

## COMMUNITY AND ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Monday, 16 October 2017
<b>Report Subject</b>	Communities First
<b>Portfolio Holder</b>	Cabinet Member for Economic Development
<b>Report Author</b>	Enterprise and Regeneration Manager
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

The Communities First programme was established to tackle poverty in the most deprived neighbourhoods in Wales. It has operated in Flintshire since 2001 and in its current form since 2012. In February 2017 Welsh Government announced the phasing out of the programme.

The phasing out process is currently underway and the programme is due to end on 31 March 2018. This will not affect the Communities 4 Work employment programme which will continue to operate in the former Communities First areas until March 2020.

The Welsh Government will operate two new programmes from 1 April 2018 onwards. The first, the Legacy Fund, will offer small scale funding to Local Delivery Bodies to enable them to continue to deliver some particularly effective Communities First activities for a further two years. The second programme, the Employability Programme, will provide Local Delivery Bodies with the management infrastructure for the Communities 4 Work programme and will fund additional support for unemployed people in deprived areas. This will also operate until March 2020.

### RECOMMENDATIONS

1	That Scrutiny members review and discuss the report.
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## REPORT DETAILS

1.00	EXPLAINING THE CONTENT OF THE REPORT
1.01	<p>The Communities First programme was launched in 2001 by Welsh Government as the flagship approach to tackling poverty in Wales. It was geographically focussed on the most deprived neighbourhoods and provided staff teams and project resources to work intensively in these neighbourhoods to engage residents, steer mainstream service provision and fill gaps in provision. In 2012 the programme was heavily amended with new geographical coverage and management arrangements and priorities now focussed around achieving outcomes for prosperity, health and learning.</p>
1.02	<p>In Flintshire, the programme has been in place since 2002. Since the 2012 reorganisation the programme has covered two areas: the East Cluster covering neighbourhoods in Deeside and the West cluster covering neighbourhoods in Flint, Holywell and Mold.</p>
1.03	<p>In 2014 the LIFT programme was launched and attached to Communities First, providing extra funding to deliver intensive mentoring to long-term unemployed people in nine pilot areas across Wales, including Flintshire. This is funded until 31 March 2018. In 2015 the Welsh Government also added the European-funded Communities4Work programme which will run in all 52 clusters across Wales until March 2020. This is similar to LIFT but supports a wider client group.</p>
1.04	<p>On 19 October 2016 the Secretary for Communities and Children announced the potential phasing out of the Communities First programme. This was confirmed in a further statement in February 2017. A transition period of one year was offered by Welsh Government with reduced funding available for this final year and priority given to activity to improve employability and to work to close down Communities First activities.</p>
1.05	<p>The Council acts as the Lead Delivery Body for the programme and manages the staff team and financial resources. In the last three years the programme has delivered:</p> <p>Business engagement programme to link unemployed residents in Communities First areas to employment opportunities and to provide intensive pre-employment support tailored to employer needs.</p> <ul style="list-style-type: none"><li>• 3,822 people supported</li><li>• 382 people secured employment</li></ul> <p>Business Entrepreneurship Network to help young people enter or progress in education and entrepreneurship, with ongoing support provided through the fortnightly Enterprise Club.</p> <ul style="list-style-type: none"><li>• 120 people supported</li><li>• 25 new businesses formed</li></ul> <p>Engagement with children and families to provide support with income maximisation, financial literacy and skills development.</p>

	<ul style="list-style-type: none"> <li>• 2,440 participants.</li> </ul> <p>Community education to help residents in Communities First areas to gain relevant qualifications, to support their journey into employment. This includes employment programmes and food hygiene courses.</p> <ul style="list-style-type: none"> <li>• 698 participants</li> </ul> <p>Learning for Health to effectively target resources on at risk groups and communities to help relevant people achieve a healthy lifestyle</p> <ul style="list-style-type: none"> <li>• 504 participants</li> </ul> <p>To work with early years providers to help improve the life chances of children amongst the most deprived families.</p> <ul style="list-style-type: none"> <li>• 1,550 participants</li> </ul>
1.06	<p>In Flintshire, the main programmes of work during the 2017/2018 period are:</p> <ul style="list-style-type: none"> <li>• Supporting unemployed people into employment including through jobs clubs and jobs fairs</li> <li>• Intensive learning and work experience linked to specific industry sectors including retail, construction and hospitality.</li> <li>• Business Entrepreneurship Network to support self-employment.</li> <li>• Support for social enterprise development through one to one mentoring.</li> <li>• Support for employment-focused skills development.</li> </ul>
1.07	<p>In addition to the main Communities First programme there are two other programmes also operating in parallel.</p> <p>The LIFT programme was launched by Welsh Government in 2014 as a pilot programme covering seven areas of Wales including Flintshire. The LIFT programme is designed to respond to the Welsh Governments Tackling Poverty Action Plan 2013 and more specifically to the commitment to provide 5,000 training and employment opportunities for people in long term workless households. The programme will come to an end in March 2018 when it will be replaced by the Employability Programme.</p> <p>The Communities 4 Work programme was launched by Welsh Government and combines European and Welsh Government funding to tackle poverty through sustainable employment. The programme will provide intensive mentoring and specialist employment advice to help overcome barriers to employment, provide motivation and confidence for participants to consider employment opportunities, helping participants acquire vocational skills in order for them to meet the demands of the labour market. The programme will run until March 2020. The management capacity for the programme is currently provided through the main Communities First programme.</p>
1.08	<p>Welsh Government has announced two new programmes to operate from 1 April 2018 across Wales.</p> <p>The Employability Programme will provide a replacement management</p>

