

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

2517

Author:

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Department:

Development

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Subject:

Integrated Employment and Skills Delivery

Total Value:

£365,000 (Type: Revenue)

Decision Being Taken:

- a) To integrate NCC employment and skills delivery functions with Nottingham and Nottinghamshire Youth Services Ltd (a subsidiary company of Futures Advice, Skills & Employment).
- b) To provide £75,000 funding to cover for the post of Jobs Hub Co-ordinator, and project delivery costs relating to the hub from within current budgets.
- c) To authorise dispensation from Contract Procedure Rule 5.1.2 in accordance with Financial Regulation 3.29 to award the contract relating to the funding to Nottingham & Nottinghamshire Youth Services Ltd.
- d) To delegate responsibility to the Strategic Director for Economy for future budget transfer relating to the staffing up to a total of £290,000 (subject to the prevailing salary costs at the time of the transfer)

a) Since the Growth Plan launched in 2012, the Employment and Skills function within Economic Development has supported over 6,000 people into jobs, while at the same time we have supported Futures (a company jointly owned by Nottingham City and County Councils) to become a stronger, more resilient organisation working to support people (particularly young people) into employment across the N2 area.

In light of recent and anticipated future pressure on budgets, and the need to put the citizen even closer to the heart of our jobs service, we recognise the need to develop an integrated employment and skills offer, which brings together NCC, DWP and Futures delivery functions into one coherent service, which can work across local authority boundaries and access a wider range of funding opportunities. This will be both able to operate more efficiently and effectively than current separate arrangements, enabling the delivery of our Council Plan commitments to guarantee job, training or further education place for every 18-24 year old.

All three organisations are fully committed to this long term vision, and building upon the successful partnership working between NCC and DWP, we now propose to widen the existing partnership arrangements to include Futures, and for Futures to take a more proactive role in the day to day co-ordination.

Currently Nottingham City Council directly delivers a number of functions, particularly the Nottingham Jobs Hub, Nottingham Jobs Fund and other associated services. To begin the process of working more closely in a joint partnership manner it is proposed to transfer the management of these functions on a day to day basis to Futures, therefore enabling a joint partnership direction for the service and enabling the City's role of commissioner to be clearly defined.

Due to the time limited nature of the funding for the Jobs Hub and NJF (March 2017), staff will remain employed by NCC and be seconded under the retention of employment model to Futures until March 2017. Once further funding is secured then these arrangements will be reviewed, with the ultimate goal for services will be transferred on a more permanent basis.

Should posts become vacant between now and March next year then any recruitment to new posts will be undertaken by Futures, including the currently vacant role of Jobs Hub co-ordinator.

