

### Full Business Case (FBC)

#### 1. General Information

<b>Directorate</b>	Adult Social Care and Health	<b>Portfolio/Committee</b>	Leaders
<b>Project Title</b>	PURE – Placing vulnerable Urban Residents into Employment and Training	<b>Project Code</b>	TA-00496-21
<b>Project Description</b>	<p><b>Background</b></p> <p>In December 2016, the Council submitted an Outline Application for the PURE project, followed by a full, detailed application in June 2017 in response to a funding call issued by DWP for the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) area under ESF Investment Priority 1.4: Active Inclusion – to help people who are more distant from the labour market and may face multiple disadvantages to tackle their multiple, complex and profound barriers to work and to move towards or into employment, or to sustain employment. This project will focus exclusively on tackling these issues and to make a real difference.</p> <p><b>Project proposal:</b></p> <p>In Birmingham there are over 14,000 vulnerable people (source: ONS population projections and BCC survey data) and via this project the City Council will deliver a project that will support 4,320 local vulnerable people, considered to be the furthest away from the labour market, by addressing their needs and assisting them towards to education, training or sustainable employment. Solihull MBC are delivering their own project, so the PURE project is for Birmingham citizens only.</p> <p>Eligibility criteria has been set by the City Council as part of the mobilisation phase, which started in June 2018, which identified the beneficiaries, their needs and requirements. The activities will be delivered via a series of OJEU procured contracts that will enable the best specialised providers to be appointed. The proposed service provision will be delivered through up to 70 highly skilled intervention workers, who will provide personalised wrap around support to enable people to have a stable life that lets them get closer to and into the labour market. The project will also be supported by partnerships with local institutions such as community organisations, local employers, childcare organisations, Job Centre Plus, volunteering organisations as well as drug recovery/treatment organisations, training and learning institutions.</p>		

The beneficiaries will be from vulnerable people often from deprived areas (such as Ladywood, Aston, Lozells and East Handsworth where the issues to be addressed occur more frequently) including those at risk of and those who already are socially and economically excluded from the labour market. Target activities are for people that are vulnerable as a result of;

- domestic violence
- homelessness
- complex needs including drug and alcohol abuse, ex-offenders
- people with disabilities including recovering mental health issues and learning disabilities

The project will assist vulnerable adults and NEET young people that are socially excluded through a series of support interventions which enable an inclusive local economy.

A key factor is the recognition that stability and continuity of good quality housing support which promotes a vulnerable person's ability to live independently is fundamental. The project includes specific accommodation based support for people with disabilities, homeless hostel provision, women and children's domestic violence refuge accommodation.

The project also recognises that for some vulnerable clients particularly with learning disabilities and mental health conditions may require enhanced levels of support.

The Economy Directorate's Employment Service Team has been consulted to ensure that its delivery of other programmes is complimentary and does not duplicate existing provision, for e.g. its Youth Employment Initiative, the ESF Skills for Growth Hub Project and the ESF Progression Pathways for Adults Project.

### **Outcomes**

The PURE project will support people along pathways to positive outcomes in employment and education via the following methods which including:

- Basic skills and ESOL(English for Speakers of Other Languages) training
- Support for those who need pre work assistance, money management and basic financial skills programs
- Volunteering opportunities to encourage social engagement and get people used to the idea of work and the opportunities it may bring them
- First contact events by engaging people where they are located and feel able to access, local networks and support groups
- Softer personal skills such as anger management and motivation.

This will move 880 (20.3%) of the 4,320 project participants into employment and 680 (15.7%) into education or training. This will make a very positive impact on vulnerable residents in deprived areas of Birmingham.

### **Background:**

The opportunity was made available to all housing related providers and

interested parties were acknowledged in the bid. A proportion of Housing Related Support providers initially expressed an interest to take part in the project as part of the successful PURE project bid submission. Due to the significant passage of time from the original bid to notification of award. The original cohort of providers who had expressed interest, were called together at a briefing event for a contemporary update on developments.

