

<b>Report to:</b>	<b>EXECUTIVE CABINET</b>
<b>Date:</b>	25 March 2020
<b>Reporting Officer / Executive Member :</b>	Cllr Gerald P Cooney, Executive Member for Housing, Planning and Employment Jayne Traverse, Director of Growth David Berry, Head of Economy, Employment and Skills
<b>Subject:</b>	<b>IN WORK PROGRESSION PROOF OF CONCEPT</b>
<b>Report Summary:</b>	Tameside Council has worked with Greater Manchester Combined Authority (GMCA) and the Department for Work and Pensions (DWP) to design an In Work Progression (IWP) Proof of Concept Trial. The Trial would be voluntary for residents. Tameside Council would provide the In Work Progression Service and procure an evaluator for the Proof of Concept paid for in full by DWP in year 1 with an option to extend. GMCA have committed in principle to fund year 2 (subject to a review) should DWP not be in a position to extend. This report sets out the planned service and implementation activity.
<b>Recommendations:</b>	Executive Cabinet are recommended to: <ol style="list-style-type: none"> <li>1). Approve the logic model and customer journey to provide an In Work Progression Service subject to funding by Department for Work and Pensions in Year 1.</li> <li>2). Agree for the Director of Growth in consultation with the Director for Governance and Pensions to enter into Memorandum of Understanding with Department for Work and Pensions and Greater Manchester Combined Authority for Year 1 and any extension documentation into Year 2 following review at Month 7 of Year 1.</li> <li>3). Note the implementation activity to enable estimated go live in June 2020.</li> </ol>
<b>Corporate Plan:</b>	The IWP supports the Corporate Plan element of 'Opportunities for people to fulfil their potential through work, skills and enterprise'.
<b>Policy Implications:</b>	Tameside has identified challenges to future economic growth around low pay, low skills and productivity. The IWP aims to provide learning for future national services to support in work progression.
<b>Financial Implications: (Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	There are no financial implications as the proposal is externally funded from the Department for Work and Pensions. Costs need to be carefully monitored and kept within the allocated monies. There are two conditions that are specified within the MOU that will need to be adhered to; <ul style="list-style-type: none"> <li>• The Grant will be shown in the Recipient's separate account as a restricted fund and will not be included or mixed with the Recipient's general funds or other monies.</li> <li>• The Recipient will acknowledge the Grant in its annual</li> </ul>

report and accounts, including an acknowledgement of the Authority as the source of the Grant and will show the Recipient's related expenditure as a restricted fund under the Funded Activities in the Recipient's annual accounts.

**Legal Implications:  
(Authorised by the  
Borough Solicitor)**

The legal documentation required for this project should be shared in a timely manner to enable the review of the same to take place without delay.

More detail/explanation is required in the report as to what the £126,000 funding is designed to cover, in order for Members to make a fully informed decision on whether the business case is made out without risking Council monies to contribute.

**Risk Management:**

The IWP needs to be effectively managed to ensure successful outcomes for residents and learning evaluation is provided for DWP.

