Committee:	Date:	Classification:	Report No:	Agenda Item:
Cabinet	10 September 2008	Unrestricted		item.
Report of:		Title:		
Corporate Director of Development & Renewal		Working Neighbourhoods Fund\decisions on		
Originating officer(s)		budget allocations and projects		
		Wards Affected: Al	I	

SPECIAL CIRCUMSTANCES AND REASONS FOR URGENCY

The report was unavailable for public inspection within the standard timescales set out in the Authority's Constitution, due to the need to undertake more evaluation of the programmes offered for allocation of funding to ensure the services offered meet the indicators and targets agreed.

The Tower Hamlets Partnership has prioritised worklessness and skills within its Local Area Agreement targets. The delivery plans now being prepared with set out how the contributions of all the partners through their main programmes will contribute to the delivery of those targets. Working Neighbourhood Fund (WNF) will be used to commission programmes of activity which address the local contextual issues identified in order to help us achieve the LAA targets.

It was vital that detailed information was available on the programmes contribution in order to allow proper consideration of the report by Members.

1 Summary

- 1.1 The criteria and commissioning strategy for the Working Neighbourhoods Fund (WNF) were agreed at Cabinet 30th July 2008. Cabinet agreed that specific proposals would be brought to its meeting on 10th September 2008.
- 1.2 This report sets out proposals for specific budget allocations and project decisions for Cabinet endorsement.

2 Recommendations

- 2.1 To approve the allocation of Working Neighbourhood Funds to the specific projects outlined in 5.3 and summarised in 5.4 limited to the period 1st October 2008 to 31st March 2009 on the basis of offering a transitional arrangement for projects that are delivering outcomes in accordance with WNF criteria. The rationale for offering these projects for continued funding until March 09 is either:
 - 1. We expect the area of work to continue, although it may be delivered in a different method or by a different delivery agency once the project is submitted through the CPDG.

- 2. We need to continue the funding whilst mainstream resources are considered.
- 2.2 Note that further budget allocations and projects will be brought forward to Cabinet for consideration in January 2009. to make use of the remaining WNF funding following the completion of the work on the detail of the LAA delivery plans.

Local Government Act, 1972 Section 100D (As amended) List of "Background Papers" used in the preparation of this report

Brief description of "background papers"

Name and telephone number of holder

and address where open to inspection.

None Shazia Hussain 0207 384 4470

3 Background

3.1 Tower Hamlets has been allocated a total of [£32m] WNF funding as follows:

2008/09 £10.294m 2009/10 £11.054m 2010/11 £11.250m.

3.2 Some existing NRF interventions that met the WNF criteria were extended to September 2008. The table below shows the total WNF funds available for commissioning beyond September 2008:

	2008/09	2009/10	2010/11
	£000s	£000s	£000s
Balance of WNF funding available	7,082	9,162	9,358

- 3.3 The Tower Hamlets Partnership has substantially completed work on a strategic approach to employment issues. This will shortly be brought forward for Cabinet approval. The Strategy recognises that while the economy within Tower Hamlets is in a very strong position, having seen a jobs growth of 41% since 1998 compared with a figure of 7.1% nationally and 5.5% in London, it has only just over half of its working age population in work [54%], and high rates of unemployment amongst young people [17.7% amongst 16-24). Inevitably this links to a large number of families with low income and a long term cycle of deprivation.
- 3.4 The nature of the high level of job opportunity in Canary Wharf and the City can be a disadvantage to young people, returners to the labour market and the low skilled