	<p>infrastructure for the Communities 4 Work programme once Communities First has ended. In addition, the programme will enable each Lead Delivery Body to deliver a range of activities to support unemployed people into work. This will include engagement activity, intensive mentoring support and employer engagement. The programme will operate in all deprived areas of Flintshire until March 2020.</p> <p>The Legacy Fund will enable each Local Delivery Body to continue some of the most effective elements of the Communities First programme from April 2018 onwards. The Legacy Fund will be much smaller than the current Communities First programme but will be able to support complementary activities to the other programmes, especially the wider labour market projects that have been so successful during the Communities First programme.</p>										
1.09	<p>The budget allocated to these three programmes in Flintshire for 2017/2018 is:</p> <table data-bbox="288 748 845 860"> <tr> <td>Communities First</td> <td>£473,421</td> </tr> <tr> <td>LIFT</td> <td>£124,163</td> </tr> <tr> <td>Communities for Work</td> <td>£204,247</td> </tr> </table> <p>There are 16 members of staff employed to deliver these programmes.</p> <p>The budgets for 2018/2019, where they are known, are:</p> <table data-bbox="288 972 845 1039"> <tr> <td>Communities for Work</td> <td>£206,019</td> </tr> <tr> <td>Legacy fund</td> <td>£ 63,840</td> </tr> </table> <p>The funding for the employment programme has not been released as yet but is expected to support the management functions for Communities for Work as well as a team of employment support staff, estimated to be around seven officers.</p> <p>The new programmes to operate from 2018/2019 are expected to require a similar staff complement to the current programme although the nature of the jobs provided through each programme may differ from those within the current structure. The transition to the new programmes in 2018/2019 will therefore require a further restructure of the staff team to take effect by 31 March 2018.</p>	Communities First	£473,421	LIFT	£124,163	Communities for Work	£204,247	Communities for Work	£206,019	Legacy fund	£ 63,840
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1.10	<p>The Council is contributing to the development of an employability work stream within the North Wales Growth Deal programme. This will, if approved, include a number of measures that will replace the programmes above once they come to an end.</p> <p>The employability work stream currently proposes:</p> <ul data-bbox="352 1711 1385 2103" style="list-style-type: none"> <li>• The North Wales Employment Escalator - The Escalator will provide long term support and mentoring to individuals to help them to navigate complex provision to find the right options for their current circumstances, encourage aspiration and progression and assist with finding the right support to overcome barriers.</li> <li>• The Skills Bank – an online record of achievement for individuals to capture their experience, qualifications and skills. As well as facilitating an coherent support package from multiple support agencies the Skills Bank will enable employers to interrogate the system to identify where people with the skills they need can be found.</li> </ul>										

	<ul style="list-style-type: none"> <li>• Enhanced Careers and Guidance Programme - An intensive programme to engage young people in the North Wales economy and to prepare them to enter the workplace. The project will focus on raising the profile of regionally important career and apprenticeship opportunities among young people in secondary education.</li> <li>• Work Place Bursaries Programme - The programme will provide funding for up to individuals to undertake career specific learning activity in order to increase their skill levels and their chances of workplace progression and to reduce their risk of in-work poverty. In order to make this economically viable for the low-income target group the programme will provide bursaries to replace lost earnings whilst learning activity is underway.</li> <li>• Apprenticeships and work placements – the programme will bring together and co-ordinate current provision including through the Apprenticeships Levy to ensure that it meets the needs of the North Wales labour market.</li> </ul>
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<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	The Communities First programme has been operating in Flintshire since 2002 and many of the staff in the team have been present since the outset. Welsh Government have clarified that they will not support redundancy costs and therefore and redundancies arising from the programme place a pressure upon the Council.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	None arising from the report.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	None arising from this report.

<b>5.00</b>	<b>APPENDICES</b>
5.01	None.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	None.

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<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
	None