

EAST AYRSHIRE COUNCIL

EMERGENCY POWERS COMMITTEE – 16 JANUARY 2004

WORKING FOR FAMILIES

Report By The Director Of Development Services

1. PURPOSE OF REPORT

1.1 The purpose of this report is to:

- i) inform the Committee of the award of £1.2m of funding to the Council for the new 'Working for Families Fund', and
- ii) seek agreement to accept the allocation of funding,

2. BACKGROUND

2.1 The Minister for Communities at the Scottish Parliament, announced on 9th December 2003 the allocations of a new Working for Families Fund (WFF).

2.2 The purpose of the WFF is to provide funding support to people in disadvantaged areas who find childcare a barrier to employment or training. The WFF will be supported by the Executive for two years in the first instance, but will be reviewed in the light of future spending plans. The Executive also intend that successful approaches that are developed to be incorporated into mainstream employability and childcare programmes as well as building on any lessons learned in order to influence future practice in all authorities.

2.3 The purpose of WFF is to enable local authorities, through their economic development channels to tackle poverty and worklessness in selected areas by ensuring that childcare is not a barrier to parents entering education, training or employment. This should be done through consultation with partner agencies, including: Childcare Partnerships; Jobcentre Plus; Enterprise Agencies; Registered Social Landlords; and the involvement of organisations representing users and potential users of the services to be provided.

2.4 The funding is specifically designed to focus on the additional needs of some of the most disadvantaged parents and to provide the additional boost that they require in order to engage with the employment market. The WFF is for services that are clearly additional to services offered by agencies such as Jobcentre Plus and the Enterprise Network.

2.5 In order to develop the concept for this fund, the Scottish Executive has worked with 2 local authorities, Glasgow and Dumfries to establish pilots that provide a range of models to develop the type of services and profile of the funding support. The pilots have been evaluated by GEN consulting and their final report will be published early in 2004.

3. ALLOCATION OF THE FUND

3.1 The fund is being used to develop initiatives in authorities that have the highest levels of parents in need of support towards employment. The resources are being distributed to authorities where there are more than 3000 children of claimants of income-based Jobseekers Allowance and Income support (JSA/IS) and the children in these circumstances form more than 20% of the under 16 population. Resources are banded according to the numbers of children in the circumstances set out above. Parents within rural populations face specific barriers related to childcare when moving into/towards employment and they may often be located in small pockets of deprivation that are not reflected when figures are aggregated to a local authority level. The fund is also being extended according to the JSA/IS criteria to cover the two highest ranking rural authorities, among those who have a very high proportion of their population defined as rural (i.e. where more than 40% of the population live in settlements of 3,000 or less population)

3.2 The authorities selected and the allocations, which are the same for 2004/05 and 2005/06, are as follows:

AREA	Funding £M p.a	No of children (under 16) in families dependent on JSA/IS (thousands)
Glasgow	2.5	40.8
North Lanarkshire	1.5	15.0
Renfrewshire	1.0	7.2
Dundee City	1.0	6.9
North Ayrshire	1.0	6.2
Highland	0.6	5.8
East Ayrshire	0.6	5.5
West Dunbartonshire	0.6	4.5
Inverclyde	0.6	4.3
Dumfries & Galloway	0.6	3.8
Total	10	100

3.3 It is recognised that a considerable amount of planning will be required in the development of programmes of support. WWF resources can also be used to assist with development costs associated with the running of the programme. The Scottish Executive will also accept additional funding requests to cover any development work for 2003/4.

4. TARGETING CLIENT GROUPS

4.1 Ministers wish to ensure that funding support reaches those most in need who are not being helped by other agencies such as JobcentrePlus but who nevertheless are motivated to move towards employment or improve their employment position. Funds should be targeted at the most deprived neighbourhoods within authorities and should be targeted towards the following groups of people:

- Parents on low income (maximum Child Tax Credit and WTC)
- Parents with other stresses in the household leading to difficulties entering employment or training, such as disability, mental health issues, drug and alcohol problems.

- Lone parents pre New Deal; entering employment; trying to retain jobs or improve their hours/earnings; and/or going into further education.

5. TARGET NEIGHBOURHOODS

- 5.1 It is expected that following the meeting with the Scottish Executive on the 21st January and the Scottish Executive seminar in February guidance will be given with regard to the neighbourhoods that should be targeted by the fund.
- 5.2 Following the outcome of these discussions a report will be submitted to a future meeting of the Development Services Committee for it's consideration regarding how the fund will operate and the neighbourhoods selected for support.