- 3.5 Our approach therefore has to provide entry level pathways for the most disadvantaged groups as well as strong links to employers and effective coordination of a complex range of government and other agency programmes. The draft strategy therefore has 5 key objectives:
 - Improved co-ordination of employment related activity and funding (CSP/MAA)
 - Effective range of employer led interventions build on/improve current activity
 - Improved transition from education to employment
 - Seamless pre-employment to post-employment skills offer
 - Effective engagement programme
- 3.6 There are already wider discussions under way in relation to the City Strategy Pathfinder and its future in the light of the evolving government policy as well as early conversations on how worklessness will be a focus of the planned Multi Area Agreement as part of the Olympic Legacy.
- 3.7 On the basis of the work on the strategy The Tower Hamlets Partnership has prioritised worklessness and skills within its Local Area Agreement targets. The delivery plans now being prepared will set out how the contributions of all the partners through their main programmes will contribute to the delivery of those targets. WNF will be used to commission programmes of activity which address the local contextual issues identified in order to help us achieve the LAA targets. In line with the recommendations of the recent Overview and Scrutiny report evaluating the use of Neighbourhood Renewal Fund in the borough, we are taking a strategic commissioning approach to the deployment of WNF
- 3.8 The paper considered at Cabinet on 30 July set out a strategic framework based on three strategic programme goals with five programme streams. These are:
 - 1 The short term imperative to get 4000 people into sustainable employment;
 - Family focused engagement
 - Pre-employment skills and support to access local jobs
 - The long term goal to prevent our current large population of young people becoming the workless of the future through early intervention and prevention
 - Accelerating improvement in education attainment
 - Early Intervention with young people at risk of worklessness
 - 3 Targeted work with excluded groups with a clear focus on moving people into employment
 - Support for socially excluded groups to help them move into employment
- 3.9 This framework is designed around an implicit sequence which supports and encourages people into effective employment through:
 - Stage 1 Engagement with those who are, for whatever reason, not able (or willing) to enter employment essentially outreach and identification of barriers

- Stage 2 Provision of a variety of services including training at all levels to increase the possibilities and options for individuals to be fitted for employment
- Stage 3 Brokering specific job opportunities
- 3.10 The integrated nature of the programmes and the impact they have on individuals require a sophisticated approach to the setting of targets and performance management. Those projects dealing with stage 1 are likely to be measured by intermediate targets related to the number of clients and the extent to which those clients are satisfactorily moved to progress further. Stage 2 projects will also focus on intermediate outcomes including the number of clients achieving various levels of qualification. Stage 3 projects can more directly identify targets related to job outcomes.
- 3.11 The WNF projects will be designed in many cases to complement main stream funding. This can be substantially larger than WNF and we are developing ways of assessing the total package of outcomes and the way they influence the main NI targets.

4 Developing the Commissioning Process

- 4.1 A number of projects previously funded by the NRF, together in some cases with main stream budgets are well focused on the strategic objectives outlined above. We have reviewed the options leading up to re-commissioning for projects in accordance with the WNF criteria. This requires us to have confidence that the programmes have a strong track record of delivery and good evidence that they will continue to achieve the strategic outcomes sought. The conclusions of this process are set out in section 5..
- 4.2 However we propose that further programmes should be developed to support more explicitly the LAA Delivery plan process. This ensures that programmes have been given thorough strategic and financial consideration across partnership agencies so that we are able to deliver on the complex and demanding LAA and Community plan targets. It is important that some time is spent exploring options and ensuring that a cross partnership approach is taken, giving greater consideration to all the different funds available to meet these targets, not just WNF. This process will take place through the Community Plan Delivery Groups and then recommendations will be brought to LAB and Cabinet for final approval.
- 4.3 This process will be taken through the following timetable:

Partnership Executive 24th November 2008 LAB 26th November 2008 Cabinet 14th January 2009

5 Programmes and projects for initial approval until March 2009

5.1. Leading up to the commissioning of new projects there are some projects and programmes which could be funded to offer a transitional arrangement for projects that are delivering outcomes in accordance with WNF criteria. The rationale for offering these projects for continued funding until March 09 is either:

- 1. We expect the area of work to continue, although it may be delivered in a different method or by a different delivery agency once the project is submitted through the CPDG.
- 2. We need to continue the funding whilst mainstream resources are considered.
- 5.2. The programmes are outlined below grouped into areas of both prevention and cure of worklessness, the tables indicate the outputs that will be achieved through the spend.

