

**LIVERPOOL / MERSEYSIDE  
CITY REGION EMPLOYMENT AND SKILLS STRATEGY  
PRELIMINARY DELIVERY PLAN**

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**FRAMEWORK DRAFT**

**14 June 2007**

## INTRODUCTION

The Liverpool / Merseyside City Employment Strategy Working Group has produced this preliminary delivery plan. The Delivery Plan extends the proposals in the original Expression of Interest in May 2006, has been the subject of considerable detailed consultation throughout January 2007 with key partners and stakeholders and further revisions since February 2007.

**Partners in the Strategy (CES) are;**

- The Local Authorities of Liverpool, Wirral, Sefton, St Helens, Knowsley, Halton
- Job Centre Plus Districts of Liverpool – Wirral and Greater Mersey
- Greater Merseyside Learning and Skills Council
- Greater Merseyside Connexions
- Merseytravel
- Unionlearn North West
- Merseyside Employer Coalition
- Liverpool Council for Voluntary Service (representing the CVS)
- The Mersey Partnership and the Merseyside Policy Unit
- Mersey Maritime representing key sectors
- Health at Work
- New Heartlands HMR Pathfinder
- NWDA

This version of the Delivery Plan continues to be of a preliminary nature, intended to provide the framework for the development, early in Year 1, of a detailed Programme Implementation Plan. At this stage, not all the components needed for a comprehensive strategic plan are in place, including those set out below;

- A comprehensive understanding of existing programmes and of forward funding in 2007/08 and 2008/09 is not yet well developed partly because of poor information availability.
- Partners are determined to secure the best possible outcomes from all the available resources, by maximising the pooling and alignment of funding, including mainstream programmes and European Social Fund. The 2007-2013 ESF programmes will be a key component of the model of interventions to be delivered. Agreement has been reached with DWP about the arrangements for ESF within the ringfenced Merseyside Programme. Alongside the two main co-financing organisations of LSC and DWP / JCP, provision has also been agreed for a complementary strand of ESF, dedicated specifically to support the CES priorities and higher level skills, and to be managed by the CES Board. The detailed arrangements are in the process of being finalised between the partners and DWP and will form part of the final Delivery Plan to be formally agreed by the CES Board. Specific arrangements now need to be agreed to ensure that the Halton Borough elements of the Delivery Plan are also able to access ESF in the same way as the Local Authority Areas within the Merseyside Objective 2 Programme.

- The governance arrangements for the CES have been further developed but will be finalised within the arrangements for the Liverpool City Region Cabinet framework. The CES – and its planned evolution into the City Region Employment and Skills Board – will be one of several strategic Boards. The governance arrangements for this new framework will be finalised during 2007.
- Further work is taking place to secure a better understanding of partner programmes, funding streams and budgets, targeting and outcomes to provide a better basis for agreeing the pooling and alignment of resources and integration of services and for agreeing stretching but realistic targets. This work will be completed in the first half of 2007/08.

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# 1 VISION AND STRATEGY

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## 1a Vision

- 1.1 This Delivery Plan has been produced by partners in Liverpool, Wirral, Sefton, Knowsley, St Helens and Halton and builds on the proposals set out in our joint Expression of Interest in May 2006.
- 1.2 The City Employment Strategy (CES) supports the vision of **a premier European Liverpool city region by 2025, with an internationally competitive and sustainable economy, outstanding cultural offer and quality of life, and vibrant and inclusive communities contributing to and sharing in sustainable wealth creation.**
- 1.3 The ambition is for an area of productive, leading edge, innovative businesses, with economically sustainable, skilled, working communities providing a highly skilled and flexible workforce. The CES will contribute to this by strengthening skills and employment services for employers across the travel to work area and for workless people in the most severe concentrations of deprivation.
- 1.4 *Commensurate with the ambition for our area, its businesses and communities, the Delivery Plan outlines a framework of proposals and delivery actions which breaks new ground in several ways.*
- 1.5 *Firstly it marks the end of the first phase of intensive collaboration between partners and stakeholders across six local authority areas and the start of a new stage of joint delivery.*
- 1.6 *Secondly, the CES Pathfinder in the Liverpool city region will provide the core of the strategic and programme framework for the development of a City Region Employment and Skills Board – which itself will be part of a new city region governance framework, led by a Cabinet of Leaders and comprising several strategic boards.*
- 1.7 *In developing proposals for more effective use of public resources for better outcomes for the local economy and the most economically vulnerable communities, partners have negotiated agreement on the pooling of the new Deprived Areas Fund with European Social Fund through a separate ‘complementary’ strand which will form part of a core resource for CES objectives.*
- 1.8 *Fourthly, our proposals aim to stretch the impacts of public programmes yet further by integrating mainstream provision with innovative local measures developed in response to the specific needs of workless neighbourhoods and local businesses with public investment in housing regeneration and other local amenities. In this way we aim to support the twin goals of an economically competitive city region economy and economically sustainable, cohesive and vibrant urban neighbourhood communities.*