**Background Information:**

The background papers relating to this report can be inspected by contacting



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## **1. INTRODUCTION**

- 1.1 Since 2014 Tameside Council (TMBC) has been heavily involved in several joint Department for Work and Pensions (DWP) and Greater Manchester Combined Authority (GMCA) Public Service Reform (PSR) trials and pathfinders. GMCA and DWP have worked with Tameside since late 2018 to deliver an In Work Progression (IWP) Proof of Concept Trial. TMBC has a successful track record in delivering trials of this nature with partners including the DWP. TMBC's Employment and Skills Team have worked with DWP and GMCA in designing and agreeing a model.
- 1.2 The purpose of this report is to set out the delivery model and key elements of the Memorandum of Understanding including the Evaluation Strategy and other core products that have been prepared with DWP and GMCA. The Trial including evaluation will be fully funded by the DWP (£178,258) for 12 months with an option to extend for a further 12 months. The GMCA has also committed in principle to fund a 12 month extension of the operational service and evaluation at a cost of (£154,252) should DWP decide not to extend - GMCA's commitment is subject to a review relating to the amount of participants engaged, need for the Trial and the quality of learning. The option to extend will be considered by DWP at month 7 from the project go live date with a decision provided to TMBC.
- 1.3 IWP services are required in Tameside due to our population having lower skills and lower pay than the national and regional averages. Tameside has been a Universal Credit (UC) Pathfinder since 2014 and a UC Full Service area (all new claims now UC) since 2018. Tameside has also tested Universal Support Delivered Locally (USDL) which provides services to support the implementation of UC for the most vulnerable.
- 1.4 The Trial has several benefits and is an excellent opportunity for Tameside to:
- Test a new way of working to support our in work population
  - Deliver outcomes for our residents
  - Continue to strengthen local working partnerships
  - Utilise the operational benefits of Tameside One as a joint service centre
  - Utilise the opportunity to deliver this service in a fully funded test and learn environment to deliver innovative services for our residents
  - Support the national research and evidence base on in-work progression
  - Continue to build our reputation as an innovative local authority in the employment/skills/Universal Credit/PSR fields

## **2. PROPOSED MODEL AND CUSTOMER JOURNEY**

- 2.1 The proposed model, funding and agreement for the Trial were agreed by the Minister for Employment in late 2019.
- 2.2 The proposed model will be managed, staffed and delivered by the TMBC Employment and Skills Team (fully funded by DWP) and is set out in more detail within Appendix A (Customer Journey Map) and Appendix B (Logic Model). The model will:
- Provide engagements from organisations with contact from residents who would benefit from IWP (e.g. low income households). The Trial would be voluntary with no mandate or sanction for claimants. Participants would consent to services and evaluation provided in the model.
  - Provide a customer centred key worker service to assess and action plan with clients based at Tameside One.
  - Provide service delivery or co-ordinate service delivery in terms of careers advice, skills provision, coaching and/or advocacy with employer with the aim to enhance earnings or career progression.

- Monitor outcomes and collate learning for evaluation purposes to inform future policy.
- 2.3 TMBC is required to engage 150 clients who are in-work in year 1. Tameside currently has 1200 resident on UC who are in work and 10,000 families on working Tax Credits.
- 2.4 The following residents will be able to access the Trial:

In receipt of:

- Universal Credit
- Working Tax Credit
- Child Tax Credit
- Housing Benefit
- Income Support
- Additionally, may not be in receipt of these benefits but may have underlying entitlement to them or would benefit from the support provided due to their low earnings

Couples:

In terms of couples as long as the household is receiving at least one of the benefits shown:

- the working partner can participate but not the non-working partner
- both partners can participate if they are both working

- 2.5 Headline outcomes for the Trial have been agreed through an Evaluation Strategy with DWP and GMCA. The headline outcomes focus on learning and include:

- To help support participants on low-pay to achieve any number of the following progression outcomes, by:
  - Increasing their earnings or future earnings potential;
  - Obtaining job security and stability (e.g. zero-hours contract to permanent);
  - Improving work-life balance (e.g. through obtaining more sociable working hours).
  - Overcoming practical and skills barriers;
  - Increasing their confidence to help them meet their potential;
  - Providing specialist information on employment sectors and job opportunities, so that participants better understand opportunities within the labour market.
- To add to the in-work progression evidence base, by providing evidence-based conclusions and recommendations around whether the model – a cross-agency collaboration, delivered within a holistic service approach – could work to support in-work progression.

### **3. FUNDING AND IMPLEMENTATION ACTIVITY**

3.1 To mobilise and implement the trial the following actions will be required:

- TMBC to sign the DWP Memorandum of Understanding - 25 March 2020
- TMBC to sign the GMCA Memorandum of Understanding - 25 March 2020
- TMBC to procure an evaluation partner – April-May 2020
- TMBC to implement marketing campaign to raise awareness of residents and stakeholders March – June 2020
- Implement recruitment of operational staff by TMBC March-June 2020
- Go live on 29 June 2020

3.2 TMBC will be the sole data controller for the Trial. A Data Protection Impact Assessment (DPIA) and Equality Impact Assessment (EIA) have been completed by TMBC.