5.3. Programmes

Programme 1: Engagement

- 1.1 Points of access
- 1.2. Parental/Family engagement
- 1.3. Prevention Youth Crime

Programme 2: Improving Skills, Removing Barriers

- 2.1 Improving Skills 14-19
- 2.2 Improving attainment in English and Maths at GCSE
- 2.3. Specialised employer led pre-employment programmes and motivational

programmes

Projects: 2.3.1. Skillsmatch transitional programmes

2.3.2 Tower Hamlets College employer led programmes

2.3.3 ELBA Community Affairs Traineeships2.3.4 Building enterprise and employment

Programme 3: Job brokerage

- 3.1.Skillsmatch services
- 3.2. Tower Project disability job brokerage

Programme 1: Engagement

This programme is designed to support all three strategic objectives (short, long, hard to reach). We propose an allocation of £792.500 to three subprogrammes:

On the **Points of Access subprogramme** we propose:

Engagement and support for residents seeking employment offered at strategic locations through a network of voluntary and community groups. This programme is currently managed by Leaside Regeneration who tendered out the model 4 years ago and have been working with

a range of third sector organisations building on their strengths in providing the initial support essential for residents to consider their journey back to work.

The support includes:

- an action plan for each client,
- assistance with reducing barriers to work this may include debt counselling, health information, childcare etc
- delivery of training programmes including accredited programmes
- referral to appropriate job brokerage or volunteering activities

A database of all clients is held identifying action taken and outcome. Previous evaluation indicates that this programme has always overachieved the targets set with in excess of 500 residents provided with an action plan in a full year, 200 attending training and 100 accredited qualifications secured. 50 clients secure employment each year.

The programme is under evaluation and development to consider a future programme more responsive to local need and geographical location. Included in this figure is £50,000 as a contingency for equalisation between local areas.

	Until April 2009				
Funding	£276,000				
Outputs	200 clients engaged and action planned				
	22 directly helped into employment				
	65 referred to appropriate training				
	20 receive accredited training				
	40 referred to employment agencies				

On the family engagement subprogramme we propose:

To offer a family approach to reducing worklessness. We will work with:

- families with young children ensuring that adults are accessing training and work to provide good role models, encouraging routines which support school attendance and studying and ensuring greater income.
- families with older children (who may themselves be NEET) around worklessness, financial planning and job training which can be addressed with the whole family.

This proposal envisages work at the targeted level, through the parental engagement elements and work with families at the extreme end, through the Family Intensive Model.

Through our **targeted** work with families we will support parents and carers, particularly mothers, who are not in the labour market and provide accessible 1st step engagement opportunities and activities to develop the skills and confidence that will lead to training and employment. We know that for parents with low skills and low confidence learning with and

through their children can be a stepping stone to further training and employment. We will therefore be offering parent / carer workshops linked to the school curriculum; parenting programmes which include financial advice, training and return to work advice; and a menu of one-off tasters, localised information events, short courses and workshops. If this proposal were to be continued until 2011 we would also develop new work related skills training through school and setting based activities (eg confidence building, time-keeping, organisation, independent travel, budgeting, interview and communication)

Our **Family Intensive Project** works with families that are severely dysfunctional, and cause disruption to those around them. In many cases they are likely to be evicted from housing, leaving often large families homeless and reducing still further any chance of employment and appropriate study opportunities for children. The project has a strong track record of keeping families in accommodation. The FIP programme aims, through a key support worker, to move people onto the road to inclusion through developing appropriate behaviours, identifying and supporting training, providing advice on parenting and finance, and supporting access to employment for both young people and their parents.

	Until April 2009				
Funding	£543,500				
Outputs	175 parents attending information sessions, curriculum workshops and passport to learning				
	32 Parents attending parenting programmes				
	32 Parents attending training and work-shadowing				
	35 Parents attending back to work events				
	32 school based skills / employment workshops				
6 parents on the Family Intensive project accessing traini					

On the Prevention of Youth Crime sub programme we propose

To reduce the number of young people entering the youth justice system, and support these vulnerable young people into appropriate education, employment and training.

Preventing youth crime is central to preventing worklessness and improving young people's employability. The importance of full participation in school and college life for young people's personal and social development cannot be overestimated. This along with the attainment of the vital skills and qualifications for employment are widely recognised as major protective factors in preventing children becoming offenders, and in reducing the longer term risks of re-offending. There is a wealth of evidence to suggest that once young people enter the youth justice system the likelihood of them going on to secure sustainable employment in later life reduces dramatically, therefore the more we can do to prevent this, the more we are guarding against future worklessness.