## 1b Strategy

### (i) Strategic objectives

- 1.9 The NW Regional Economic Strategy identifies the need to grow the size and capability of the workforce as one of the three drivers for closing the regional output gap with the average for England. £3bn of the NW £10bn productivity gap is accounted for by worklessness.
- 1.10 The Liverpool city region is a travel to work area of some 2 million people, 1 CES is a response to these immediate and longer term challenges:
- The city region outer areas - Chester, Ellesmere Port, Warrington and North Wales - have stable, high output, knowledge & manufacturing based sub-economies, with increasingly tight labour markets;
  - The Liverpool / Merseyside conurbation has made a significant recovery after three decades of major decline, with substantial fast growth in output and jobs – but alongside continuing entrenched major concentrations of worklessness and multiple deprivation. Liverpool and Knowsley are ranked N<sup>o</sup> 1 and 3 on the Indices of Deprivation;
  - In the medium term the city region's economy is forecast to continue growing with some 35,000 of the estimated 45,000 net new jobs being generated in the Mersey conurbation. However the benefits of the positive economic trends of the last 10 years have not reached the most disadvantaged communities. There are strong social justice, sustainability and economic imperatives for redressing this;
  - The city region working age population is set to decline by 30,000 by the year 2020, mostly in the areas of job growth. Future trends are for higher order skills and occupations but skills levels are lower than in the region and particularly low in the Mersey conurbation.
- 1.11 This analysis has led to the identification of **three strategic objectives**:
- (i) **To increase the supply of suitably skilled labour to meet demand from growth and for replacement labour across the whole travel to work area;**
- We will build a more skilled and flexible workforce to support increased business productivity. Targeted activity to help people out of worklessness into jobs is central to this (alongside measures to retain the highly skilled in the area), supported by workbased skills provision tailored to the needs of individuals, employers and the wider economy.
- (ii) **To build skilled, working communities, eliminating child poverty and increasing opportunity and social mobility;**
- The largest potential supply of labour to meet demand across the travel to work area is in the Mersey conurbation. Here there is an urgent need to accelerate the pace at which the most disadvantaged communities can access jobs and skills to ensure lifelong employability. This is the passport to increased household incomes to lift more children out of poverty, and to put sufficient money into neighbourhood economies to

support quality of life, alongside significant investment in housing market renewal and the upgrading of former local authority housing;

**(iii) To make a real difference to businesses and communities around the opportunities of European Capital of Culture 2008 and related economic growth;**

The window of opportunity in the run up to 2008 and the Culture Year itself coincides with the first two years of the CES. Partners are determined to maximise opportunities for businesses to thrive and for workless communities to contribute to and share in economic success.

**(ii) Operational objectives**

1.12 The CES will develop a new integrated model of delivery for skills and employment with better outcomes for employers, workless communities and the public purse. It will balance quick wins, achieved by better management and integration of current initiatives with longer term changes in the planning, co-ordination and delivery of the whole raft of mainstream public skills and employment programmes. The following **operational** objectives underpin the approach:

