

Committee: Finance Committee	Date: 19 July 2023
Subject: Report of Action Taken	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	See background papers
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Deputy Town Clerk	For Information
Report author: Ben Dunleavy, Governance Officer	

Summary:

This report provides details of a decision taken under urgency between meetings of the Finance Committee.

Recommendation

Members are asked to note the report.

Urgent Decisions Under Standing Order 41A

(A) Increase in contract value - Work and Health Programme - Central London Works

1. The Town Clerk was asked to approve a decision under urgency for the Finance Committee relating to an increase in contract value for the Work and Health Programme – Central London Works.
2. Central London Works is an employment programme which supports disabled residents in central London into work. Central London Works is managed by Central London Forward (CLF) – the partnership of the 12 central London local authorities. CLF is hosted by the City of London Corporation.
3. The Health and Work Programme contract was awarded in 2018, at a value of £53.4m over 5 years, with an option to extend for 2 years. The programme was funded by the Department for Work and Pensions (DWP) and the European Social Fund (ESF). In 2020, the contract was varied to deliver the Job Entry Targeted Support (JETS) programme, which provided rapid support to residents who lost their jobs during the pandemic. The value of the JETS Programme was £18.0m. On 8th December 2022, the Court of Common Council approved the extension of Central London Works for 23 months, enacting the extension clause in the original contract. The programme will take new starters up to October 2024.
4. Approval was sought for an increase in the value of the contract by £6m, or 7.1% of the current contract value. Central London Forward (CLF) are seeking this increase in order to support more residents into work as follows:
 - Place and Train – On 9th June 2023, DWP offered £2.9m of funding to deliver '*place and train*' support, through Central London Works, whereby participants would be supported rapidly into work and provided with ongoing support to sustain employment. This additional funding will help a further 1,353 economically inactive residents. DWP expect the support to be delivered from September 2023. DWP are planning to offer the 'place and train' support across all 11 Work and Health Programme contracts nationally, including the 5 contracts that are devolved (the 4 sub-regions in London and Greater Manchester).
 - UK Shared Prosperity Fund (UKSPF) – CLF has been allocated £8.3m of UKSPF by the Greater London Authority, which is the managing authority for UKSPF in London. CLF would like to use £3.1m of our UKSPF funding to support an additional 1,462 residents through the Central London Works programme.
5. Whilst the increase in contract value is fully funded, approval from the Operational Property and Projects Sub Committee, Finance Committee and the Court of Common Council is required as the contract value exceeds £2m, as set out in Section 16.3 of the Procurement Code (Part One). The increase is permissible under Regulation 72(1)(b) of the Public Contracts Regulations 2015 and the contract end date is unaffected.

6. The Operational Property and Projects Sub Committee agreed the recommendations at its meeting on 3 July 2023. The request for a decision under urgency was sought from the Finance Committee in order to meet the 12 July deadline for the Court of Common Council, as the Finance Committee would meet after this. A decision from the July meeting of the court is necessary as going out to re-tender at this time is not a viable option. Delivery is expected to start from September 2023, and there would not be sufficient time to allow a new supplier to mobilise if the decision was delayed. Furthermore, if the City Corporation were to do nothing, and was unable to provide additional support, officers believe that the Central London sub-region would be the only part of England and Wales where the place and train support is not available, which would thus present a reputational risk for Central London Forward and the City Corporation.
7. A decision under urgency was accordingly sought and received from the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Finance Committee, on 4 July 2023 for the following recommendations:
 - Approve an increase in contract value of £6m, to give a total value of £89.6m.
8. A report from the Finance Committee will be submitted to the Court at its 20 July meeting.

Background Papers

Increase in contract value - Work and Health Programme - Central London Works (Joint Report of the Executive Director, Innovation & Growth and the Chief Operating Officer)

Ben Dunleavy

Governance Officer

Deputy Town Clerk's Department

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