This programme includes three closely linked interventions:

Youth Inclusion and Support Panel+ Programme (YISP+)

- Youth Inclusion Programme (YIP)
- Targeted youth crime interventions on key estates

Youth Inclusion and Support Panel+ Programme (YISP+)

We will work with the Anti-social Behaviour Control Unit, RSLs, Safer Neighbourhood Teams and Better Tower Hamlets Teams to identify and target support for young people engaged in anti-social behaviour and with multiple issues including being NEET, involved in substance misuse and at risk of becoming First-Time Entrants to the Youth Justice System. The young people will be assessed by dedicated officers and each one will be given a tailored programme of support and activities to keep them on the path to success and prevent future worklessness. Interventions will be co-ordinated closely with enforcement and other support agencies.

Youth Inclusion Programme (YIP)

This is a tailor-made youth outreach programme for 13 to 17-year-olds who are at high risk of involvement in crime or anti-social behaviour. The programme targets young people in a neighbourhood who are considered to be most at risk of offending, but are also open to other young people in the local area. Young people on the YIP are identified through a number of different agencies, including the YOT, police, schools, neighbourhood managers and anti-social behaviour teams. The programme gives young people somewhere safe to go where they can learn new skills, take part in activities with others and get support with their education and careers guidance.

Targeted youth crime interventions on key estates

The purpose of this intervention is to target and engage young people who are already participating in, or at risk of, anti social behaviour and youth conflict on key estates in the borough. The work is delivered by a range of statutory and community based partners including Brick Lane Youth Development Association; Docklands Outreach; Fire Service; Metropolitan Police; Rapid Response Team; and Tolerance in Diversity. They provide high quality diversionary activities and targeted support which are all designed to increase confidence and engagement, understand young people's attitudes to good citizenship, and support young people into employment or training where necessary.

	Until April 2009
Funding	£376,500
Outputs	72 young people engaged on the YISP with completed integrated support plans
	150 young people received support from the YIP
	500 youth work sessions delivered to targeted young people at risk of crime

Programme 2: Improving Skills, Removing Barriers

This programme is designed to support all three strategic objectives (short, long, hard to reach). We propose an initial allocation of £442,500 to 3 subprogrammes:

Improving Skills 14-19 programme - £100,000
Improving attainment in English and Maths at GCSE - £100,000
Specialised employer led pre-employment programmes and motivational programmes - £342,500
Building enterprise and employment - £150,000

The **Improving Skills 14-19 programme** will support partnership work to target and engage young people that are not engaged in education, employment or training.

This will ensure that young people have access to mainstream services through education at Tower Hamlets College and colleges out of borough, training from LSC funded organisations such as Rathbone, TBG Learning, Springboard – all networked providers within the borough, and employment brokered through Futures and Skills Match. As part of reaching out to NEET young people, we use Teaching Assistants to carry out door knocking to speak to parents and young people. Through the Youth Engagement Programme we then provide regular careers fairs and make sure that young people are assigned Personal Advisers and engaged by activity providers.

We will involve young people in activities generated through commissioning and delivered by the Hub Construction Centre which has specialist provision for teenagers with special educational needs. This will have a significant impact on the borough's NEET reduction target as laid out in the LAA targets.

The programme includes the following interventions:

Engagement of NEET young people through regular door knocking.

Data cleansing through data insertion into the Core Plus management Information System.

Regular update on clients' progress through Personal Adviser support/intervention.

Activity commissioning through the Third Sector (providers determined subject to the NEET cohort in a particular geographical areas and approval by the NEET Strategy Group)

Progression of NEET young people on to further education / training opportunities including work based learning and NVQ opportunities.

	Until April 2009				
Funding	£100,000				
Outputs	Door knocking at homes of 700 NEET young people				
	2 Engagement events for 80 attendees				
	Individuals plans developed for 30 young people				
	20 young people taking up construction training				

For the Improving attainment in English and Maths at GCSE programme

we will focus on raising the attainment of pupils most at risk of not securing 5GCSEs at A*-C grades including English and Maths.

The gap between the number of children achieving this benchmark in Tower Hamlets and the national average has decreased significantly but there are still too many pupils who leave school without achieving this key standard. This is increasingly seen as the passport to further education or training, higher education or employment. In 07-08 around 40% of our young people achieved this by 16 years, compared with a national average last year of 45.3%. There is national evidence that 10+ hours of online revision has been successful in raising the grades of pupils on the borderline between C and D and we will be working with a major national provider to roll out a tested and successful programme to schools so that pupils can access their accounts remotely in the community. Individual tuition is a known approach for supporting pupils with developing understanding of subjects in greater depth, but has not been used extensively to target groups of pupils. We are looking to build on the success of the national Making Good Progress pilot which has shown good early results by using individual tuition. Our approach will be to make individual tuition an option for pupils whose parents would not otherwise be able to afford it.