- a To refocus public resources on the concentrations of worklessness in the Deprived Areas Fund Wards**, and on the key priority groups in these areas to deliver new, more intensive support for to help more people to access employment, skills and progression;
- b To support partners in the delivery of Local PSA and Local Area Agreement targets** for worklessness and skills by strengthening delivery, with improved volume and quality of outputs through the integration of partner activities within a coherent approach that ensures:
  - o shared & aligned strategic & operational objectives, priorities & targets;
  - o shared resources, through pooling and alignment of funding;
  - o removal of duplication & clear allocation of delivery responsibilities;
  - o the filling of gaps in provision; and improved quality of provision and outcomes;
  - o the identification and rolling out of best practice.
- c To develop and deliver a new continuum of skills and employment support for businesses and workless individuals**, meeting specific identified demand for skills and labour. Through the CES we aim to simplify the offer to businesses and workless individuals through a common agreed menu of services tailored to actual need;
- d To integrate employment and skills action with neighbourhood renewal** - support for young people, investment in housing and neighbourhood renewal, reduction of child poverty households and action to improve health and wellbeing;

- e **To implement the NW Regional Economic Strategy priorities for worklessness** and related skills in the city region through the CES:
- f **To extend the CES geographically and strategically**, beyond the non-DAF wards and beyond the Mersey conurbation to the city region, to strategic planning and co-ordination of higher level skills across the travel to work area by evolving the CES Board into a City Region Employment and Skills Board whose remit will be the full continuum of employment and skills interventions;
- g **To fully align and integrate the worklessness and related skills priorities of the ring fenced Merseyside ESF programme** with the CES to support its delivery through the procurement of additional provision to support the specific objectives of the CES and of the City Region Skills and Employment Board;

**(iii) Milestones**

1.13 Milestones are set out overleaf in Table 1. The following phases of development are proposed;

<b>Inception – 2006/07</b>	Developing the model; gearing up for delivery.
<b>Phase 1 – 2007/08</b>	<p>Year 1:</p> <p>Start of delivery with piloting and roll out of key CES features such as outreach, demand led employability, retention &amp; workplace up-skilling.</p> <p>Review of all existing programmes and provision, identification of best practice and development of mainstream programme reforms including the refocusing of mainstream provision.</p> <p>Build capacity, establish the mechanisms and prepare the framework of priorities and specifications of provision for the joint commissioning of provision and programmes, including ESF and mainstream skills and employability.</p> <p>Extension of the CES to the fuller remit of the City Region Employment and Skills Board (CRESB)</p>
<b>Phase 2 – 2008/09</b>	<p>Year 2: CES model more fully developed and rolled out with greater balance of innovation mainstreamed &amp; greater volume of provision via ESF programme, plus investment from NWDA.</p> <p>Joint Commissioning Group procures first generation of new provision via mainstream funding and ESF.</p> <p>First year of CRESB delivery plan, start of delivery of new approach to skills and development of full integration between CES and workforce development / higher skills strategies.</p>
<b>Phase 3 – 2009/2011</b>	<p>Years 3 + 4 : accelerated delivery of consolidated model, supported by ESF. Major strategic review at end of 2010/2011 &amp; succession strategy and / or new revised model of intervention.</p>
<b>Phase 4 – 2011/2013</b>	<p>Delivery of succession strategy with reduced volume of additional provision as ESF tails off. Potential new model of intervention subject to Government review of progress on skills.</p>