The external agencies involved in the delivery of this project have all been consulted and fully support this project. The City Council has also met with Solihull Council who have a similar ESF funded project and has agreed referral processes for the crossover between geographical boundary areas, the projects will actively ensure they do not duplicate effort or double counting of Citizens. There will be ongoing dialogue to ensure effective referral process.

The Vulnerable Persons Citizens Panel have been involved in the co designed the bid have been advised of the outcome of the bid and are fully supportive of the approach to mobilising its delivery.

### **Governance**

The project will be led by an experienced senior project manager from a background in the field of supporting vulnerable people into education, training or employment. They will be assisted by a Project Manager and supported by a team of experienced officers who will have a range of skills covering contract/project management, European Commission (EC) funding compliance & monitoring, EC Audits, EC finance and overall ESF eligibility. There will also be a dedicated Finance Officer to ensure complaint claims, document retention, publicity and support audits and checks.

An appropriately skilled and experienced project manager and ESF compliance officer will be responsible for the day to day management and effective delivery of the project, overseeing compliance, delivery of outcomes, financial monitoring, internal audit, data returns/claims and quality assurance. Upon notification of funding the project plan for delivery will be formalised using Prince 2 methodology and an associated full risk assessment will be produced and appropriate mitigations put in place and monitored.

The project manager and Project Board (see internal controls below) will be supported by experienced officers from the European Unit within the Economy Directorate within Birmingham City Council who have extensive knowledge of running and managing ERDF and ESF projects. Knowledge and learning from the current Youth Employment Initiative project will also support this project.

### **Internal Controls**

The Applicant (Birmingham City Council) will establish an internal PURE Project Board and appoint an accountable body officer to chair the Project Board. The Board will oversee the project milestones, identify issues and risks, agree and implement corrective action. The Project Board will direct staff delivering this project. Reporting mechanisms will be established for all delivery partners alongside timelines for data submission. The Project Board will also receive performance data to manage risk and performance by contractors & delivery partners.

All delivery partners & contractors will be briefed and trained on the reporting requirements in order to ensure that all relevant staff are aware of expectations and audit requirements. This will involve cascading EC rules & regulations to

ensure smooth and compliant delivery. Written guidance will be produced as part of the training. The Project Board will be responsible for ensuring the performance of the partners & contractors.

A finance officer will monitor all transactions in accordance with City Council financial regulations and will report directly to Project Board.

### **Delivery Partnership Group**

Birmingham City Council as the Accountable Body will manage the project in partnership with its delivery partners and associated commissioned services. A robust delivery partnership group which includes all key stakeholders will be put into place. This will allow partners to come together report on progress, raise, identify and address key issues. The Delivery Partnership Group will report into the PURE project Board.

### **Peer Assessment**

Experts by experience (vulnerable people with lived experience of homelessness and complex needs) volunteers will be trained to act as peer assessors. They will engage with and elicit the views of participants of the PURE project in order to capture qualitative information about the impact of the project and the outcome being delivered. This information will feed into the both the Project Board and Delivery Partnership Group.

### **Management**

The ESF revenue grant includes funding for seven posts to manage and administer the project. Four of the posts are in the Adult Social Care and Health, one in City Finance and two in the International team of the Economy Directorate.

Grant conditions will be detailed in the Grant Funding Agreement (GFA) between the Department for Work and Pensions (DWP) and the City Council, based on the activities described in the project application. The grant will be claimed/paid in arrears on a quarterly basis stipulated in the claim schedule. The instalment period dates are also set out in the GFA.

The City Council will manage the project and ensure that funds are spent to deliver the outputs as specified in the grant agreement. The European Commission (EC) may seek to claw back funding if expenditure is deemed ineligible according to European Commission regulations, or if funding is claimed for activities/outputs that did not take place.

In order to proceed with the project after 30<sup>th</sup> November 2019, the Social Inclusion contracts will be reproced under new Housing Related Support Services contracts. The existing Disabilities contracts will be reproced before 30<sup>th</sup> June 2021 in order to complete the final six months of the project. All contracts will be compliant with relevant EC rules and regulations. This includes being compliant with Procurement, Publicity requirements, outcome definitions, verifications and evidential requirements. A Conditions of Grant Aid (COGA) will be put in place with the delivery contractors, to ensure that the terms and conditions of the GFA are cascaded accordingly, including all EC rules & regulations. The COGA will allow performance and financial risks to be formally

managed and mitigated by the Council as the Accountable Body.

