

Name of meeting: Cabinet

Date: 16th February 2021

Title of report: Works Better 15-25 Positive Minds

Purpose of report

This report seeks approval for the Council to receive and act as accountable body for a European Social Fund grant of £937,185 to deliver the Works Better 15-25 Positive Minds project. Works Better 15-25 Positive Minds will provide specialist mental health support for young people as part of the Works Better employment support programme. Integrating mental health provision with our wider employment support will add significant value to Works Better 15-25 and improve outcomes for young people.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	Yes
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by Strategic Director & name	David Shepherd 8 th February 2020
Is it also signed off by the Service Director for Finance IT and Transactional Services?	Eamonn Croston 8 th February 2020
Is it also signed off by the Service Director for Legal Governance and Commissioning Support?	Julie Muscroft 8 th February 2020
Cabinet member portfolio	Cllr Peter McBride, Deputy Leader of the Council and holder of the Deputy Leaders Cabinet Portfolio and Regeneration Portfolio Cllr Naheed Mather Portfolio Holder for Environment

Electoral wards affected: All

Ward councillors consulted: None

Public or private: Public

Has GDPR been considered? Yes

1. Summary

- 1.1 The Council has successfully bid for a European Social Fund (ESF) grant of £937,185 to deliver the Works Better 15-25 Positive Minds ('Positive Minds') project. Works Better 15-25 Positive Minds will provide specialist mental health support for young people as part of the Works Better employment support programme.
- 1.2 The report seeks Cabinet approval to receive and act as accountable body for the funding, enter into the necessary legal/funding agreements with the Department for Work and Pensions and deliver the project.

2. Information required to take a decision

Background

- 2.1 Young people are one of the groups that have been most impacted economically by COVID-19, along with BAME residents and others in low wage/less secure employment. The number of 18-24 year olds in Kirklees claiming Universal Credit and other work-related benefits increased by over 87% between March and May 2020, during the first national lockdown. Although the number of young people affected has since stabilised, the proportion of 18-24 year olds affected in Kirklees (10.2%) remains higher than the Yorkshire and Humber (9.1%) or England (9%) averages.
- 2.2 Recent research¹ found that over half of those aged 18-24 who were employed before the pandemic had stopped working in Autumn 2020 - either by being furloughed or by losing their jobs altogether – compared to fewer than a third of those aged 30-50. The research also showed that young adults have experienced the most significant deterioration in their mental health during the pandemic; the proportion of 18-29 year olds experiencing poor mental health increased by 80% between 2017-2020.
- 2.3 Those young people who are not in education, employment or training (NEET) face particular mental health challenges. National research indicates that 35% of young people that are NEET face mental health problems compared with only 14% of non-NEETs. According to the literature, key barriers to employment for this group include the loss of welfare benefits and the perceived risks; a lack of knowledge among employers around mental health issues; and the fear of being stigmatised and discriminated against.

Works Better 15-25

- 2.4 Works Better 15-25 is the Council's programme of employment support for young people who are not in employment, education or training (NEET). The programme currently consists of two ESF funded projects:
 - Youth Engagement and Progression, which supports young people aged 15-18, for which Bradford Council is the Accountable Body for ESF funding;
 - the Employment Hub, which supports 19-24 year old participants to enter/re-enter work or learning, for which the West Yorkshire Combined Authority is the Accountable Body;
- 2.5 Working in partnership with delivery partner C&K Careers, both projects provide an holistic package of support, tailored to the needs of the individual, enabling young people to explore training and career opportunities whilst developing their skills and confidence. This includes both pre-employment training and in-work support and funding to address specific barriers to employment. Together, both projects have a value of £3.3m and aim to support over 2,000 young people by the end of 2021.

