

**POLICY, FINANCE AND ADMINISTRATION COMMITTEE**

**7 JULY 2015**

**REPORT OF HEAD OF COMMUNITIES & NEIGHBOURHOODS**

**ME & MY LEARNING SERVICE**

**1.0 PURPOSE OF REPORT**

- 1.1 The purpose of this report is to update members on the performance and outcomes in relation to Me & My Learning for 2014/15 and to seek approval to submit a bid for future funding to the Leicester & Leicestershire Economic Partnership (LLEP) which would secure Me and My learning in the present location for a period of 3 years from April 2016.
- 1.2 To draw members attention to the financial impact of the proposals and the intention for a property options review of Phoenix House in the next three years that will assess future opportunities and put forward a medium to longer term strategy for the land and buildings.

**2.0 RECOMMENDATIONS**

- 2.1 **Members note the 2014/15 end of year report (Appendix A).**
- 2.2 **Delegate authority to the Strategic Director (KA) to submit an application for funding following the call for proposals under Thematic Objective 9 (TO9) – LLEP Funding Programme 2014 – 2020 and the European Structural and Investment Funds (ESIF).**
- 2.3 **Members note that the proposals for Me & My Learning result in Phoenix House being primarily an operational building for the duration of the scheme thereby minimising the income raising opportunities of the asset.**

**3.0 KEY ISSUES**

- 3.1 Me & My Learning has been in operation since April 2014 with full operational services implemented since June 2014. Funding of £386,377 was secured from the European Social Fund (ESF) for the financial year 2014/15. Funding for 2015/16 was secured from the Department of Communities and Local Government (DCLG) from their Transformation Challenge Award (TCA) which secured a total of £660,000 of which £260,000 is to roll the service into the Blaby District Council area.
- 3.2 In relation to the ESF funding we have satisfied the funders in relation to the achievement of our targets and outcomes which are reported in Appendix A. The key highlights are that out of 790 referrals 362 people have accessed the services available and 53 people moved into sustainable work.
- 3.3 The aim of the service is to create social, financial and digital independence for residents who live in the Borough of Melton. We are currently focusing on those who are unemployed in receipt of Job Seekers Allowance (JSA) and Employment Support Allowance (ESA). We will however take referrals from any agency for working age people who need support to live more independently and be better prepared for future changes to the welfare system, including the full rollout of Universal Credit into the Borough.
- 3.4 At the end of May 2015 there were 265 people in receipt on Job Seekers Allowance (JSA) and 1020 people in receipt of Employment Support Allowance (ESA) & Incapacity Benefits. There is a full breakdown of working age claimant numbers in Appendix B.
- 3.5 The initial project in 2014/15 was a pilot and we have learned a lot from what services are

needed, work and the best ways to engage clients. The support services of alcohol/drug, mental health, employment support, housing, debt advice, triage and mentoring have been the most effective in achieving high retention and positive outcomes.

There have been difficulties in engaging people in digital services and ensuring courses meet people's needs. Staff have adapted the approach for 2015/16 with more drop in and tailored one to one support which is already seeing an increase in people accessing services. Additionally we are starting to switch off paper based services such as housing benefit, Council Tax Support and the Housing Choice Based Lettings applications.

We are also working with Voluntary Action Leicestershire to improve the access to volunteering opportunities for clients so they can gain work experience to move them closer to the workplace.

