

POLICY, FINANCE AND ADMINISTRATION COMMITTEE**15th April 2015****REPORT OF STRATEGIC DIRECTOR (KA)****ME AND MY LEARNING – PHOENIX HOUSE****1.0 PURPOSE OF THE REPORT**

- 1.1. To consider the future management arrangements for Me and My Learning, understand performance for the period to 31st March 2015 and note the plans for moving forward in 2016/17.

2.0 RECOMMENDATIONS**2.1 It is recommended that:-**

- (a) the outcomes achieved to 31st March 2015 are noted;**
- (b) subject to normal HR procedures a new permanent T3 post is created within Communities and Neighbourhoods to initially continue with the implementation and embedding of the Me and My Learning ethos, funded as necessary from Transformation Challenge Award funds and money allocated to the Council for Universal Support – delivered locally;**
- (c) the forward plan for Me and My Learning for 2015/16 is noted; and**
- (d) all potential funding opportunities are pursued for 2016/17 onwards.**

3.0 KEY ISSUES

- 3.1 In September 2012 Melton Borough Council was accepted as one of 13 local authority led Universal Credit Pilots. This involved working with our cohort of working age benefit claimants to understand how prepared they were for changes being introduced through Universal Credit, such as claimants making claims digitally and claimants being required to have better money management and budgeting skills. The pilot ran from October 2012 until December 2013 and helped to provide us with some good insight into this cohort of people which at that time was approximately 1800 people.
- 3.2 Shortly before the end of the pilot period the 9 English local authority pilots were offered the opportunity to bid for European Social Fund money, held nationally by DWP, to support their respective work with claimants beyond the end of the pilot period. As reported to this Committee in December 2013 Melton Borough Council submitted a bid to develop Phoenix House as a Learning and Skills Centre, branded as Me and My Learning. This concept had previously been reported to members in April, July and October 2013. In February 2014 the Leader announced at Full Council that the bid had been successful and that we had secured just under £400K to establish Me and My Learning in 2014/15.
- 3.3 During this initial phase our priorities have been to commission appropriate services, engage with end users to make a difference to their lives and develop options for long term sustainability if successful. As part of the implementation of this initial phase the

Council has secured the services of a Business Partner who has been seconded from the Leicestershire and Northamptonshire Regional Offices of Job Centre Plus. This role has been focussed on making things happen on the ground and it is clear that significant drive, passion and emotional intelligence is required to address cultural issues within the Council, across partners and to achieve behaviour change for end users.

- 3.4 Alongside this role we have also been fortunate in securing on a consultancy basis a part time Business Partner who has provided capacity to explore options for long term sustainability. This individual has a wealth of national civil service experience working at a senior level with DWP and is invaluable to us at this stage of the development of Me and My Learning. Within the Council the project has been managed as part of the Council's Transformation Programme.
- 3.5 Members of this Committee were advised in July 2014 of the opportunity to develop Me and My Learning beyond April 2015 through a joint partnership bid, with Blaby DC and the Regional offices of Job Centre Plus, for Transformation Challenge Award funding through the Department of Communities and Local Government. The Leader subsequently announced at December 2014 Full Council that this bid had been successful with funding now secured up until 31st March 2016.
- 3.6 Me and My Learning has developed over the last 12 months as an ethos and a way of working which is about helping all working age residents in Melton to live their lives as independently as possible. In order to achieve this there is a focus on services that address digital independence (ensuring that individuals have appropriate digital skills and access to digital systems), financial independence (ensuring that people have sound financial management skills and wherever possible can secure sufficient income through sustainable work) and social independence (helping people to secure essential life skills, resilience and self-confidence to live independently). In doing this we are tackling the barriers that prevent some of our most vulnerable residents from achieving sustainable employment.
- 3.7 Whilst we were able to commence the project from February 2014, we did not start to see the first clients through the door until June 2014 following an initial set up period. The success of the facility since then has been remarkable, from 520 referrals, 355 clients have engaged with the service with 53 moving into sustainable employment at 31st March 2015. In addition to this a further 6 people have entered full time education and we now have 17 different service providers delivering over 20 different services to clients of Me and My Learning. A more detailed document is attached at Appendix A outlining the story of Me and My Learning over the last 14 months or so.
- 3.8 Members will note the emphasis within Appendix A on culture change and this will continue to be a significant issue as we move forward. This will be required both within the Council but also across partner organisations. This model of working has and continues to receive significant national interest. It could well lead to longer term structural finance changes at a national level but in the meantime we need to ensure that funding sources are accessed to support our own existing revenue resources and to ensure that there is not an unfair burden on this Council to meet revenue expenditure when we will not be the main beneficiaries of success. It will be vital for us to ensure that we have the right leadership within this project and across the Council to continue to drive the ethos of Me and My Learning and secure new approaches to delivering services.
- 3.9 Within the funding awarded for 2015/16 there is sufficient money to continue with the existing Business Partner arrangements as outlined in paragraph 3.3 and 3.4 above. However, whilst we intend to continue with the part time Business Partner consultant role

to focus on long term sustainability, using delegated powers and funding available in 2015/16, the secondment from DWP dealing with on the ground implementation ended on 31st March 2015, with the secondee being loaned back to us until end of May 2015. This will cause us a problem from the start of June if not addressed now.

- 3.10 In order to develop the facility and move forward officers believe that we need to create a new permanent T3 (Third tier Managers) banded post within Communities and Neighbourhoods. The alternative option of a fixed term appointment to 31st March 2016 is not considered to be the best one to ensure that the postholder has the qualities needed as outlined in paragraph 3.3 above. Subject to job evaluation processes we would anticipate the role being banded within the Band range for existing T3 managers across the Council. This role will initially be focussed entirely on Me and My Learning but it is suggested that this could be reviewed within 12 months to explore the potential of developing Communities and Neighbourhood services further.
- 3.11 In order to give members an idea of workload moving forward a forward plan document is attached at Appendix B to this report.
- 3.12 As we move through 2015/16 we will continue to engage with De Montfort University as part of our evaluation of the facility. We expect to report back to members shortly with a summary of their findings from the first 9 months of operation at Phoenix House. In particular this will feed into future business cases for funding post April 2016. At the present time it is our intent to try to develop a funding bid which will see the roll out of the Me and My Learning ethos to the whole of Leicester and Leicestershire. Discussions are still on-going with other Councils to try and achieve this. As a broad rule of thumb, research suggests that when a benefit claimant moves into a living wage job it is worth £6,900 in savings for the Government as well as providing a £13,100 boost to the local economy and a £6,500 gain to the individual.

4.0 POLICY AND CORPORATE IMPLICATIONS

- 4.1 This project is now very high profile at a national level and is enhancing the Council's reputation and ability to influence national agendas.
- 4.2 The early indications from the first 9 months of operation show that the project can contribute to the vast majority of the Council's current corporate priorities. These will include: -
- Support people and businesses through the economic downturn
 - Improve the wellbeing of vulnerable people
 - Reduce re-offending and the impact of offending on the community
 - Encourage people to play an active part in their communities
 - Meet the economic needs of the Borough
 - Improve quality of life of people living in the most disadvantaged neighbourhoods
 - Increase public pride and confidence in neighbourhoods

The project will also contribute to the vast majority of the new corporate priorities covered in draft elsewhere on this agenda.

- 4.3 The project is a key part of the Council's transformation programme and will help us to reduce demand on our services in future years through more people managing their lives better, including being able to transact with the Council using digital channels. We know from previous research that over a two year period 1289 people accounted for 44000 interactions with Customer Services.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