**TABLE 1 KEY MILESTONES**

2006/07	Year 1 2007/08	Year 2 2008/09	Years 3 – 4 2009 / 2011	Year 6 2012/ 2013
<p>Jan 07: partner consultation &amp; finalise Delivery Plan. Develop Commissioning Group working remit.</p> <p>Establish Commissioning Group with targets.</p> <p>Mar 07: training &amp; development for delivery partners / teams</p> <p>Mar 07: procurement of Year 1 DAF measures</p> <p>Mar 07: further develop City Region Employment &amp; Skills Board proposals</p> <p>Mar 07: agree NWDA and ESF programme &amp; investment framework</p>	<p>June 07: launch CES &amp; start Year 1 programme delivery of;</p> <ul style="list-style-type: none"> <li>▪ Phase 1 CES mode inc. new agreed measures</li> <li>▪ Existing mainstream programmes - start refocusing on CES priorities &amp; better integrated delivery</li> <li>▪ Programme review and development of new measures for 2008/09 – mainstream contracts, ESF, DAF, NWDA provision</li> </ul> <p>Develop approach, mechanisms &amp; capacity for joint commissioning of ESF, NWDA &amp; mainstream programmes. Prepare for joint procurement 2008/09.</p> <p>July - September 07: establish CR Employment &amp; Skills Board</p> <p>Jan – Mar 08: year end evaluation &amp; preparation of 08/09 Delivery Plan</p>	<p>Year 2 CES programme;</p> <ul style="list-style-type: none"> <li>▪ Joint Commissioning established</li> <li>▪ Phase 2 CES model, full roll-out of key features</li> <li>▪ Balance of provision changes to larger proportion of new, mainstream CES contracts &amp; increased pooling / alignment</li> <li>▪ Extra volume CES provision via ESF, supporting job growth</li> </ul> <p>Year 1 City Region Employment &amp; Skills Board Delivery Plan – start of integration of skills &amp; employment</p> <p>Evaluation of Phase 2 CES measures &amp; Year 1 CRESB programme</p> <p>Preparation of integrated skills and employment programme</p>	<p>Accelerated programme phase supported by Years 2 &amp; 3 of ESF programme.</p> <p>Innovative CES &amp; CRESB measures fully mainstreamed.</p> <p>Jan – Mar 2011: strategy review and succession strategy. Key lessons of Years 1 – 4 inform potential redesign of programme &amp; delivery – dovetailed with national review of skills policy.</p>	<p>Succession strategy delivery: new measures &amp; reduced volume Year 5 &amp; 6 programmes as ESF tails off</p>

**(iv) Strategic fit**

- 1.14 The CES proposals are fully aligned with the **DWP five year strategy and the Welfare Reform Green Paper** aspiration of achieving an employment rate equivalent to 80% of the working age population & headline targets to:
- reduce by 1 million the number on incapacity benefits;
  - help 300,000 lone parents into work; and
  - increase by 1 million the number of older workers.
- 1.15 The CES objectives anticipated and propose to pilot **Leitch Review** recommendations such as the integration of employment and skills services, establishment of an adult career service and of skills and employment boards. In relation to skills boards, partners also draw on Local Government White Paper recommendations.
- 1.16 **The North West Regional Economic Strategy** identifies that high levels of economic inactivity account for £3bn of the region's £13bn productivity gap and that worklessness is concentrated around the major cities, certain local authority districts, HMR and URC areas (all covered by the DAF wards) and amongst certain groups. The CES will be the primary means for delivering RES priorities for worklessness and related skills. Priorities for NWDA investment in the CES are set out in the sub-regional action plan.
- 1.17 **The City Region Development Plan and City Region Business Case** both identify the need for a larger, more skilled and flexible workforce and the imperative of tackling the largest and most severe concentrations of worklessness.
- 1.18 Merseyside will have a ring-fenced **ESF** allocation of approximately £142 million from 2007-13. The broad priorities within the National ESF Plan are:
- Extending employment opportunities
  - Developing a skilled and adaptable workforce

These priorities, through the development of a Regional ESF plan will provide the overarching framework for ESF on Merseyside from 2007 onwards. In addition there is increased flexibility for Merseyside (as a Phasing-In –former Objective 1- region) to address higher level skills through ESF and to establish alternative arrangements for co-financing ESF through consortia based arrangements. This flexibility has provided the basis for agreement with DWP about complementing the two co-financing channels (DWP/JCP and LSC) with a complementary strand of ESF, the mainstay of which will be dedicated to CES priorities, forming a central pooled funding stream which includes DAF and regeneration funding.

- 1.19 The CES Delivery Plan will therefore provide the basis for delivering the ESF programme 2007-13, as there is a clear match between the activities proposed in the CES and those of both the National ESF Plan and the Regional Skills Priorities. The Consortium – referred to throughout as the CES Board - will act as the commissioning body for ESF, through the Merseyside Phasing-In Board.

1.20 In each **Local Authority, Local Strategic Partnerships** have developed **Local Area Agreements** some of which include stretched targets for worklessness and it is a specific objective of the CES to support and enhance the delivery of these.

1.21 Horizontal strategic alignment includes:

- A complete fit with the New Heartlands Housing Market Renewal Pathfinder Delivery Plan which seeks to deliver the comprehensive regeneration of the core of the conurbation – an area of acute multiple market failure with a total population of some 250,000 people.
- The LTPs – both Halton and Merseyside. Merseytravel, Knowsley, Liverpool, Sefton, St Helens and Wirral Councils produce the Merseyside Local Transport Plan (LTP). The LTP Partnership has produced the Merseyside Accessibility Strategy.