- 3.6 Staff at Me & My Learning have started to contact the first 100 of 1038 Council Tax Support (CTS) claimants of working age in the Borough, starting with those in receipt of the full amount of CTS (Under the Melton scheme set at 88%). This approach will maximise the chances of getting claimants less dependent on benefits and for each person who is moved away from CTS there is a net benefit financially to the Council and to the other Council Tax precepting partners who together set the local Council Tax amounts.
- 3.7 Initial analysis of the first 100 cases has shown that the claimants contact the council at least weekly and are high demand users of our services. Analysis will continue as we progress through the triaging of all our claimants over the next nine months.
- 3.8 European funding is available through the European Structural and Investment Funds (ESIF) Growth Programme 2014-2020, of which the European Social Fund (ESF) is a part. In England ESIF money is divided between 39 Local Enterprise (LEP) areas and each LEP has a strategy of how to spend the money.
- 3.9 The spending of the money is spread over ten Thematic Objectives (TOs). ESIF funding carries a requirement for match funding which for the appropriate TO in Leicestershire is being provided by the Big Lottery.
- 3.10 TO9 is divided into five strands: Financial and Digital Inclusion; Holistic Social Inclusion; Family Inclusion; Rural Inclusion and Social Inclusion for under 25s. Calls for applications for each of the five strands of TO9 went live on 5<sup>th</sup> June 2015 with a closing date of noon on 3<sup>rd</sup> August 2015. This is the first of a two stage process.
- 3.11 Me & My Learning (Melton Borough Council) plans to lead an application under the Holistic Social Inclusion strand of TO9. The funding available under this strand is £5,238,000 to cover mid-2016 to the end of 2019. Applications ideally need to cover the whole of the LLEP area and meet a complex range of criteria.
- 3.12 The basis of the Me & My Learning application will be that the Me & My Learning ethos and approach is rolled out across Leicester and Leicestershire. The application will be led by Melton Borough Council on the basis of a consortia containing a range of partners that is likely to include the other District Councils, Leicester City Council, Leicestershire County Council, DWP, and a number of Voluntary and Community Sector (VCS) organisations (who provide the delivery of the Me and My Learning approach).
- 3.13 To date positive meetings have taken place with each of the District Councils and discussions are on-going. However, we remain confident that they will formally join the application. Similarly discussions are on-going with City and County Councils and VCS organisations and we are confident that we will be able to submit a strong application.
- 3.14 Currently the Me & My Learning services are co-ordinated from Phoenix House where 22 providers are based to deliver services. There is a mixture of providers with some paying a full commercial rent, community rent to those community organisations who have free access due to the nature of the service they are providing.
- 3.15 Phoenix House is reaching capacity and as such services are now also being delivered at the

Sure Start Children's Centre's in Melton Mowbray. As services progress it is likely that other community buildings across the Borough may be used.

- 3.16 It should be noted that Me & My Learning is an ethos and way of working that is not just based around a building/s and as we develop the service we expect that the Council and our partners as a whole use the way of working to help with cultural changes within organisations and help to drive forward Melton Borough Council's 'Extending to Excellence' (ME2E).

#### **4.0 POLICY AND CORPORATE IMPLICATIONS**

- 4.1 If successful with the bid the funding will maintain Me & My Learning services in the Borough of Melton beyond 31st March 2016. There will be resource implications and associated risks that will need to be managed if we are the lead organisation in relation to management of a successful bid.
- 4.2 The Me & My Learning and associated bid helps Melton Borough Council achieve its corporate objective of supporting vulnerable people and improving outcomes for residents of our community. Me & My Learning also contributes heavily to engaging residents in digital services which is a key driver of the Council's Transformation Programme and helps to reduce demand upon our services.
- 4.3 The change of emphasis on Phoenix House from potential revenue generating investment property to one that is primarily used to deliver community and operational priorities of the Council over the next 3 years does have a potential cost to the General Fund revenue stream. However, when Phoenix House was available to let on the open market there was only limited interest and during the void period the Council was paying rates. It is therefore difficult to assess or predict the opportunity cost to the Council. The layout of Phoenix House is far from efficient for renting out. The property team will use the next three years to review and evaluate the medium and long term strategy for the Phoenix House site which will take into account market conditions, repair and demand from local occupiers.
- 4.4 The Me & My Learning initiative fits in with all the People Corporate Priorities for the Council and also priorities for growth and prosperity. At a recent Local Government Association conference figures from the Centre for Economic and Social Inclusion estimated that when a claimant moved into a living wage job on average there are £6,900 annual savings for government, a £13,100 annual boost to the local economy as well as a £6,500 annual gain to the individual.

#### **5.0 FINANCIAL IMPLICATIONS**

- 5.1 All budgets are in line with predicted expenditure and income for 2014/15 and 2015/16 in relation to the services being funded and commissioned.
- 5.2 The ESF auditors raised a query in February 2015 that they felt that the European funding rules would not allow for a Council to claim for rent on the building that they owned. Melton Borough Council officers appealed this decision however the ESF has upheld the original decision which has resulted in £27,000 less funding for rental income than originally budgeted.
- 5.3 The TCA funding for 2015/16 however allows the Council to use the grant money towards rental charges and this income is secure for 2015/16.
- 5.4 It should be noted that it is highly unlikely that if funding is secured from the LLEP that Melton Borough Council will be able to charge a rental cost to the bid. We will however be able to recover rates, electric, gas costs etc. Phoenix House is in mixed occupation with Me & My Learning and Learn Direct fully occupying the first floor and the Ground Floor let to various organisations some paying commercial rents and others at non commercial rates. Without the Me and My Learning rent being paid Phoenix House will be a net cost to the Council of approximately £30k per annum based on direct costs only.

