

Report – Finance Committee

Universal Support – Grant funding for new Central London Forward employment programme

To be presented on Thursday 20th June 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). As such the Honourable Court's approval is sought to establish the arrangements for a new employment programme, funded by the Department for Work and Pensions (DWP). This request includes approval for CLF to act as the accountable body for Universal Support, receive funding from DWP, and handle funding with member authorities.

The Court is also recommended to authorise the Finance Committee accordingly to vary the grant agreements with DWP and those member authorities delivering the programme, and to vary the contract with the provider commissioned to deliver the programme.

RECOMMENDATION

That the Court of Common Council approve:-

- CLF acting as the accountable body for Universal Support, and managing the programme on behalf of member authorities, including the development of the procurement strategy, as approved by CLF Board;
- The signing of any associated grant agreements with DWP to enable receipt of the funding, as approved by CLF Board;
- The delegation of funding to member authorities that want to deliver the programme direct;
- The signing of associated grant agreements with these member authorities;
- That the Court delegates to the Finance Committee the authority to vary the grant agreements with DWP, vary grant agreements with member authorities delivering the programme and vary the contract with the provider commissioned to deliver the programme (following the approval of a procurement strategy).

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. It focuses on delivering inclusive and sustainable growth in central London, in particular by managing and delivering employment and training programmes for central London residents and by securing funding to support these goals. CLF employment and training programmes are overseen by its Programmes Board, on which the Town Clerk and Chief Executive sits as the City Corporation's representative, and its wider work is overseen by the CLF Board. The Chairman of the Policy and Resources Committee represents the City Corporation on the Board.
2. The City Corporation also acts as the Contracting Body for CLF and as such enters into contracts on behalf of the member authorities. These contracts need to be approved by the Court of Common Council when they reach the relevant value threshold.

Current Position

3. Universal Support is a new employment programme, funded by the Department of Work and Pensions (DWP). The programme will primarily support people who are disabled and economically inactive through the 'place, train and retain' model of supported employment. These are structured and well-evidenced models, which have been shown to be effective at supporting disabled people into work. This model is being trialled in the Pioneer Support programme, which CLF is managing in central London.
4. Universal Support will replace both the Work and Health Programme, an employment programme which supports disabled people and Pioneer Support, an employment programme which supports economically inactive disabled people. The Work and Health programme and Pioneer Support – which are both devolved to CLF – will stop taking new starters on 30th September 2024. Universal Support is due to roll-out between October 2024 and spring 2025. The programme is due to run until the end of March 2029.
5. DWP will devolve Universal Support to sub-regional partnerships of boroughs in the capital, and CLF will act as the accountable body in central London. This will involve the commissioning or establishment of a Universal Support service locally and establishing governance arrangements for the programme with other local authorities within the area.
6. DWP has given local areas the option either to deliver the programme directly, or to commission a provider to deliver in their area. The CLF Programmes Board and CLF Partnership Board have approved a hybrid delivery model. This will involve direct delivery by some boroughs, and delivery by a commissioned provider in the areas where boroughs do not want to deliver directly. Where member authorities do not want to deliver Universal Support, CLF will commission a provider to deliver Universal Support, which will be the subject of a subsequent report. This delivery model has been used by CLF to support other programmes, and has been used by other sub-regional partnerships.

7. CLF will soon be seeking a decision from member authorities as to their preferred delivery model. Some boroughs that initially opt for direct delivery may later decide to switch to commissioned delivery, and vice versa. Any changes would require the approval of the Court.

Proposals

8. Your Finance Committee recommends that the Court of Common Council approves the receipt of funding by CLF, and that CLF should act as the appointing body. It also recommends that funding should be delegated to those CLF member authorities that want to deliver the programme directly. Your Committee recommends this as it would implement the approach supported by the CLF Programmes Board and Partnership Board and enable boroughs that want to deliver Universal Support to roll-out support quickly. This would minimise any gap in provision following the end of the Work and Health Programme and Pioneer Support.
9. It is also recommended that the Court authorises the Finance Committee to consider and approve any variations to the following:
 - a. the grant agreement with DWP
 - b. grant agreements with CLF member authorities
 - c. the contract with the commissioned provider
10. This approach is recommended as it would aid CLF in responding to any changes to the agreements in an agile manner. In anticipation of the approval of the above, your Finance Committee has also approved a standing delegated authority to the Town Clerk, in consultation with the Chairman and Deputy Chairman, to approve any such decisions to further aid a streamlined decision-making process.

Corporate and Strategic Implications

Strategic Implications

11. The Universal Support programme will support delivery of the following Corporate Plan outcomes: diverse, engaged communities, providing excellent services, and dynamic economic growth.

Financial Implications

12. Delivering the programme will require no funding from the City of London Corporation. Both the programme itself, and the costs of CLF in managing the programme, will be covered by DWP.

Resources Implications

13. The City of London Corporation will be able to opt to deliver the programme to local residents in the City of London. This would involve c. £150k funding annually for the City of London Corporation to support inactive and unemployed residents into work.
14. There are some modest resource implications for City of London Corporation in setting up and managing the programme, and CLF will be able to cover the cost of these through the DWP grant.

Legal Implications

15. City of London Corporation would need to sign a grant funding agreement with DWP. The Corporation will need to sign grant funding agreements with CLF member authorities that opt to deliver the programme and a contract with the provider that will be commissioned to deliver the programme where boroughs do not want to deliver direct.

Risk Implications

16. There are minimal financial risks relating to the programme. Universal Support will be delivered on a 'cost' basis, meaning that delivery partners are reimbursed for eligible costs incurred in delivering the programme.
17. There would be reputational risk for the City of London Corporation if performance of the programme was poor. However, the likelihood of this is minimal, as CLF has a record of successfully delivering similar programmes and there is an experienced programmes team in place to manage the programme. There would also be a potential reputational risk if the City of London Corporation did not proceed with the programme.

Equalities Implications

18. The additional funding would have a positive impact through tackling labour market inequalities. CLF will establish targets relating to protected characteristics to ensure the programme supports all groups of residents.

Climate Implications

19. There are no climate implications. CLF will ensure all delivery partners put in place measures to minimise emissions as a result of the programme.

Security Implications

20. – There are no security implications.

Conclusion

21. DWP has offered to devolve Universal Support to Central London Forward, building on previous devolved programmes. Your Finance Committee recommends that the Court approves the arrangements for CLF to deliver the programme, and also authorises the Finance Committee to approve any variations to the agreements.

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

DATED this 4th day of June 2024.

SIGNED on behalf of the Committee.

Deputy Henry Nicholas Almroth Colthurst
Chairman, Finance Committee