We will also be working in conjunction with schools to incentivise pupils for completing study hours.

This will build on current work carried out by the schools themselves, support services such as the secondary school development advisors and school improvement partner, extended services study support, third sector partners such as the Education Business Partnership and London Challenge, who work with specific schools who fall below government floor targets.

	Until April 2009
Funding	£100,000
Outputs 150 young people supported by the programme	
	3 schools offering remote access to online revision/study support

The specialised employer led pre-employment programmes include working with key growth employers both through the Skillsmatch transitional programmes; offering work placement followed by offers of permanent employment with employers who would not necessarily recruit from our local workforce, and the College employer led programmes with the Financial Services sector through the Academy and other employer led programmes.

These programmes are unique in the relationship that has been build up with employers. Within the type of competitive market we have in the borough these programmes offer a way in to employment that would not be secured through traditional recruitment processes. The work with Credit Suisse, for example, has led to 29 young people, mostly graduates, securing permanent employment through this programme with Credit Suisse. As a result the programme will continue on a regular basis with an annual intake of 35 trainees.

The ELBA Community Affairs Traineeships offer a chance for BME graduates to take up subsidised annual internships with integrated skills development with a high profile company. All graduates, so far, on completion of the programme have secured permanent employment.

All the above programmes have offered training in key employer skills to 378 residents over the last year, with 96% resulting in clients securing employment as a consequence of the training.

In addition to these specific programmes Tower Hamlets College offer motivational training based on generic skills such as customer care, Information Technology and communication. The courses are designed to provide confidence to job seekers and help them to determine the type of employment that may best suit them. Included in this training is a full range of job application training including CV and application forms to interview techniques.

The **Building enterprise and employment** programme continues the ground breaking work undertaken by Bromley by Bow centre that has, over the last 4 years, supported the creation of 23 new businesses providing individuals and groups with easy access to finance, training, practical advice and ongoing support, promotion and mentoring. At the end of March 08, sixty three Tower Hamlets residents were employed by these enterprises.

Social enterprise can provide training and work experience opportunities in a 'safe environment' which often lead to full or part time employment. Beneficiaries of these opportunities include exoffenders who often find it difficult to find work as well as disabled people and the unemployed or economically inactive with additional needs.

	Until April 2009			
Funding	£492,500			
Outputs	150 local unemployed residents attending training programmes leading to employment			
	4 new social enterprises set up providing 10 new jobs for local residents			
	1 networking event for residents seeking to set up social enterprise			
	12 CAT traineeships			

Programme 3: Job Brokerage

This programme is designed to support all three strategic objectives (short, long, hard to reach). We propose an initial allocation of £225,000 to 2 subprogrammes:

With the **Skillsmatch** service we propose to continue the support to the team who work with employers to secure job opportunities as well as placement opportunities to improve skills. The screening and matching service and one to one service offered to local job seekers ensures that the employment secured by residents is sustainable. Sustainability rates are consistently 80% compared with 40% to 50% of mainstream programmes.

Skillsmatch continue to assist around 600 local residents into employment each year and are currently embedding their services within the Community Hubs and are piloting work with Extended Schools Services and Children's Centres through the City Strategy Pathfinder.

The **Tower Project** offer a similar dedicated service to job seekers with disabilities, offering additionality from mainstream programmes with an ongoing support service to ensure that people with disabilities who wish to secure employment can find appropriate skills training and employment that suits their needs.

The Tower Project work through a network of agencies providing a range of activities to support clients with disabilities. In each year due to the intense nature of the support 40 local residents with disabilities are assisted into employment through this support.