6. OUTCOMES TO BE ACHIEVED

- 6.1 The primary objectives of the WFF is on the employment outcomes for the adult, and not on increased childcare provision pre se. For some of the target groups it will be relatively easy to provide affordable, accessible and flexible childcare and thus see direct improvements in employability and employment. However, for many this won't be the case. In order to measure and evaluate the success of this fund the Council will evaluate both hard and soft outcomes and track individuals' progress over a period of time.

- 6.2 Hard outcomes will include the following measures for increasing economic activity:

- Full-time employment
- Part-time employment
- Sustaining/improving employment
- Higher education
- Further education
- New Deal programmes
- Training
- Volunteering

- 6.3 It is anticipated that projects developed should consist of two broad elements:

- a) **Adult support** – many of the client group will require help (brokering/mentoring) to establish a sustainable (financially and otherwise) solution to their childcare needs and assist the adult in accessing funding e.g. Tax Credits. They will have further needs before effectively entering the labour market, problems involving for example mental health, debt or confidence. These needs may require extra, specialist support, which will be arranged through other agencies. This support will also sustain clients, who are moving towards employment, during transition points between training and education and education and employment.
- b) **Childcare provision** – projects may provide a subsidy to a childcare provider that, for a period of 6-12 months, enables an adult to access training/education/employment to a stage at which they should be able to meet their own childcare costs. In rural areas this could be used to 'smooth' costs such as childminder fees that are elevated due to additional

transport and anti-social hour's elements. Projects may commission provision, where childcare support is absent, such as 0-3 nursery places, wrap-around care or holiday provision. Projects may encourage growth within a particular element of the childcare market that is required locally by the target population, such as childminding.

7. MANGEMENT ARRANGEMENTS

7.1 It is proposed that the fund be managed as requested by the Scottish Executive, from within Economic Development Division. It is also proposed that two new posts be created to deal exclusively with the management and monitoring of the WFF programme objectives.

7.2 It is proposed that a Local Projects Officer and a Senior Administrative Assistant be recruited to work with partners and other support agencies to develop an appropriate programme of support.

7.3 A report outlining the new posts will be submitted to the next meeting of the Corporate Governance Committee in February 2004.

8. MONITORING AND EVALUATION

8.1 The Scottish Executive will provide funding for a long term evaluation of the whole programme with the Council collecting standard data for this purpose. The Local Projects Officer will regularly monitor the performance of the WFF service and will undertake further local research of service user's views.

9. INDICATIVE TIMETABLE

9.1 It is recognised that it will take time to undertake the consultation process with partners to develop appropriate projects and outcomes. Although new services are expected to begin during 2004/5 there is some flexibility in the timing of the stages of the process prior to that.

9.2 The main stages are as follows:

- Mid-December - Ministerial Announcement of funding; Scottish Executive guidance and indicative allocations issued.
- 16-January - Agreement in principle requested from selected authorities.
- 21-January - Initiation meeting with the Executive, venue to be decide
- 11-February - Seminar, venue to be decided.
- 27-February – Outline proposals, including costs for research and management requested for Executive comment.
- 20-March onwards - Authority discussions with the Executive to discuss emerging/specific proposals.
- 10-April - Final proposals requested. Executive gives clearance to new WFF for East Ayrshire.

10. FINANCIAL IMPLICATIONS

10.1 The costs associated with the employment of additional members of Economic Development staff will be met from within the WFF funding allocation.

10.2 The full value of the fund is £1.2m for the years 2004/06.

11. LEGAL IMPLICATIONS

11.1 There are no legal implications regarding the operation of the Working for Families Fund.

12. POLICY IMPLICATIONS.

12.1 The Working for Families Fund is in accord with the aims of East Ayrshire's Community Plan with specific reference to the 'Eliminating Poverty' and 'Improving Opportunities' sections.

13. RECOMMENDATIONS.

13.1 It is recommended that the Committee:

- (i) agree to accept the allocation of the WFF of £1.2m.
- (ii) Submit a report to an early Development Services Committee on the operational guidelines of the fund
- (iii) Submit a report to the next Corporate Governance Committee relating to staffing arrangements, and
- (iv) otherwise note the contents of the report.

Stephen Chorley
Director of Development Services
TM/ 23 December 2003.

LIST OF BACKGROUND PAPERS

SCOTTISH EXECUTIVE WORKING FOR FAMILIES – GUIDELINES FOR IMPLEMENTATION.

For further information on the contents of this report contact Robert Paton, Head of Economic Development (ext 6142).

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