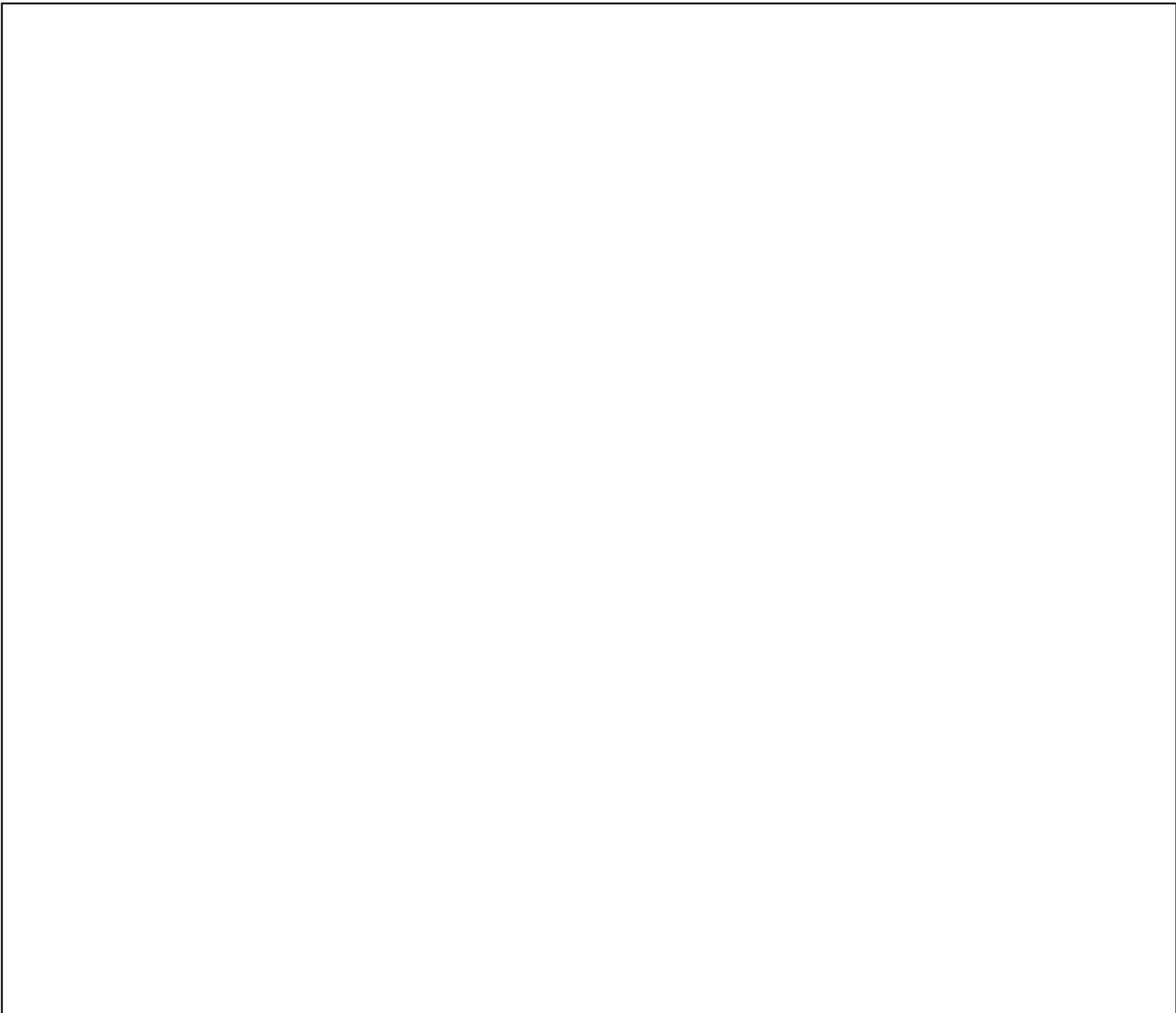
In order to ensure that the city council continues to get best performance and value for money, we will build on current arrangements within Economic Development to create a strong, strategic and commissioning unit for employment and skills activity which will manage delivery through a robust service level agreement and rigorous monitoring arrangements. In addition the partnership will be monitored through a monthly project board meeting involving all three partners.

b) To enable these services to be delivered effectively, we need to transfer to Futures £75,000 project delivery costs from the relevant existing budgets. This includes the funding for the role of Jobs Hub Co-ordinator (£45,000) and the day to day running costs of the hub (£30,000), both of which are funded through the income received to fund the jobs hub from the DWP Innovation Fund programme.

c) Dispensation from financial regulations to award the contract for delivery to Nottingham and Nottinghamshire Youth Services, which is a wholly owned subsidiary of Futures and benefits from Teckal procurement exemption (as established in previous decisions). Futures already has a key delivery role within the employment and skills field and are a significant partner within the new integrated model, which will ensure that services can be aligned further, while remaining under NCC governance.

d) Budgets relating to the employment of the staff will remain with NCC. However to aid the long term transfer and avoid any further future TUPE situations, should any of these posts become vacant over the coming months then Futures rather than NCC will recruit and appoint to the post. It is therefore proposed that delegated authority to approve the future transfer of any staff related funds up to the value of £290,000 (the value of the remaining staffing allocation) is given to the Strategic Director for Economy.

This will only be implemented should a post become vacant and on a post by post basis. But it would mean that the recruitment process can be undertaken in an efficient way by Futures.



Other Options Considered: To continue to operate as a delivery function within NCC - this would reduce the effectiveness of the ambition to create and integrated employment and skills offer within the city, and hinder the Council ability to build a strong commissioning and delivery model in this area. It would also reduce the potential opportunities going forward to secure funding and sustain employment and skills activity.

Background Papers:

Published Works: None

Affected Wards: Citywide

Colleague / Councillor Interests: None

Any Information Exempt from publication: Yes

Dispensation from Financial Regulations: Yes

Exempt Information:

Description of what is exempt: Legal advice relating to employment contacts of staff.

An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972

1 - Information relating to any individual The public interest in maintaining the exemption outweighs the public interest in disclosing the information because the information relates to ongoing matters of a confidential nature relating to individuals.

2 - Information which is likely to reveal the identity of an individual The public interest in maintaining the exemption outweighs the public interest in disclosing the information because the information because the information relates to ongoing matters of a confidential nature relating to individuals and which would be likely to identify those individuals.

4 - Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because the information relates to matters regarding employees of the Council in respect of whom consultations and negotiations are being contemplated.