- 5.1 The revenue costs for the two business partner roles outlined in paragraphs 3.3 and 3.4 above in 2015/16 are budgeted for within the finances awarded from the Transformation Challenge Award money and existing revenue budgets. Beyond April 2016 the intention will be to again attract external money to cover the costs of these posts to Melton Borough Council, as well as any other MBC costs such as potential of lost rental income for Phoenix House. To date the costs of services provided from Me and My Learning are mostly met from non-Melton Borough Council sources. There are some Melton Borough Council services run as part of Me and My Learning and these are part of our normal budgets which we would be spending anyway.
- 5.2 At the present time there are at least two potential sources for this external funding. The first of these is funding allocated to the Leicester, Leicestershire Economic Partnership (LLEP) to assist with getting people skilled up to obtain work. We are working closely with the LLEP and are having discussions with other councils across Leicester and Leicestershire to discuss the potential for rolling the ethos out beyond Melton and Blaby from April 2016. There are many positive soundings from these discussions. The second source of funding available is funding from DWP for providing Universal Support – delivered locally. As a result of Universal Credit going live in Melton in February, we will receive £30K in 2015/16 to support claimants that has not yet been allocated to a spending budget. At least a similar amount is likely to be received in 2016/17 although this has not yet been discussed by officers.
- 5.3 Additional to these two funding sources there is also potential to achieve savings from payment of council tax support when people move off of that support and into living wage employment. Every pound saved in this way now stays local although the biggest gainer from such savings would be Leicestershire County Council because the costs pass through the Collection Fund and will be pro-rata to Council Tax precepts. We are currently engaged in dialogue with Leicestershire County Council regarding the potential of this option.
- 5.4 Over the longer term, 2019 onwards, officers believe that if this approach proves itself to be successful there will need to be an argument for structural finance changes at the national level to enable this approach to become “Business as Usual”. We will need to continue with our evaluation of the outcomes with De Montfort University and this will continue throughout 2015/16 as a minimum. The Business Case developed as part of our bid for Transformation Challenge Award funding indicated that for every pound invested, the return on investment for the Government would be between £5.50 based upon the financial case and £9.22 based upon the economic case. This submission was based upon assumptions but as we move forward we will be able to start putting real data in front of the civil servants to substitute for the assumptions.
- 5.5 In the event that we are unsuccessful with a bid for LLEP funding from April 2016, we will need to review options during 2016/17. Me and My Learning is ideal for meeting the anticipated requirements of Universal Support – delivered locally and we are confident that money already committed to Melton Borough Council as outlined above can secure funding for this post until at least March 2017.
- 5.6 There is also sufficient budget available in 2015/16 to appoint the Business Partner consultant to address long term sustainability as outlined in paragraph 3.9 above. This will be done using delegated powers on the same terms and conditions as for 2014/15.

6.0 LEGAL IMPLICATIONS

- 6.1 The Council has signed a legal agreement to provide support to Universal Credit applicants in Melton for the period ending 31st March 2016. This support, when needed,

will be provided through Me and My Learning and we will receive £30K for providing this support.

7.0 COMMUNITY SAFETY

7.1 Raising aspirations and skill levels will have a positive impact on crime and ASB and improve quality of life for residents of the Borough. Me and My Learning will be a great facility to support offenders back into the community after they have left prison. There could be financial opportunities here through linking to the new Community Rehabilitation Companies that have replaced probation.

8.0 EQUALITIES

8.1 Clients of Me and My Learning will include many of the most vulnerable residents in the Borough. This will include many people with protected characteristics, including those with disabilities, mental health problems, learning difficulties and other people with low confidence and self esteem.

9.0 RISKS

9.1 Probability

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Very High A				
High B				
Significant C				
Low D		2	1,3,4	
Very Low E				
Almost Impossible F				
	IV Neg- ligible	III Marg- inal	II Critical	I Catast- rophic

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Impact

Risk No.	Description
1	External income beyond April 2016 not sufficient to cover additional costs
2	Assumed Costs are too low
3	Unable to attract the right person to do the work or delay in appointment
4	Lack of long term sustainability leading to additional wind up costs

10.0 CLIMATE CHANGE

10.1 No impact on climate change

11.0 CONSULTATION

11.1 We continue to engage and consult with key stakeholders on this ground breaking piece of work. .

12.0 WARDS AFFECTED

12.1 All residents within the Melton Borough will be able to access the Me and My Learning centre.

Contact Officer: Keith Aubrey

Date: 2nd April 2015

Appendices: First Year Performance and Future Plan for 2015/16.

Background Papers: None

Reference: X drive/Committee/PFA