	Until April 2009
Funding	£225,000
Outputs	300 residents into employment plus 20 residents with disabilities
	80% sustainability

- 5.4. There are 7 sub programme interventions for immediate approval. For each intervention, we have focused on :
 - how they meet the 3 Strategic Goals
 - achievements to date (all evidenced)
- 5.5. We recommend the following interventions for commissioning listed under the 3 WNF strategic programme goal:

Strategic programme goal 1 – The short term imperative to get 4000 people into sustainable employment

5.6. Total Funds recommended for commissioning until March 2009.

	2008-9
Points of access	276,000
Family/Parental engagement	543,500
Prevention of Youth	
Crime/Youth Inclusion	
Programme	376,500
Improving Skills 14-19	100,000
Improving attainment at	
GCSE	100,000
Specialist pre-employment	
programmes	342,500
Job brokerage	225,000
Totals	1,963,500

5.7. WNF Funds available after commissioning:

	£000s	£000s	£000s	
Proposed interventions				
commissioned	1,963,500			1,913,500
Balance of WNF funding available	5,064,500	9,162,000	9,358,000	23,584,500

5.8 The WNF strategic framework gave an indicative distribution of expected funding between the three strategic goals: 55-65% to Goal 1; 25 – 35% to Goal 2; and 5 – 10% to Goal 3. The allocations proposed in the first tranche broadly follow that pattern.

The tables above indicate the main delivery agent for each of the interventions. Members will note that in a number of cases these include third sector bodies. There are clearly benefits in using such bodies in terms of securing local outreach and better local knowledge as well as further enhancing the capacity of the third sector within the borough. Subject to further work to clarify the potential contribution of key bodies we therefore propose to aim for up to [10%] of the total programme, including the second tranche, to be delivered with the support of third sector bodies.

6 Concurrent Report Of The Assistant Chief Executive (Legal)

- 6.1 Programmes to tackle worklessness and associated issues in local communities will assist in the improvement of the economic and social well-being of those communities and funding in whole or part is authorised under Section 2 Local Government Act 2000.
- 6.2 There are no specific legal implications arising from this report those as the interventions are progressed it is likely that matters giving rise to legal consequences will arise and these will be addressed as and when necessary.

7 Comments Of The Chief Financial Officer

- 7.1 The London Borough of Tower Hamlets has been allocated a total of £32.6m of Working Neighbourhood Fund for a 3 year period from April 2008 through to 31 March 2011. It has been allocated as part of Area Based Grant and the funding is non ringfenced. The government has announced however, that the purpose of the grant is to tackle worklessness in deprived areas with the possibility of reward elements if LAA worklessness targets are achieved.
- 7.2 At the Cabinet meeting of 30th July 2008 the Working Neighbourhoods Fund (WNF) criteria and commissioning strategy were agreed, this included approval to continuing funding until 30th September 2008, for a small number of interventions previously funded via Neighbourhood Renewal Fund which were consistent with WNF criteria, as well as partnership infrastructure costs. These totalled approximately £7m resulting in a balance of WNF funding available for new interventions of £25.6m.
- 7.3 This report seeks Cabinet approval for early commissioning of a range of interventions which are detailed within section 5 of the report and total £1,913,500. The interventions are in accordance with WNF criteria and as detailed at paragraph 4.1, the programmes are considered to have a strong track record of delivery and good evidence that they will continue to achieve the strategic outcomes sought. A further report will be presented to Cabinet in January 2009 detailing further interventions which are currently in preparation

which will more explicitly support the LAA delivery plan process (see paragraph 4.2). These interventions will be funded from the remaining WNF balance of £23,688,500.

8 Equal Opportunities Implications

8.1 All interventions commissioned will need to ensure that services deliver the Council and Partnership's standards and policies in relation to equal opportunities. Some of the interventions will be directed specifically to reduce employment inequalities between different groups.

9 Anti-Poverty Implications

9.1 The purpose of the grant is to tackle worklessness, which also has a direct implication for tackling poverty.

10 Sustainable Action For A Greener Environment

10.1 There are no direct sustainability implications of this report.

11 Risk Management Implications

11.1 Systems and procedures put in place to monitor the achievement of outcomes with appropriate regard for risk. This includes appraisal proformas and quarterly monitoring.

12 Efficiency Statement

12.1 The process outlined in the report would commission work on the basis of agreed priorities and seek specific and measurable outcomes. Monitoring of results and performance management against worklessness targets will optimise the extent to which the use of this funding is effective in meeting local priorities, and thus optimise efficiency.