5 - Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because the information contains confidential legal advice to the Council in relation to the current matters.

Documents exempt from publication:

2016-04-01 Legal Advice - exempt appendix.pdf

Consultations:

Date: 12/01/2016

Other City Council Bodies: Corporate Leadership Team

Endorsed proposals

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

None

Equality:

Please login to the system to view the EIA document: EIA Integration final.doc

Relates to staffing:

Yes

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

06/07/2016

Advice Sought:

Legal, Finance, Procurement, Human Resources, Equality and Diversity

Legal Advice:

This advice is exempt from publication and is contained within an exempt appendix Advice provided by John Bernard-Carlin (Team Leader) on 01/04/2016.

Finance Advice:

This decision seeks approval for the integration of the Council's employment and skills delivery functions with Futures, which will include the secondment of employees to Futures. One aim of this approach is to ensure a more effective and efficient service. As the staff will remain employed by the Council, the costs will continue to be incurred in the same way and can be contained within current approved resources. This arrangement is initially for a short term period (approx 1 year) while the Council and Futures develop a service level agreement to agree a longer term and sustainable level of activities. There will need to be regular reviews of the costs and resources, as the majority of the services to be integrated (Nottingham Jobs Hub, Nottingham Jobs Fund) are funded from Council reserves. As to be agreed between Futures and the Strategic Director for Economic Development, the staff and funding will transfer to Futures up to a total of £0.290m, subject to the actual salary costs at the time of transfer.

This decision seeks approval to provide £75k to cover the cost of the Jobs Hub Co-ordinator (to be employed by Futures) and project delivery costs. The £75k can be resourced from the Employer Hub reserves, and the agreement to cover this cost should be for a fixed period to prevent an unfunded commitment.

Approval is sought for dispensation from Contract Procedure Rule 5.1.2 in accordance with financial regulation 3.29 to award the funding to Nottingham & Nottingham Youth Services Limited (a subsidiary of Futures) for operational reasons to support the development of an integrated service. Guaranteeing a job, training or further education for every 18 to 24 year is a key objective of the City Council's Plan for 2015-19.

Advice provided by Maria Balchin (Finance Analyst) on 18/02/2016.

Procurement Advice:

Approval is sought for dispensation from Contract Procedure Rule 5.1.2 in accordance with financial regulation 3.29 to award the funding to Nottingham & Nottingham Youth Services Limited (a subsidiary of Futures) for operational reasons to support the development of an integrated service. Guaranteeing a job, training or further education for every 18 to 24 year is a key objective of the City Council's Plan for 2015-19

This decision raises no procurement concerns. Advice provided by Paul Ritchie (Procurement Category Manager) on 19/04/2016.

HR Advice:

Staff have been fully involved in the process of integrating and how to ensure the citizen will benefit from this new way of working. As there is a transfer of service delivery to Futures, managed directly by Futures this constitutes a TUPE transfer. AS current funding only exists to March 2017 most staff are likley to reject the transfer under the retention of employment model and therefore will be seconded to Futures for the remaining period of their Fixed Term contracts. When more sustainable funding is secured through Futures, and if the trial of the joint working arrangements are successful, a longer term solution around the employment of staff will need to be put in place alongside the new funding arrangements.

The staff objecting to transfer will be seconded to Futures from a date in April 2016 alongside the start date of the new hub manager, coinciding with the remainder of their fixed term contract. The funding for most of these roles will come to an end in March 2017 so reviews on success and plans for future sustainability are paramount to the success of this. Longer term, if this integrated way of working is succesful and funding is secured via Futures directly then secondments would need to end in favour of a full TUPE transfer. This will be explored in more detail as the funding becomes clearer later in the year. Advice provided by Hannah Gemmill (HR Business Partner) on 29/02/2016.

Equality and Diversity Advice:

The proposal has two strands that require due consideration to equality. Staffing considerations and the hoped for successful support to citizens re: employment outcomes should be carefully monitored to ensure that the principles of fairness and equity, with the welfare of staff and citizens alike remaining centre stage within any future service configuration.

Advice provided by Adisa Djan (Equalities and Diversity Consultant) on 06/04/2016.

Signatures

Sam Webster (PH for Education, Employment and Skills)
SIGNED and Dated: 21/06/2016
David Bishop (Deputy CE, CD for Development and Growth)
SIGNED and Dated: 13/06/2016
Theresa Channell (Head of Corporate and Strategic Finance) - Dispensation from Financial Regulations
SIGNED and Dated: 08/06/2016
Chief Finance Officer's Comments: