



Leicester
City Council

WARDS AFFECTED
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FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

OSMB Meeting
Cabinet Meeting

4th December 2008
8th December 2008

**Proposals for Reviewing the Children's Fund Provision through the
Area Based Grant (ABG)**

Report of the Interim Corporate Director of Children & Young People's Services

1. PURPOSE OF REPORT

- 1.1 This report outlines the options for using the spend from the Area Based Grant (ABG) currently committed to the Children's fund (CF) in order to meet ABG targets and comply with the Authority's procurement rules. The report looks at whether spend should continue to support the current activities or whether decommissioning of the current management arrangement with Action for Children(AFC) and subcontracted projects should occur in order to better meet the ABG targets and grant conditions.

2. SUMMARY

- 2.1 Action for Children (AFC) previously known as NCH, have historically received funding from Government Departments in order to operate Leicester Children's Fund. In 2008/09 this funding was pooled into the Area Based Grant that should be used to support key local, regional and national priorities for the City.
- 2.2 This report explores the options available to the Authority and makes recommendations about a way forward for the use of ABG funds currently committed to the Children's Fund related activities from April 2009.

3. RECOMMENDATIONS (OR OPTIONS)

- 3.1 It is recommended that option 2, detailed below, be selected for taking this work forward and that the contract with AFC be ended on 31st March 2009. It is believed that this will offer the greatest opportunity for combining procurement processes and contributing to the LAA indicator NI 179 Value for Money. A review of the projects previously funded through the CF would be carried out in order to inform future decisions about which would continue to receive funding through the Authority for 2009/10.
- 3.2 More detailed work would be undertaken in this financial year to look at improving efficiency in terms of procurement and contract management practices. Proposals for the projects funding would be brought before C&YP Directorate at a future date but it is anticipated currently that the majority of the projects be offered a one year funding agreement for 2009/10.

4. REPORT

4.1 Background

- 4.1.1 The CF has historically received funding directly from Government Departments in order to fund services that impact on key priorities. The Children's Fund activities in Leicester have been administered through AFC who employ staff to carry out two key functions. The first is to commission and performance manage the grant, the second is around participation with children and young people as outlined in appendix B (list of projects funded) under the participation project.
- 4.1.2 In 2008/09, the CF spend stream was pooled into the Area Based Grant (ABG). The ABG grant conditions requires spend to be used in order to support the delivery of key local, regional and national priorities for the City. The LAA targets for CYP are listed as appendix A, forming one of the key sets of targets that the ABG should be used to support.
- 4.1.3 Of the previous £1.3m CF grant, £1,018,600 supports 16 preventative services (including the internal participation project), with AFC retaining £282,143 for management and administration costs. A full list of the services funded is attached as appendix B. These services have been assessed by the AFC as impacting on a range of Every Child Matters (ECM) outcomes and some of the LAA targets.
- 4.1.4 As AFC is external to the Council and the budget for the AFC contract exceeds the financial thresholds for tendering, any future management contracts will need to be procured involving a tender exercise complying with EU procurement rules. The current contract with AFC is due to expire on 31st March 2009 and cannot be extended without going through a procurement exercise.

4.2 Funding Options for 09/10

- 4.2.1 There are two key issues to be considered around the funding from 09/10 for Leicester CF. The first is around the CF own commissioning function and if and how this should

be run into the future whilst the second relates to the projects funded through the CF and whether these should be retained. The following two options cover these issues.

Option 1 Continue with the service as it is but procure for an organisation to run the work currently undertaken by AFC

- 4.2.2 With this option, the contract would be largely unaltered but the market would be tested to see if an alternative organisation could offer better value for money. The appointed organisation would commence work from 1st April 2009. It is likely that staff would automatically transfer into the new organisation appointed in accordance with the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). Projects funded through AFC would continue to receive funding where the new organisation felt that they met with priorities outlined in the contract.
- 4.2.3 The benefits of this approach would be around the continuation of provision both in terms of the commissioning and participation work previously undertaken by AFC and the wider work undertaken by the range of projects that they fund. Requiring an organisation outside of the Authority to handle the funding of predominantly voluntary and community based projects allows for more creativity in the assessment and funding process than is possible within the Council's own procurement rules.
- 4.2.4 Risks associated with this approach include the issues of disruption to provision if an organisation other than AFC was to be awarded the tender and the handover process did not run smoothly. There is also the risk that this is not the most effective way to utilise funds in order to impact on the key targets for Leicester and that there is repetition of commissioning and procurement processes with several different organisations taking on this role in the City. Finally there may also be a risk in requiring an organisation outside of the Authority to commission services. However, improved contract management between the Authority and the successful organisation should reduce this risk.

Option 2 End the contract with AFC, requiring them to end contracts with the 16 projects funded. Review the projects funded and look at options for continuing to fund them through the ABG direct from the Authority where they are impacting on key targets.

- 4.2.5 With this option, all of the contracts held by the AFC with projects would end on 31st March 2009, as would the contract between the Council and AFC. For AFC this would mean the end of their work on the CF and staff working on this would be brought across to the Council through TUPE arrangements.
- 4.2.6 The Council would then continue to fund the majority of projects where they impacted on key priorities for the City. This funding would be put in place for 1 year whilst a more thorough review of impact on priorities and performance occurred.

- 4.2.7 A review of contract management processes would also occur over this year to address the issue of organisations funded through the CF also receiving funding directly from the City Council. By offering one contract for the full funding amount where they are impacting on priorities rather than passing some of the funding through the managing organisation in order for it to get to the projects, a more efficient process would be followed and simplified contracting, monitoring and payment methods for the projects would be achieved. This would meet with criteria laid out in Leicester's Compact with the Voluntary and Community sector and would impact on LAA target NI 179 Value for Money.
- 4.2.8 One of the key points to note with this option is that by bringing the funding into the Local Authority there may be a requirement to tender for much of the funds in the long term.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications

- 5.1.1 The funding previously distributed by way of the Children's Fund is now within the Area Based Grant. As such, it should be used together with other ABG funding allocated to the Children's Block to best meet the key local, regional and national priorities as set out in the LAA. The 2008/09 funding in the ABG is £1.3m, which will also be received as part of the ABG in 2009/10 and 2010/11. Of this, £1m is spent on projects and £0.3m is retained by AFC for management and administration, in line with the pre-ABG arrangements when the Government paid the funding direct to NCH/AFC.
- 5.1.2 The report essentially recommends that the current interim arrangements with AFC (and in turn its subcontracted projects) should be brought to an end on 31 March 2009 and that the projects funded through the Children's Fund "budget" within the ABG should be reviewed. This option offers a good opportunity for securing good use of the funding in line with current priorities over the coming years and to potentially release efficiencies in the commissioning arrangements.
- 5.1.3 The recommended option would involve a TUPE transfer of staff from AFC to the Council. The detailed financial implications of this have not been quantified, although it is unlikely that the cost would exceed the management fee currently retained by AFC.

Colin Sharpe, Head of Finance and Efficiency, CYPS, ext. 29 7750.

5.2 Legal Implications

- 5.2.1 The Transfer of Undertakings (Protection of Employment) Regulations 2006 will apply to either option as a relevant transfer will occur, where there is a change of employer. If option 1 is pursued employees will transfer from AFC to the new provider, should AFC be unsuccessful at re-tendering.

5.2.2 A relevant transfer will occur if option 2 is pursued because the commission and performance management of part of the ABG will be transferred in-house. All those employees permanently assigned to the service to transfer, who are employed immediately before the transfer date by AFC will transfer to the employment of Leicester City Council. The transfer takes place automatically and employees transfer on the same terms and conditions (except for occupational pension rights). The City Council will be unable to pick and choose which employees to take on. The City Council will take over all rights and obligations arising from those contracts of employment (except for criminal liabilities and some occupational pension benefits). As City Council employees they will be eligible to join the LGPS.

5.2.3 Legal advice will be required leading up to the transfer date on an ongoing basis to ensure the Regulations are complied with. There are risks associated with the transfer of staff but these can be minimised by following legal advice. There are penalties for failing to comply with the Regulations and a risk of numerous Employment Tribunal claims.

Kate James, Solicitor

6. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph Within the Report	References
Equal Opportunities	YES	Some of the projects funded through the CF (see appendix B) are working directly with communities in need of targeted, specialist support.	
Policy	YES	The report makes recommendations for changes in the use of funding obtained through the ABG in order to impact on priorities identified through Leicester's LAA.	
Sustainable and Environmental	NO		
Crime and Disorder	YES	Some of the projects funded through the CF (see appendix B) are working with young people at risk of offending.	
Human Rights Act	NO		
Elderly/People on Low Income	NO		

7. RISK ASSESSMENT MATRIX

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/appropriate)
1 Loss of funding to projects in the City	H	M	Review of projects funded with a view to funding these through the Authority where they are impacting on key priorities.
2 Increased hurdles to accessing money for the VCS	M	M	Changes are occurring to procurement processes corporately in order to address many of these issues
3 Increased workload for the C&YP Dept.	M	M	This is likely in the short term but TUPE transfer of staff will assist with this. Longer term work should be incorporated into existing contract management arrangements for the majority of projects.

L – Low
M – Medium
H - High

L – Low
M – Medium
H - High

8 CONSULTATIONS

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Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Executive (Cabinet)

Appendix B: projects funded through the CF

Leicester Children's Fund

Children's Fund Mapping and Evaluation Report

The report contains a brief on all LCF projects funded during the last contract period of October 2005 through to March 2008. These projects have been granted extensions for a further year taking them to March 2009. This work was carried out by NCH at the request of the City Council.

Outputs and budgets for the projects listed are for the contract period October 2005 to March 2008. New contracts for 2008/09 contained revised figures and targets with actual figures expected later in the year.

Some of the projects missed their targets for SLA outputs significantly. Action for Children report a variety of reasons for this. Many of the organisations are small with sometimes only one or two staff working on a project. Changes to the organisation or issues with recruitment can therefore have a large impact on outputs produced. October 2005 was the first time that many of these projects were formed and therefore SLA outputs were estimates at this stage. Some projects experienced problems with starting up, finding premises, recruiting staff etc. that again affected outcomes achieved.

Action for Children report that there were valid reasons put forward by all projects not achieving SLA output targets over this period, hence them being offered an extension to their contract. All projects are now on track to achieve 2008/09 targets. Action for Children also advise that no project should be put forward for termination of funding into 2009/10 based on monitoring data gathered in the year so far.

Active Citizenship Encouragement (ACE)

Organisation: Voluntary Action Leicester

Project Aim

The ACE (Active Citizenship Encouragement) project currently works within schools and youth and community groups across the city delivering aspects of citizenship such as environmental issues, world problems, drugs education, volunteering and the community to 10-13's. The project offers a variety of programmes from one-off assemblies to 10-week targeted programmes. ACE is managed by a steering group of young people which reflects the diverse communities within the city of Leicester.

Funding Level 2008-09: £15,998.00

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 1600
Numbers actually seen (additional nos. outside of age group): 1014 (0)

School Plus Project

Organisation: Ajani Women and Girls Centre

Project Aim

Located in Braunstone Frith Junior School, the School Plus Project offers targeted support that encourages 4-12 year old dual heritage, African and Caribbean girls in the local area (predominantly White British) to develop a positive self-image and racial identity. The project offers age-appropriate advice about nutrition, sexual health, drugs and educational support.

Funding Level 2008-09: £27,440.00

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 1800
Number actually seen (additional nos. outside of age group): 142 (10)

Social Inclusion Buddy Worker

Organisation: Belgrave Playhouse

Project Aim

Belgrave Playhouse is a local charity and voluntary group and has provided long-term care, recreation and play activities for children in the Belgrave area of Leicester for over 25 years. LCF funds a social inclusion worker that accesses support for the children who need it the most. The primary responsibility of the worker is to 'buddy' children up and offer one-to-one support until they can confidently join the mainstream playhouse. The sessions develop the child's self-esteem, confidence and sense of belonging through role play, games and story telling. This equips the child to value and trust themselves and others, and build positive relationships within a safe setting.

Funding Level 2008-09: £10,077.60

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 300
Number actually seen (additional nos. outside of age group): 189 (24)

Empowering Bangladeshi Young People project

Organisation: Bangladesh Youth and Cultural Shomiti

Project Aim

BYCS was founded in 1974 to provide services to the Bangladeshi community in Leicester to combat poor educational achievement, higher levels of unemployment and lower pay than other communities. The Empowering Bangladeshi Young People project is run by the BYCS and offers a mix of formal and informal learning for Bangladeshi children and young people between 5 and 13. The project provides a real opportunity for young people to have a major stake in the development of the Bangladeshi community in Leicester.

Funding Level 2008-09: £13,596.00

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 50
Number actually seen (additional nos. outside of age group): 1840 (72)

CareFree Young Carers' Service

Organisation: Barnardo's

Project Aim

Barnardo's CareFree Young Carers' Service supports children and young people whose lives are affected by caring for a family member who is ill, disabled, has mental health difficulties, learning difficulties or alcohol/ drug dependency. Research consistently demonstrates that many young carers are disadvantaged in their ability to enjoy and achieve equally with their peers, in terms of their educational, social and personal development, and few have the time or energy to simply have fun and be 'carefree'. The CareFree Young Carers' BME project provides both practical and emotional support specifically for 5-13 year old black and minority ethnic (BME) young carers and their families.

Funding Level 2008-09: £47,320.00

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 100
Number actually seen (additional nos. outside of age group): 136 (26)

St Mathew's Contact Project

Organisation: Contact Project

Project Aim

This door-step community project helps children and young people aged 5-25 who live on the St Matthew's estate, recognised as being one of the most socially and economically deprived areas of the city, and amongst the top 5% of the most deprived estates in the country. The project deals with all aspects of social inclusion and works to promote a positive, safe, healthy and happy community in the local area, equipping children with the necessary skills, confidence and information to move forward. Services include one-to-ones, group work, issue-based activities, parenting classes/ family learning and support in times of need.

Funding Level 2008-09: £89,913.51

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 250
Number actually seen (additional nos. outside of age group): 330 (5)

Disabled Youth Inclusion Service

Organisation: Leicester City Council

Project Aim

DCIS helps 'tier 2' children that are vulnerable to social exclusion by supporting the whole family to access activities and events in the local area, and providing the family with timely and appropriate information to practical support. DCIS compliments statutory agencies' core business responsibilities. Services include play, sport and leisure activities, parenting support and family support based in the home and participation and consultation with children in a child-focussed manner.

Funding Level 2008-09: £107,718.00

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 3570
Number actually seen (additional nos. outside of age group): 2143 (737)

FWA – Leicester Children's Support Service

Organisation: Family Welfare Association

Project Aim

The Leicester Children's Support Service (LCSS) is run by the Family Welfare Association, a national charity that provides practical, emotional and financial support to families.

LCSS works with families where parents have additional support needs i.e. mental health issues, learning disabilities, physical disabilities or severe illness. A Family Support Worker (FSW) works alongside the whole family to agree a support plan and put it into place. This can include developing routines in the home, improving communication, parenting, increasing resilience with creative solutions, improving school attendance, family budgeting, healthier lifestyle and diet and how to have fun.

Funding Level 2008-09: £72,495.00

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 1530
Number actually seen (additional nos. outside of age group): 757 (549)

Junior Youth Inclusion Programme

Organisation: Crime Concern

Project Aim

The Junior Youth Inclusion Programme (JYIP) supports young people aged 8-12 who are having specific difficulty in succeeding with home, school and social life. The project listens to the needs of the young people and helps them to find a way to improve their quality of life, and address truancy, school exclusion, school transition, problematic and challenging behaviour, disaffection, stress and under-achievement. The project delivers the following services:

- Issue-based diversionary activities: bike projects, fishing clubs, 'Chill Out club', sports and constructive recreation, art, drama, music and IT.
- Parent and family support: family away days, 'Community Champions' and parents groups
- Education links: walking to school, school-based activities, school/ parent meetings, golden times, rewards, nurture groups.
- Issue-based work: one-to-ones, anger management, behaviour contracts, gun culture, drug awareness and community participation work.

JYIP is currently reviewing the coverage of its service and it is expected that the service will be delivered in two areas within the city. Historically, JYIP has operated in Beaumont Leys, Mowmacre Hill, New Parks, Saffron and Eyres Monsell.

Funding Level 2008-09: £260,706.00

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 204

Number actually seen (additional nos. outside of age group): 1638 (57)

Leicester Family Intervention Project (FIP)

Organisation: NCH

Project Aim

Previously known as New Start Families, FIP offers long-term support for families with children aged 0-19 who have been evicted, or face being evicted due to anti-social behaviour. Work is based either in the family's home or in the project's accommodation. The aim is to break the cycle of poor behaviour and homelessness by tackling the many underlying causes. LCF funds work with families where at least one of the children and young people are aged between 5-13.

Funding Level 2008-09: £51,499.88.00

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 400
Number actually seen (additional nos. outside of age group): 226 (136)

Participation Project

Organisation: Leicester Children's Fund

Project Aim

The Participation Project aims to ensure that the voices of children, young people and their families are not only heard and understood... but also acted upon!

The project ensures that service users are involved in the design, delivery and evaluation of Leicester Children's Fund services, and also seeks to raise awareness across the city of participation issues.

Funding Level 2008-09: £104,180.00

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: N/a
Number actually seen (additional nos. outside of age group): 26 (8)

The figures do not represent work carried out directly with projects.

Rapid Response - FWA

Organisation: FWA

Project Aim

Rapid Response aims to support young people (11-13), at risk of permanent exclusion, to achieve their potential in terms of educational attainment. The Project works closely with families, young people, schools and school support services, and links in with the CAF process. FWA develop a support plan with the family and the Centre for Fun and Families deliver the Grounded Group and Living with Teenagers parenting group.

Funding Level 2008-09: £77,197.12

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 534
Number actually seen (additional nos. outside of age group): 257 (41)

Rapid Response - Fun and Families

Organisation: Centre for Fun and Families

Project Aim

Rapid Response aims to support young people (11-13), at risk of permanent exclusion, to achieve their potential in terms of educational attainment. The Project works closely with families, young people, schools and school support services, and links in with the CAF process. FWA develop a support plan with the family and the Centre for Fun and Families deliver the Grounded Group and Living with Teenagers parenting group.

Funding Level 2008-09: £51,978.50

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 94
Number actually seen (additional nos. outside of age group): 110 (25)

Start Afresh

Organisation: Leicester City Council

Project Aim

Start Afresh is a programme that helps vulnerable, new-to-school or poor-attending students to successfully settle at mainstream secondary school. The project works intensively with a cohort of around 10 students to develop the behavioural, organisational, academic and emotional skills needed for full-time education. The Start Afresh programme supports students experiencing transition in their lives by providing a short-term supportive environment, working with the parent and child to ensure they are receiving a positive experience of school, and forming helpful peer relationships as they gradually get drip-fed back into the school timetable. The project is managed by the Admissions Service and operates from 5 city schools in areas of deprivation.

Funding Level 2008-09: £59,470.32

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 900
Number actually seen (additional nos. outside of age group): 701 (94)

Takeover Radio - Fast Forward

Organisation: Takeover Radio

Project Aim

Takeover Radio became the UK's first FM radio station specifically for children and young people in 2002. The station has been training young people in radio production and presentation since 1996, and it currently runs a three-month programme in radio presenting, where children and young people plan and deliver radio shows. The Fast Forward project includes sessions on planning a show, presenting styles, technical knowledge, research / preparation, interviewing, digital editing, package production, news, programme preparation and the 2 hour final show itself. The programme helps children and young people to develop their confidence and self-esteem out of school, through written and verbal communication tasks, which in turn increases their ability to enjoy and achieve at school.

Funding Level 2008-09: £13,600.00

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 60
Number actually seen (additional nos. outside of age group): 71 (2)

Tigers Healthy Schools Programme

Organisation: Leicester Tigers

Project Aim

The Tigers Healthy Eating Officer works alongside primary and secondary schools across Leicester to develop students' awareness of healthy eating and to understand the benefits that an active lifestyle can bring. The Officer will work with the teachers, support staff and parents in each school for up to a week at a time to lead assemblies, lessons and longer-term programmes to get the messages embedded into the school and its students. The aim is to motivate and educate primary aged children so that they continue to make healthy lifestyle choices later on at secondary school.

Funding Level 2008-09: £37,440.00

SLA Outputs - Number of CYP (aged 5 – 13 yrs) expected from SLA: 4800
Number actually seen (additional nos. outside of age group): 7203