
Report To:	Environment & Regeneration Committee	Date:	31 October 2013
Report By:	Corporate Director Environment, Regeneration & Resources	Report No:	E+R/13/10/01/SJ/SL
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Subject:	Regeneration Fund 2013/14 – Performance Update		

1.0 PURPOSE

- 1.1 The purpose of this report is to provide Committee with an update on the finance and performance of the Regeneration Fund – employability services.

2.0 SUMMARY

- 2.1 The Regeneration Fund delivers a full range of employability services. On March 7th 2013, Committee gave delegated authority to Corporate Director Environment, Regeneration & Resources to award contracts for the delivery of employability services from April 2013.
- 2.2 Three one-year contracts were awarded to ICDT Ltd, Stepwell Consultancy Ltd, and Inverclyde Advice & Employment Rights with activity commencing on 1 April 2013. ICDT Ltd delivers an end-to-end employability service providing a wide range of pre-vocational and vocational training and support, with additional specialist activity subcontracted to Financial Fitness and Inverclyde CLD. Stepwell deliver a specialist supported employment service incorporating activities to help clients manage a range of health barriers, and IAER deliver employability advice to local employed residents.
- 2.3 The focus of the monitoring arrangements has been to ensure that contracted employability services provide an effective quality service to local residents which are responsive to client and employer needs, which are additional to national work/training programmes, and provide effective and efficient use of Council and European monies.
- 2.4 The end-to-end employability service incorporates European funding via ESF and ERDF therefore monitoring arrangements ensure compliance with European funding regulations.
- 2.5 A range of processes are used to provide quantitative, qualitative and financial monitoring information which is available to the Workforce Development Team within Economic Development, for review against contract specification.
- 2.6 A monthly monitoring return (MMR) is submitted by both contractors giving the financial spend against several budget headings. The MMR also contains quantitative information on the outcomes of the contract in the given month, and narrative provides information on the qualitative aspects of the activity. Once the MMR is reviewed and approved, the monthly payment is made to the contractor, which assists with cashflow for these grassroots, charitable companies.
- 2.7 An annual monitoring visit is undertaken where the contractor provides a sample of financial records that are traced from source documentation through to bank statements, to verify expenditure was incurred and defrayed within the timescales claimed and to establish that the expenditure was for the purposes of fulfilling contract activity.
- 2.8 In addition to the above, due to the scale and value of ICDT's contract, quarterly visits are undertaken with key staff to review contract activity, with the main focus being on ensuring the activities provided by the service remain relevant to local needs. Outwith these quarterly meetings, weekly contact takes place with delivery staff regarding operational aspects of the contract and ICDT Board Meetings are attended by the Head of Service, Regeneration & Planning.

2.9 The Committee will note from appendix 1 that the employability providers have delivered an excellent range of interventions for local residents on target both in terms of performance and finance.

3.0 RECOMMENDATIONS

3.1 That Committee note the monitoring arrangements in place for external contracts delivering Employability services; and

3.2 That Committee note the strong performance of contracts for the period April - August 2013 as per Appendix 1.

Aubrey Fawcett

Corporate Director Environment, Regeneration & Resources

4.0 BACKGROUND

- 4.1 Procurement of employability services took place to cover the period 2013-2014, with contracts ending on 31 March 2014. A 6 month extension of contract is available dependent on satisfactory contract performance, however this will also be dependent on the European Funding landscape.
- 4.2 On 7 March 2013, Committee gave delegated authority to the Corporate Director Environment, Regeneration & Resources to award contracts for the delivery of employability services from April 2013.
- 4.3 One year contracts were awarded to ICDT Ltd, Stepwell Ltd and the Inverclyde Advice & Employment Rights Project. Activity commenced on 1 April, ensuring a smooth transition for beneficiaries of services which had been operating in the previous year.
- 4.4 All contracted activity is subject to detailed monitoring to ensure satisfactory performance and financial scrutiny.
- 4.5 Inverclyde Council allocated a budget of £2,137,900 for the delivery of employability services and all core costs.
- 4.6 Building on previous successful delivery, the programme has attracted additional structural funds in the current financial year:-
ESF £246,460; and
ERDF £114,744
- 4.7 The current delivery of employability services is against a background of significant welfare reform and ongoing challenges within the public sector. Service delivery is being managed; however, services are coming under increasing pressure to deliver support to an increased volume of clients with more complex needs, including those returning from the National Work Programme.

5.0 FINANCE

5.1 Financial Implications – One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Various	Regeneration Fund	2013/14	£2,138k	N/A	Core Funding
	ESF	2013/14	£246k		ESF Funding
	ERDF	2013/14	£115k		ERDF Funding

Financial Implications – Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A	N/A	N/A	N/A	N/A	N/A

6.0 CONSULTATIONS

- 6.1 All consultations with relevant departments and partner organisations.

EMPLOYABILITY SERVICES CONTRACTOR PERFORMANCE APRIL 2013 - AUG 2013

Target Performance for Stage of Delivery 42%

EMPLOYABILITY SERVICES							
Contract Title	Contractor	Summary of Activity	Contract Information	2013/14 Contract Value/Targets	Actual	% on target	COMMENTS
PROGRESS	STEPWELL	Supporting unemployed/inactive residents with a physical, mental, sensory or learning disability into sustainable employment by providing specialist health advice and supported employment and job placement opportunities.	Financial	£ 97,500	£ 42,790	43.89%	
			Number of Clients Supported	30	32	106.67%	
			Number of clients referred from the end-to-end employability service	20	7	35.00%	
			Number of supported employment placements/job placements directly provided	10	7	70.00%	
			Number of clients with greater confidence to progress into work	30	32	106.67%	
EMPLOYMENT ADVICE, ADVOCACY AND GUIDANCE	INVERCLYDE ADVICE AND EMPLOYMENT RIGHTS	Delivers services in the field of Employment Rights and Work Related issues including specialist advice, advocacy, and guidance on employment rights including employment law, workplace health & safety and occupational health.	Financial	£ 59,950	£ 27,524	45.91%	
			Total Number of clients supported	670	336	50.15%	
			No of clients remaining in employment	500	263	52.60%	
			No of job retention hearings attended	50	19	38.00%	
			No of clients with greater awareness of their employment rights	670	336	50.15%	
			No of clients with improved self esteem	300	336	112.00%	
INVERCLYDE WORKS	INVERCLYDE COMMUNITY DEVELOPMENT TRUST LTD (ICDT)	Provides a range of activity for those wanting to improve confidence, motivation and skills to enable progression to employment. Pre-vocational and vocational training in a range of sector provided. Future Jobs, Graduate programme and Employer Engagement/Job Brokerage and in-work support are also provided. Financial Fitness and Community Learning & Development deliver specialist support to clients.	Financial	2,218,478	£924,366	41.67%	Includes ESF & ERDF monies
			Total number of unemployed/unwaged clients	1,000	402	40.20%	
			Number gaining a partial/full qualification	405	141	34.81%	
			Number progressing to employment	432	165	38.19%	
			Number gaining employment via Job Brokerage	170	71	41.76%	
			Number of Future Jobs	130	75	57.69%	
			Number gaining Financial Fitness support	600	423	70.50%	
			Number gaining CLD support	150	58	38.67%	