.Financial grant claims to the DWP will be made in arrears by the City Council who will compile these with information from contractors. These claims will be checked and verified by the designated Finance Officer and overseen by the European and International Affairs team who are experienced in this field and will advise on compliance, eligibility and latest rules updates.

### **Procurement and Sub-Contracting**

Both the Social Inclusion and Disabilities contracts have a clause that allows a contract modification subject to agreement by both parties. In the case of Social Inclusion contracts, this will be extended to 30th November 2019, to maximise the re-procurement period for the wider Housing Related Support Services contract and reduce the impact on the delivery of the PURE project.

The re-procurement process for the Housing Related Support Services contracts will take circa 11 months to complete. This timeframe is end-to-end including the development of the procurement strategy, going to market and a mobilisation period of 3 months. This procurement will be carried out in accordance with European procurement rules to ensure compliance.

The contracts for Disabilities support will take longer to procurement due to the complexity of the client groups and it is proposed to extend the existing contract by up to 2 years to 30<sup>th</sup> June 2021. The new Disabilities support contract will be required in order to complete the final six months of the project up to 30<sup>th</sup> December 2021.

### **Contract Management and Monitoring**

The Council, specifically the PURE project delivery team, will lead the contract management & monitoring aspect of this project. The European and International Affairs team will assist to ensure compliance through implementation of a robust & well-rehearsed monitoring process set out in detail below. As a minimum the approach will include the following elements:

- written monthly/quarterly claim submission
- regular verification visits to coincide with claims
- detailed spot checks involving sample audit procedures
- formal annual contract reviews.

Milestone	Date
Original ESF PURE Grant Funding Agreement Start Date	1 <sup>st</sup> January 2018

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Notification of successful bid application	5 <sup>th</sup> June 2018
Request of proposed time extension to DWP (rec 2.5)	November 2018
New Proposed ESF PURE Grant Funding Agreement Start Date via PCR (1 month early)	1 <sup>st</sup> December 2018
Commence re-commissioning of Social Inclusion & Disability contracts	December 2018
Disability Contract extension (up to 2 years)	July 2019 to June 2021
Social Inclusion contracts expire (subject to 2 month extension)	November 2019
New Social Inclusion contracts commence	December 2019 (3+ year contract)
Current ESF PURE Grant Funding Agreement End Date	16 <sup>th</sup> June 2020
Disability Contract Current New Start Date	July 2021
Expiry of existing Disability Contract after extension	30 <sup>th</sup> June 2021
Commencement of new Disability Contracts (latest date)	1 <sup>st</sup> July 2021
New proposed ESF PURE Grant Funding Agreement End Date via PCR	31 <sup>st</sup> December 2021

<b>Links to Corporate and Service Outcomes</b>	<p><a href="#">Health and Well-being Strategy 2017+</a>  <a href="#">Homeless Prevention Strategy 2017+</a>  <a href="#">Homeless Related Support Strategy 2019+</a>  <a href="#">Financial Inclusion Strategy 2016+</a>  <a href="#">Domestic Abuse 2018+</a>  <a href="#">Housing First</a></p> <p>The project is designed to address the requirement of the following strategies:  The GBSLEP ESIF Strategy (page 163) identifies ESF Investment Priority 1.4: Active Inclusion – to help people who are more distant from the labour market and may face multiple disadvantages to tackle their multiple, complex and profound barriers to work and to move towards or into employment, or to sustain employment. This project will focus exclusively on tackling these issues and to make a real difference.  The UK ESF Operational programme 2014-2020 (page 62) the projects addresses priorities 1.4.1; 1.4.2 and 1.4.3 by delivering against the priorities of supporting people with complex barriers; ex-offenders in the community and marginalised individuals.</p> <p>The GBSLEPs SEP 16-20 document identifies(page 36) that - Whilst many parts of Greater Birmingham have low unemployment rates, high unemployment and low employment is distinctly concentrated in areas of Birmingham and North Solihull.</p> <p>Consultations have been on going with the relevant cabinet members, Cabinet Member for Health and Social Care and the Cabinet Member for Homes and Neighbourhoods have been consulted throughout the process and the Corporate Director of People Directorate has also been consulted and both are supportive of the proposal.</p>		
	<b>Project Definition Document Approved by</b>	Outline Application	<b>Date of Approval</b>
<b>Benefits Quantification-</b>	<b>Measure</b>		<b>Impact</b>

