

AGENDA ITEM

REPORT TO CABINET

16TH APRIL 2009

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION

REGENERATION AND TRANSPORT – LEAD CABINET MEMBER – COUNCILLOR R COOK

COMMUNITIES FUND REPORT

1. Summary

This report confirms the procurement process and impending award of contracts for the delivery of employability and skills through use of the communities fund in line with the criteria agreed by cabinet in the original reports dated 24 April and 9 October 2008. No decision is required.

2. Recommendation

Members note the open, transparent and thorough approval and procurement process and the preferred tenderers with whom we will contract for delivery of employability and skills work through the Communities Fund allocations.

3. No Decision(s) required

4. Members' Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.

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SUMMARY

This report confirms the procurement process and impending award of contracts for the delivery of employability and skills through use of the communities fund in line with the criteria agreed by cabinet in the original reports dated 24 April and 9 October 2008. No decision is required.

RECOMMENDATION

1. Members note the open, transparent and thorough approval and procurement process and the preferred tenderers with whom we will contract for delivery of employability and skills work through the Communities Fund allocations.

DETAIL

Introduction

1. Previous Cabinet reports of 24 April 2008 and 9 October 2008 agreed criteria for procurement and delivery of the Employability and Skills element of the Communities Fund. This report will feedback on the open and transparent processes undertaken to ensure the opportunities were widely communicated, ensuring inclusion of all relevant public, private, third sector and voluntary organisations, and to secure delivery organisations procured through Public Regulations 2006 and the councils own contract procedure rules, in line with those recommendations and decisions.
2. The delivery package previously agreed by this council is in line with the recent recommendations made by Stephen Houghton in the Tackling Worklessness Review, commissioned by DWP in May 2008 to examine how English Local Authorities and their partners could do more to tackle worklessness. The final report was launched on 3rd March 2009, and the measures proposed and agreed are in line with the approaches suggested by the review.

Background

October 2008

3. Invitations to express an interest were sent to third sector, voluntary and community sector, public, private, and other organisations delivering mainstream provision in by following methods
 - Advert in local press.

- Mail shots to Community Organisations via Stockton Residents Community Groups Association using External Funding list
- Info passed to Heads of Service and Thematic groups via internal communications
- Employability Consortium and other partnership forums
- Council Webpage and business Forums

This expression of interest prompted over 100 interested parties to get in touch

November 2008

4. November 3

A launch event for the Communities Fund was held for all interested parties at Norton Education Centre. The event incorporated presentations on procurement and welfare reforms, Communities Fund criteria, and an informative presentation around the pre qualification questionnaire. It was organised with Catalyst and other key partners, and attracted over 60 attendees.

5. November 17

Closing date for Pre qualification Questionnaires, and of the 90 issued, completed PQQs were received from 21 organisations. Evaluation on quality and technical aspects of the questionnaires was undertaken by the LA and Catalyst, and short listed to the following 10 organisations:

- Acumen,
- A4E,
- Developing Initiatives Supporting Communities (DISC)
- Pertemps,
- Newtown Community resource Centre,
- New College Durham,
- Five Lamps,
- Stockton Riverside College,
- West Middlesbrough Neighbourhood Trust,
- Training and Employment Services (now Tees Achieve)

6. Financial scoring was undertaken by Local Authority Finance team and Guide Star, an independent organisation who specifically examined the financial infrastructure of the Voluntary and Community Sector, Third Sector, and not for profit organisations, using payment performance data, as well as published accounts, to ensure a more robust financial evaluation. Equality and diversity was evaluated by Local Authority Diversity Team

December 2008

7. Speed networking events attended by over 60 Sub Contracting providers were held over 3 days at the Tabernacle in Stockton for all the interested organisations to meet, greet and sell their organisation to the ten potential lead (short listed) providers

January 2009

8. January 14, Tender documents were issued to ten short listed organisations
 January 22, workshop held for ten short listed organisations to raise any issues around the Tender document, incorporating extensive Q&A session.
 There was a consultation and communication period from tender issue date, until 11 February, with the short listed providers generated 35 questions, which were shared with all providers on a Q&A Log