Positive Minds

- 2.6 The Council submitted a bid for ESF funding in May 2019 in response to a specific call for projects providing mental health support for young people² issued by the Department for Work and Pensions under Priority Axis 1 (Inclusive Labour Markets) of the 2014-2020 ESF Operational Programme. The Council's bid has been successful, resulting in the award of an ESF grant totalling £937,185 to support delivery of the Positive Minds project over the period to June 2023.
- 2.7 Building on and fully integrated with the wider Works Better 15-25 programme, Positive Minds will provide additional mental health support for young people who are unemployed or economically inactive and where mental health needs are a barrier to progression into work or education. The project seeks to bring together employment and mental health support for young people into a cohesive model, providing specialist interventions in four main areas:
- engagement, trust building and supporting preparation for mental health interventions
 - mental health interventions including accessing psychological therapies, services, social prescribing and mindfulness on both a group and one-to-one basis
 - support with job-seeking and employability support/training when the participants are well enough to engage with this
 - in-work support to help young people manage their mental health during the transition into work and remain in work.
- 2.8 Positive Minds will work with 950 young people over the period to 2023. Kirklees Council will act as Accountable Body for the ESF funding and will work with delivery partners C&K Careers, Northorpe Hall and S2R Create Space to deliver the project.

Costs

- 2.9 The Positive Minds project has a total value of £1.87m over the period to June 2023. The ESF grant totals £937,185 (just under 50% of the total project cost) and the Council has committed to providing £368,605 in match funding, substantially in the form of staff match. Cash match will be provided through existing revenue budgets and no additional Council funding is required to deliver the project.
- 2.10 Delivery partners C&K Careers, Northorpe Hall and S2R Create have also committed match funding totalling £568,581 and will draw down ESF grant in arrears in proportion to their match funding.

Expected impact/outcome/benefits

- 2.11 The project will be required to deliver a number of outputs/results in relation to the ESF funding award. The output/results targets for the project include:
- 409 unemployed participants into education, work or an Apprenticeship /Training
 - 245 participants into employment, including self-employment, 6 months after leaving the project
 - 44 participants to gain basic skills.

² https://assets.publishing.service.gov.uk/media/5cd2d4fa40f0b66050900e68/Call_specification_IP1.2_Mental_Health_Support_for_Young_People_OC20S19P1291.pdf

- 2.12 The Positive Minds project will achieve a number of wider outcomes/benefits. The project will address an acknowledged gap in the support available for unemployed young people to access specialist mental health interventions alongside wider employment support through an integrated approach. In this context the project can make a significant contribution to helping young people back into learning or work and improve the sustainability of these outcomes.
- 2.13 Provision of in-work support also provides a significant opportunity to raise awareness of mental health with employers, tackle the stigma that remains associated with mental health issues and ensure employers are equipped to support young people to remain and progress in work.

Risks

- 2.14 There are a number of risks associated with the scheme, including:
- need/demand for support may strip the funding available
 - the wider economic climate could impact on the ability to achieve some of the output/results targets, with the potential risk of clawback of ESF funding
 - the project could compete with other Government-funded initiatives, for example the Restart scheme, to attract participants
 - in acting as Accountable Body for the ESF grant, the Council is required to ensure that compliance with the relevant client, eligibility State Aid, procurement and branding/publicity requirements, including by delivery partners, again with the potential risk of clawback in the event of non-compliance
- 2.15 These risks will be managed and mitigated by the Council on an ongoing basis throughout the delivery period. The Works Better team is highly experienced in the delivery of successful ESF projects over a number of years and has the resources in place to manage any related compliance risks. The State Aid risks to the Council in relation to delivery of the project are low as it is not acting as an 'economic undertaking' in this context. Any future procurement activity will be undertaken in accord with relevant procurement regulations.
- 2.16 The Council has an effective working relationship with key stakeholder Jobcentre Plus and will continue to work closely with them to ensure the project is integrated with other national employment support initiatives, including Restart, and appropriate referral/signposting mechanisms are in place. The current economic conditions could impact on the Council's ability to achieve some project outputs, particularly those relating to sustainable employment and self-employment. This risk will be mitigated by widening the extensive range of employers with whom Works Better is already engaged – including many in sectors that have remained operating during the pandemic - and ensuring appropriate referral into other, complementary support, including the Council's business start-up/self-employment project.