3.3 The Trial will cost £124,452 p.a. for operational expenditure and £33,806 p.a. for evaluation with an additional £20,000 available for additional evaluation costs in year 1. The funding will pay for the expenditure as set out in the table below. By embedding an integrated approach the Trial will support and provide an enhancement to existing services in Tameside One such as Welfare Rights, Citizens Advice, Jobcentre Plus and Tameside Adult Community Education.

<b>Operational Costs year 1</b>		
<b>ITEM</b>	<b>COST</b>	<b>NOTES</b>
Engagement Worker (Grade G)	£37,000 (inc on-costs)	Full salary and on-cost funding for Grade G post.
Key Worker (Grade F)	£33,000 (inc on-costs)	Full salary and on-cost funding for Grade F post.
Apprentice	£13,000 (inc on-costs)	Full salary and on-cost funding for apprentice post. Should the Trial not be extended beyond 12 months existing TMBC core funding (Employment and Skills) would be used to enable the Apprentice to complete their learning.
Management and contingency costs	£12,500	This element of the budget relates to management time to deliver the Trial and also provides a contingency fund.
Laptop x3 and Smart phones x3	£3,504	Full costs for equipment required to deliver the Trial including phones and laptops.
Desk space Tameside One	£1,800	Full costs for 3 desks within Level 1 of Tameside One.
Self-smart psychometric tool and participant database	£5,880	Full costs for purchase of software to support delivery of the Trial.
Marketing	£268	Full costs for marketing materials to raise awareness of the Trial.
Participant travel and discretionary budget	£17,500	Full costs for discretionary funding to support participants to access opportunities within the trial.
<b>Total operational budget</b>	<b>£124,452.00</b>	
<b>Evaluation Costs Year 1</b>		
<b>ITEM</b>	<b>COST</b>	<b>NOTES</b>
TMBC management costs	£3,806	Full costs for TMBC to

		administer the procurement process and manage the evaluation contract.
Evaluation budget	£30,000	Budget to procure an external evaluator.
Evaluation contingency budget	£20,000	Contingency budget should external evaluator costs be above the evaluation budget. This funding will be released by DWP on request from TMBC should it be required.
<b>Total evaluation budget</b>	<b>£53,806</b>	

3.4 Costs for year 2 would be reflective of year 1 and would be agreed with the appropriate funder prior to the extension. TMBC will put in place 12 month contracts (with the ability to extend) where applicable to ensure no ongoing liability. The Apprenticeship contract would last for a minimum of 18 months with costs beyond year 1 funded by TMBC through existing identified budget in the Employment and Skills service if the Trial is not extended.

3.5 The risks to the Council in delivering the Trial are low and have been considered and mitigated through the project implementation planning process and data and equality assessments. Employment and Skills, Legal, Finance and Information Governance have worked together as a project team to review TMBC's involvement in the Trial.

#### **4. EVALUATION, LEARNING AND FINDINGS**

4.1 TMBC will be required to procure and contract manage an external evaluator using STAR procurement. The specification and contract to be delivered is based solely on the Trial Evaluation Strategy. The external evaluator will be procured on the basis of a 1 year Trial with a possible extension for a second year.

4.2 DWP will have sole authority to determine content and provide permission to publish information relating to year 1 activity including evaluation reports.

#### **5. CONCLUSION**

5.1 The Trial represents an excellent opportunity to provide a new service to our residents fully funded by external parties. Our involvement in the Trial will help shape future services for those in work with low earnings and supports the PSR and Devolution principles of customer centred services delivered through integrated key worker models.

#### **6. RECOMMENDATIONS**

6.1 As set out at the front of the report.