5.5 The intention is to build a business case to secure structural finance changes at the national level so that Post March 2019 the Council will not be required to keep submitting funding bids. If successful this could ensure that we have a permanent solution for the Me and my Learning initiative that includes appropriate rental contributions for the use of Phoenix House.

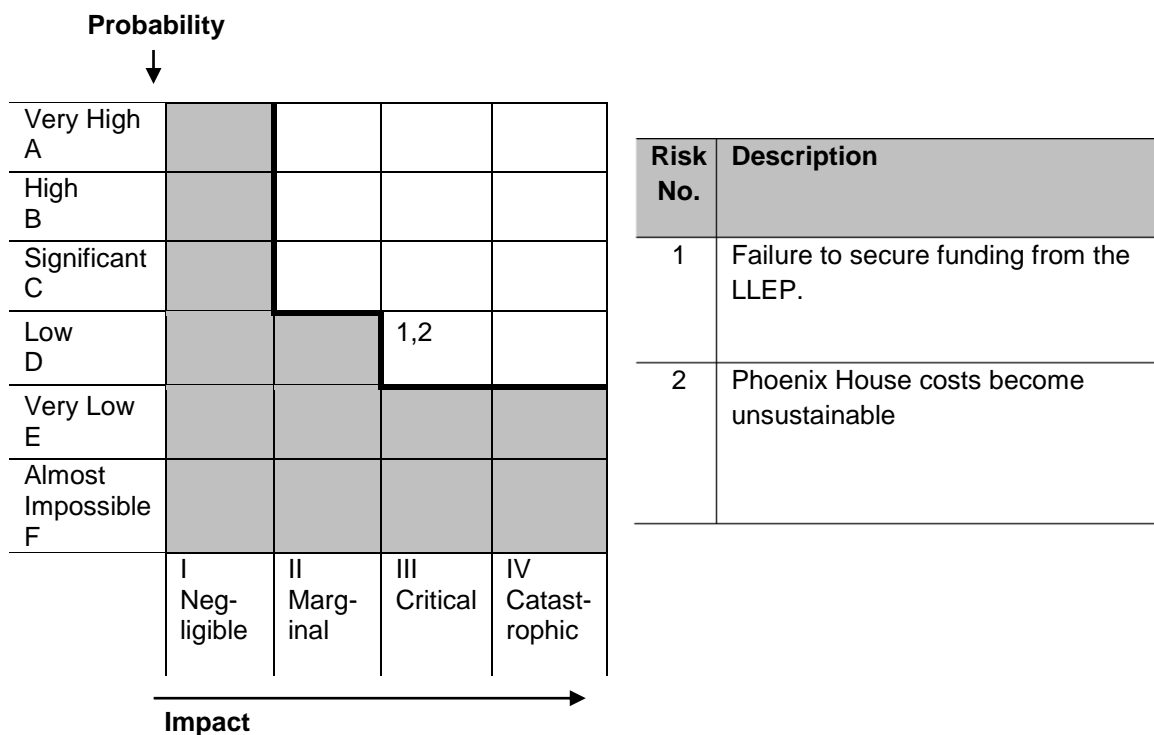
**6.0 COMMUNITY SAFETY**

6.1 Me & My Learning contributes to community safety outcomes in a number of ways by helping to reduce anti-social behaviour, reduce re-offending and works with young people aged 16-25 at risk of entering the criminal justice system.

7.1 An impact assessment has been undertaken and is published on the Councils website.

**8.0 RISKS**

8.1 Please see table below.



8.2 In addition to the risks identified above a number of risks directly associated with the LLEP bid (Building Better Opportunities) have been identified and are attached at Appendix C together with an analysis of mitigations

**9.0 CLIMATE CHANGE**

9.1 There are no particular implications arising from this report.

**10.0 CONSULTATION**

10.1 Consultation has been carried out with all partner agencies involved in Me & My Learning, Leicestershire District Councils, Leicestershire County Council, Leicester City Council and various voluntary sector organisations.

10.2 All tenants in Phoenix House have been consulted in relation to recent changes and new ways of working.

## 11.0 WARDS AFFECTED

11.1 All

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Contact Officer	Ronan Browne – People & Place Manager
Date:	19 <sup>th</sup> June 2015
Appendices :	Appendix A – Me & My Learning 2014/15 Report Appendix B – Melton Borough Unemployment Figures May 2015 Appendix C – Building Better Opportunities – Risks for MBC
Background Papers:	None