

# Report – Finance Committee

## Central London Works – additional grant funding and increase in contract value

*To be presented on 25<sup>th</sup> April 2024*

*To the Right Honourable The Lord Mayor, Aldermen and Commons  
of the City of London in Common Council assembled.*

### **SUMMARY**

The City Corporation acts as the Contracting Body for Central London Forward (CLF) which has been offered additional funding of £2.5m by the Department for Work and Pensions to continue delivery of Central London Works at higher volumes.

As with previous approvals of such funding in July 2023 and March 2024, a Court of Common Council decision is required to passport any such recommendations proposed by the CLF Board and approved by your Finance Committee. Your Finance Committee approved this funding at its meeting in April 2024 and recommends that the Court approves the proposals necessary for CLF to receive this funding.

### **RECOMMENDATION**

That the Court of Common Council approves:-

- The signing of an addendum to the Finance and Costings Framework with DWP to enable the receipt of this £2.5m.
- The increase of the contract value of Central London Works by £2.5m.

### **MAIN REPORT**

#### **Background**

1. Central London Forward (CLF) is the sub-regional partnership of the 11 central London local authorities and the City of London Corporation. The City of London Corporation is the Contracting Body for CLF and in this role enters into contracts on behalf of the member authorities. Central London Works is the largest employment programme managed by CLF. The programme is the devolved Work and Health Programme in central London, and it is funded by the Department of Work and Pensions (DWP).

#### **Current Position**

2. Your Finance Committee received a report at its meeting on 9 April 2024 informing Members that additional funding of £2.5m had been made available by DWP for Central London Works. The Committee noted that Central London Works was currently delivering above the target for its primary measure of performance, the proportion of participants entering work and reaching the Lower Earnings Threshold. The programme is currently the top performing Work and Health

Programme contract in London for job outcomes, and the third best performing out of eleven nationally. Demand for the programme has been high, and CLF has had to limit the number of programme starts in recent months to avoid exceeding the budget. This funding would allow the programme to continue delivering at higher volumes until the end of September 2024, enabling support to an additional 1,200 central London residents.

3. Without the additional funding, Central London Works will have to cease taking new starters in May 2024.

### **Proposals**

4. Your Committee accordingly recommends the signing of an addendum to the Finance and Costings Framework with DWP to enable the receipt of this £2.5m, and the increase of the contract value by £2.5m.

### **Corporate & Strategic Implications**

#### **Strategic implications**

19. The funding will support the delivery on several outcomes in the City of London Corporate Plan 2024-29. It will also enable the delivery of priority 1 of the CLF Strategy.

#### **Financial implications**

20. There are no financial implications for the City Corporation. Both the programme itself, and the CLF staff managing the programme are funded by grant from DWP.

#### **Resource implications**

21. There are no resource implications on the City Corporation.

#### **Legal implications**

22. The increase in the contract value is permissible under Reg 72(1)(b) of the Public Contracts Regulations 2015. This is because a change of contractor at this stage would 'cause significant inconvenience or substantial duplication of costs for the contracting authority' and because the proposed increase in value (£2.5m) does not exceed 50% of the original contract (£53.4m).

#### **Risk implications**

23. There are no risk implications for the City Corporation.

#### **Equalities implications**

24. The additional funding would have a positive impact through tackling labour market inequalities. The programme has equalities targets which will be monitored.

#### **Climate implications**

25. There are no climate implications. Ingeus are required to minimise emissions as part of delivering Central London Works.

### **Security implications**

26. There are no security implications.

### **Conclusion**

27. The additional funding will enable CLF member authorities collectively to provide additional support for residents through their local employment services. We therefore **recommend** that this Honourable Court approves the above recommendations to allow receipt of the funding. In doing so, the City Corporation fulfils its responsibilities as the Contracting Body for Central London Forward (CLF) and in this respect the Honourable Court's decision is required to passport the recommendations put forward by the CLF Board through your Finance Committee.

All of which we submit to the judgement of this Honourable Court.

DATED this 9<sup>th</sup> day of April 2024.

SIGNED on behalf of the Committee.

**Deputy Henry Nicholas Almroth Colthurst**  
Chairman, Finance Committee