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<p><b>Impact on Outcomes</b></p>	<p>More in-depth support to the client groups, extension to the contracts, 4,320 people assisted into employment, education and training.</p>	<ul style="list-style-type: none"> <li>• effectively engaging and motivating participants from groups including those that represent women, BAME, people with disabilities and other excluded groups facing discrimination, and developing provision that meets their needs</li> <li>• a more holistic approach to overcoming barriers, including links to related issues of housing, physical access, adult social care and health</li> <li>• addressing differing barriers to vocational training and employment faced by specific disadvantaged groups</li> <li>• Improving employers' awareness of people from disadvantaged groups as potential employees, through more effective models linked to employers' needs</li> <li>• improving retention in training and sustainability of employment</li> </ul>
<p><b>Project Deliverables</b></p>	<p>The PURE project will support 4,320 individuals with complex needs such as: domestic violence</p> <ul style="list-style-type: none"> <li>•homelessness</li> <li>•complex needs including drug and alcohol abuse, ex-offenders</li> <li>•people with disabilities including recovering mental health issues and learning disabilities towards and into EET via intensive wrap around support.</li> </ul>	
<p><b>Scope</b></p>	<p>The project will deliver all across Birmingham with emphasis on the most deprived areas which have the greatest concentration of the target clients.</p>	
<p><b>Scope exclusions</b></p>	<p>The only exclusion will be to avoid duplication with other projects and provision.</p>	
<p><b>Dependencies on other projects or activities</b></p>	<p>The project is dependent upon the following:</p> <ul style="list-style-type: none"> <li>• Funding awards and approvals from DWP - An Offer Letter/Grant Funding Agreement has already been received from DWP for consideration and a start date of January 2018 has been stated.- However, the City Council are seeking a new start date of December 2018 and an end date of November 2021.</li> <li>• Completion of COGA's with delivery partners</li> <li>• Extension of existing and new delivery contracts.</li> </ul>	
<p><b>Achievability</b></p>	<p>The project has been designed with considerable input from contractors and partners and a robust delivery model has been agreed and implemented to achieve maximum achievability.</p>	

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	<b>Key risks</b>		
	<ul style="list-style-type: none"> <li>Full 3 year Contract Period – Due to DWP processes at present, the City Council have only been granted 18 months delivery period. The Council is seeking to get this formally extended to 3 years to allow for the required full delivery period. Contractors Compliancy – Need to ensure that contractors and delivery partners adhere to the full EC rules and regulations.</li> </ul>		
<b>Project Managers</b>	Kalvinder Kohli		
<b>Budget Holder</b>			
<b>Sponsor</b>			
<b>Project Accountant</b>			
<b>Project Board Members</b>	TBC		
<b>City Finance</b>	Peter Woodall	<b>Date of HoCF Approval:</b>	01/11/2018

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**2. Budget Summary**

<b>Costs &amp; Funding (revenue project – Salary Costs only)</b>	<b>Voyager Code</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>Totals £</b>
<b>Total Project Budget</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Birmingham City Council	TA-00496-21	1,000	4,000	1,000	6,000
ESF Revenue grant		1,000	4,000	1,000	6,000
<b>Total Income</b>		<b>2,000</b>	<b>8,000</b>	<b>2,000</b>	<b>12,000</b>
<b>Cost Categories of Project</b>					
Contract Costs		1,867	7,466	1,867	11,200
Salaries & Overheads		133	534	133	800
<b>Totals Expenditure</b>		<b>2,000</b>	<b>8,000</b>	<b>2,000</b>	<b>12,000</b>