3. Implications for the Council

Working with People

- 3.1 The proposals will support the Council's efforts to work together with people and communities to find shared solutions. Positive Mind directly supports the outcome of working with people by supporting young people's mental health and supporting employment

Working with Partners

- 3.2 The project has been developed in partnership with a range of local partners including Jobcentre Plus; C&K Careers; and the specialist mental health partners Northcote Hall and S2R who are also delivery partners for the bid.

Place Based Working

- 3.3 The project will support the Council's commitment to place-based working. Provision will be driven by local knowledge, local employment intelligence and engagement with individual communities. Engagement will target deprived areas where the unemployment rate is highest. Support will be tailored to reflect local differences and demographics with provision for under-represented groups.

Climate Change and Air Quality

- 3.4 The Works Better programme has a commitment to promoting sustainable development and to comply with relevant the environmental legislation which will be monitored and reviewed regularly in the sustainable development implementation plan.

Legal, Financial and Human Resources

- 3.5 Financial matters are addressed in paragraph 2.9.
- 3.6 The Council is required to enter into a funding agreement with DWP that will generate contractual obligations for the Council in terms of the provision of match funding and achievement of project outputs and results. It has the power to do this under section 1 of the Localism Act 2011 (the general power of competence) .The funding agreement is based on a standardised template for DWP ESF projects and any material clauses will be incorporated in back to back agreements with delivery partners. Related risks and mitigation are set out in paragraphs 2.14-2.16.The Council must comply with its Financial Procedure Rules and Contract Procedure rules when awarding contracts for goods, works and services and ensure compliance with the Public Contracts Regulations 2015 and the State aid /subsidy control regime in relation to the delivery of the project. The Council must also comply with its obligations under section 149 of the Equalities Act and its public sector equality duty.
- 3.7 The Council's input to the project will be delivered through a mix of existing staff and three new, fixed term posts. All related project costs are covered by the ESF grant and related match funding.
- 3.8 The council is required to act as Accountable body and must to agree to the responsibilities and obligations set out in the Funding agreement.

4. Consultees and their opinions

- 4.1 The Council consulted with a range of partners during the development of the project including C&K Careers; local mental health providers and with Council public health and mental health commissioning managers. Ongoing engagement with a range of key stakeholders will take place to oversee delivery of the project as part of the governance arrangements for the Works Better project.

5 Next steps and timelines

- 5.1 Subject to approval, the Council will enter into the funding agreement with DWP and service level agreements with delivery partners.
- 5.2 The Council will keep the operation of the scheme under review, including the period during which it will be open for applications.

6. Officer recommendations and reasons

1. Cabinet notes the content of this report and approves the delivery of the Works Better 15-25 Positive Minds project.
2. Cabinet agrees to accept the external European Social funding of £ 937,185 for the project and for the Council to act as Accountable Body in relation to the grant.
3. Cabinet agrees to receive regular progress reports on the delivery of the project.

4. Cabinet delegates authority to the Strategic Director Growth and Regeneration and the Service Director Legal, Governance and Commissioning to finalise and execute all necessary legal agreements with the Department for Work and Pensions and project delivery partners.
5. Cabinet delegates authority to the Strategic Director Growth and Regeneration and the Service Director Finance, to submit grant claims and to undertake related project monitoring and reporting.

Reasons

1. To ensure young people can access the support available through the project as soon as practicable.
2. To enable the Council to receive external funding for the project via the European Social Fund.
3. To ensure Cabinet can receive regular reports on progress and be advised of any delivery risks or opportunities.
4. To ensure rapid and efficient implementation of the project in accordance with the scheme of delegations.
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7. Cabinet Portfolio Holder's recommendations

The Cabinet Portfolio Holder supports the recommendations, which have been developed to ensure the efficient and effective delivery of the project to increase access to vital mental health support for young people as part of the Works Better offer.

8. Contact officer

Chris Duffill, Head of Business and Skills chris.duffill@kirklees.gov.uk 01484 221000.

9. Background Papers and History of Decisions

N/a

10. Service Director responsible

Joanne Bartholomew, Service Director Skills and Regeneration.

