum of 24 months

support and a further twelve months of in-work support should they secure employment. The payment profile will include: a payment once a client is successfully attached to the Working Well Expansion Programme; two further interval attachment payments to demonstrate clients' progression through the Working Well Expansion Programme; a payment when the client enters work; and a further payment when a client has been in employment for 50 out of 52 weeks.

- 4.6 The existing pilot Working Well Programme contract will expire in March 2019. The future Working Well Expansion Programme will require a new contract that will commence from February 2016.

5. Management of the Expansion

- 5.1 The Working Well Expansion Programme is a significant piece of work which is requiring a robust and detailed project plan and substantial resources from across GMCA.
- 5.2 Governance around the project includes reporting to various boards and partnerships including: The Skills and Employment Partnership (Chair, LEP, JCP, GMCA Chamber, LAs, Providers, GMCA colleges); Skills and Employment Executive (LAs, New Economy, 14-19 rep, TMEDL rep, JCP, SFA, EFA, Housing, Public Health); GMCA Skills and Employment advisory group; Learning provider Network (GMCA learning providers); and the Employment Support Network (ERSA managed forum for GMCA and national employment related service providers).

6. Funding of the Working Well Expansion Programme

- 6.1 Funding for the Working Well Expansion Programme will come from the European Social Fund (ESF). Tenderers have been made aware that award of contract is dependent on the ESF element of the funding being secured by Greater Manchester Combined Authority.

5.0 Procurement of Services for the Working Well Expansion Programme

- 5.1 Following an Executive Decision taken by the Leader on 15th July 2015 Trafford Council was appointed lead authority for the procurement process. Authority was given to Trafford Council to procure a provider or providers on behalf of GMCA to carry out the services required under the Expansion Programme to ensure that the Working Well Expansion Programme can commence in January/February 2016.
- 5.2 Bidders were evaluated at the PQQ stage of the Procurement process and a total of six bidders qualified to progress to the final stages of tendering. The remaining bidders were required to submit their final bids by 30th October 2015. Trafford will undertake the evaluation of those bids which were successfully submitted on the 30th October 2015.
- 5.3 The procurement process is subject to the following critical timelines:
- Successful/unsuccessful bidder notification to be issued: 26th November 2015;

- Alcatel Period to run from 27th November until 7th December 2015;
- Subject to a clear Alcatel Period, Contract Award Notice to be published on 7th December 2015;
- Contract finalisations and signature to take place prior to 31st January 2016.

5.5 It is proposed that authority to approve the successful bid, following evaluation of all bids and to proceed with an award of contract(s) in relation to services required under the Working Well Expansion Programme be reserved to the Leader in consultation with the Chief Executive.

6. Contracting Arrangements

6.1 It is proposed that Trafford Council assume the lead contracting role on behalf of GMCA with regards to the contract for services required under the Working Well Expansion Programme.

6.2 It is proposed that Trafford Council will enter into a contract or number of contracts with the selected provider(s) to deliver the services on behalf of the GMCA in consideration for the Authorities agreeing to work with each other pursuant to the terms and conditions of the proposed Inter Authority Agreement.

6.3 The Authorities have also agreed to enter into an Inter Authority Agreement for the purpose of providing an indemnity to Trafford Council in respect of any contractual liabilities it incurs on behalf of the other authorities under the Working Well Expansion Programme.

6.4 It is proposed that authority to agree the terms of and to complete all legal documentation required to complete the Inter Authority Agreement and the contract(s) with the successful bidder(s) is delegated to the Director of Legal and Democratic Services in consultation with the Chief Executive.

Other Options

The other option would be for Trafford Council not to act as lead contracting authority for the Working Well Expansion Programme and GMCA having to appoint an alternative contracting authority, causing a delay to the contract commencement and resulting in the loss of funding from ESF.

Consultation

None of the proposals require formal consultation.

Key Decision (as defined in the Constitution): YES.
If Key Decision, has 28-day notice been given? YES.

Finance Officer Clearance ID
Legal Officer Clearance JLF

[CORPORATE] DIRECTOR'S SIGNATURE (*electronic*).....

Juanne Hyde

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To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.