February 2009

9. February 16, Closing date for completed Tenders, 6 completed tenders were received, from:
 - Five Lamps,
 - New College Durham,
 - Newton Community Association
 - Pertemps,
 - Stockton Riverside College
 - Training and Employment Services (now Tees Achieve)
10. Evaluation of the quality aspect of the tenders was undertaken with LSC and JCP partners from 17 – 19 February. Additional questions were issued for clarification of financial submissions on 24 February for return by 3 March. Further Financial evaluation was carried out by Local Authority from 4 March to 12 March

SUMMARY

11. Evaluation of 6 completed tenders revealed three preferred lead organisations to deliver across 5 geographical areas. Contracts amounting to £7.2m over the next three years will be offered to the successful organisations to tackle worklessness, skills and employability leading to employment. The main focus of delivery will be on the Lower Super Output Areas (LSOAs) that were identified as having a benefit claim rate of more than 25%.

Three preferred organisations chosen to deliver across Stockton, subject to contract, are as follows:

- Five Lamps to deliver in 12 LSOAs across Thornaby and Stockton Town Centre.
- Newtown Norton and Clarences Community Association to deliver across 8 LSOAs in Billingham and Newtown.
- New College Durham to deliver across 4 LSOAs in Hardwick,

March 2009

12. **16 March** Notification to organisations of preferred lead organisations (subject to contract) and unsuccessful organisations
Press releases to be included in Stockton News for the April and May 2009 editions
Press release Gazette, Northern Echo by 30March
13. **19 March** Notification to all interested organisations, HOS, Key partners
Update to Renaissance 17 March 2009 and Economic Regeneration & Transport Partnership 9 May 2009
Delivery of coordinated provision in support of the Tees Valley Employability framework to commence as soon as possible

FINANCIAL IMPLICATIONS

14. As agreed in Cabinet report of 9 October, the Communities Fund will be delivered over the next three years within the allocated budget.

LEGAL IMPLICATIONS

15. The employability, worklessness and Skills element of the allocation of the Communities Fund has been procured through the Public Contracts Regulations 2006 and Stockton Council's own contract procedure rules

RISK ASSESSMENT

16. This matter is categorised as low to medium risk. Existing management systems and those proposed within the delivery plan for the Communities Fund will be sufficiently robust and rigorous to control and reduce the level of risk.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

17. The priority theme directly linked to the worklessness agenda is Economic Regeneration & Transport. The Partnership aims to bring more people into employment, strengthen our knowledge base, promote a more entrepreneurial culture and strengthen key industrial clusters.
18. The key ambition at the heart of this vision is 'a strong local economy with better jobs and improved employability'.
19. However, it will be expected that the Communities Fund will touch a number of other areas of the Sustainable Community Strategy as it is recognised that a co-ordinated multi-agency approach is required to achieve the long term objectives of moving more people in to work, improving the skill levels of local people and increasing the level of entrepreneurial activity across the Borough.

EQUALITY IMPACT ASSESSMENT

20. The Communities Fund has been subject to an Equality Impact Assessment and has been judged to have a positive impact. Objectives incorporated into ongoing action plan ensure the Communities Fund allows all residents have equal opportunities to benefit from its aims and objectives

CONSULTATION INCLUDING WARD COUNCILLORS

21. Extensive consultation throughout the process has taken place with key strategic partners, JCP, LSC, Government Office North East, Area Partnerships, Members of the Employability Consortium and Renaissance.

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Background Papers

DWP A new deal for welfare: Empowering people to work
DWP Ready to Work, Skilled for Work: Unlocking Britain's Talent; Reducing dependency, increasing opportunity: options for the future of Welfare to Work
DWP/DCLG Working Neighbourhoods Fund
DIUS/DWP publication Opportunity, Employment and Progression: making skills work
DIUS Command Paper – Work Skills
Leitch Review of Skills
Regional Economic Strategy
Regional Employability Framework
CLES Rapid Research – The Working Neighbourhoods Fund, neighbourhood renewal & the third sector
Stockton Council Select Scrutiny Review of Employability
Skills Audit Research
Cabinet Report 24th April 2008 - The role of Stockton Renaissance post Neighbourhood Renewal

Funding and governance arrangements for Working Neighbourhoods Fund
Cabinet report 9 October 2008 – Communities Fund Report

Ward(s) and Ward Councillors:

All wards.

Property

No implications in relation to Council property