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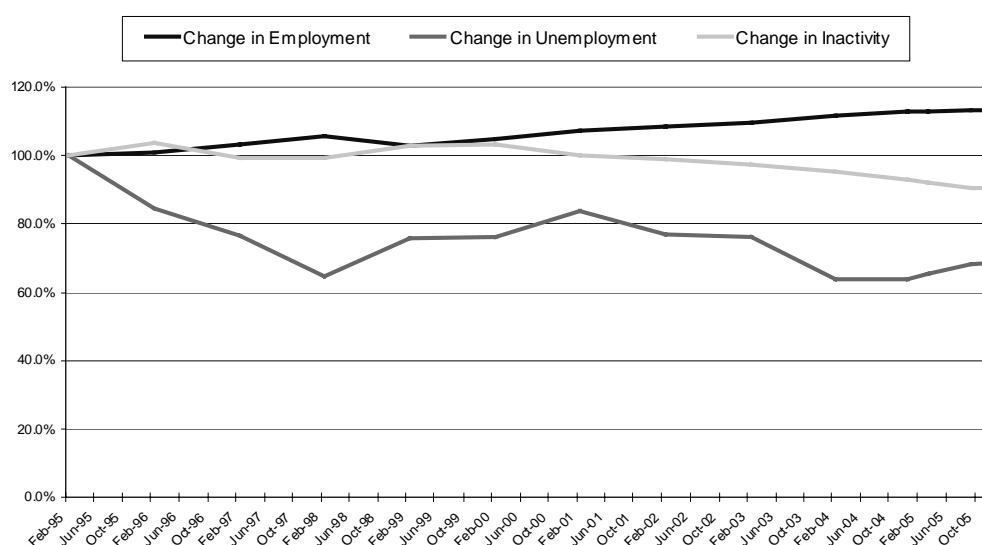
## 2 LOCAL CONTEXT

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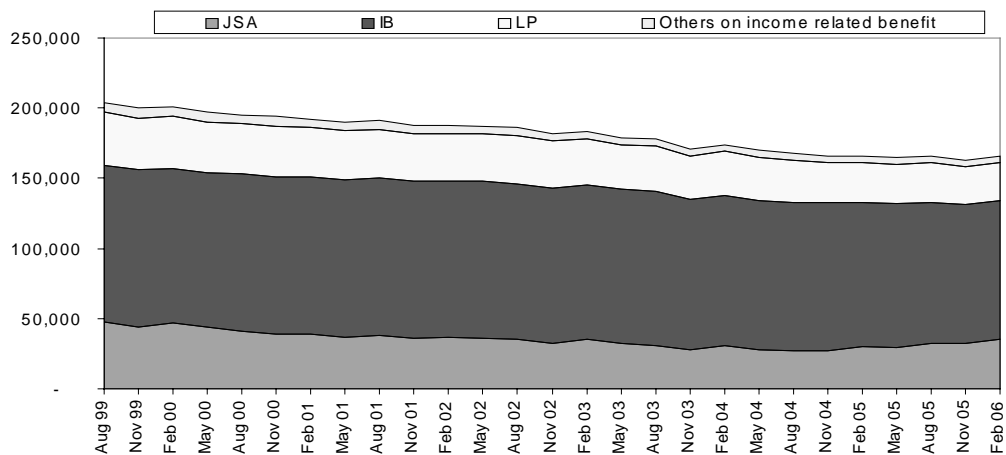
### 2a Local analysis

2.1 The economic and labour market analysis set out in the original Expression of Interest has been expanded to provide a more detailed assessment of the specific problems of worklessness in the Mersey conurbation. This section summarises the headline issues. The detailed analysis is available separately and forms part of the body of joint analysis and intelligence being used by partners to refine the CES proposals.

2.2 In the last 10 years Merseyside’s strong economic growth has had a corresponding increase in the employment rate of 8 percentage points. However, growth slowed down in the last 2 years with the employment rate remaining at 68%. The graph below shows unemployment over the last ten years in relation to the change in employment.



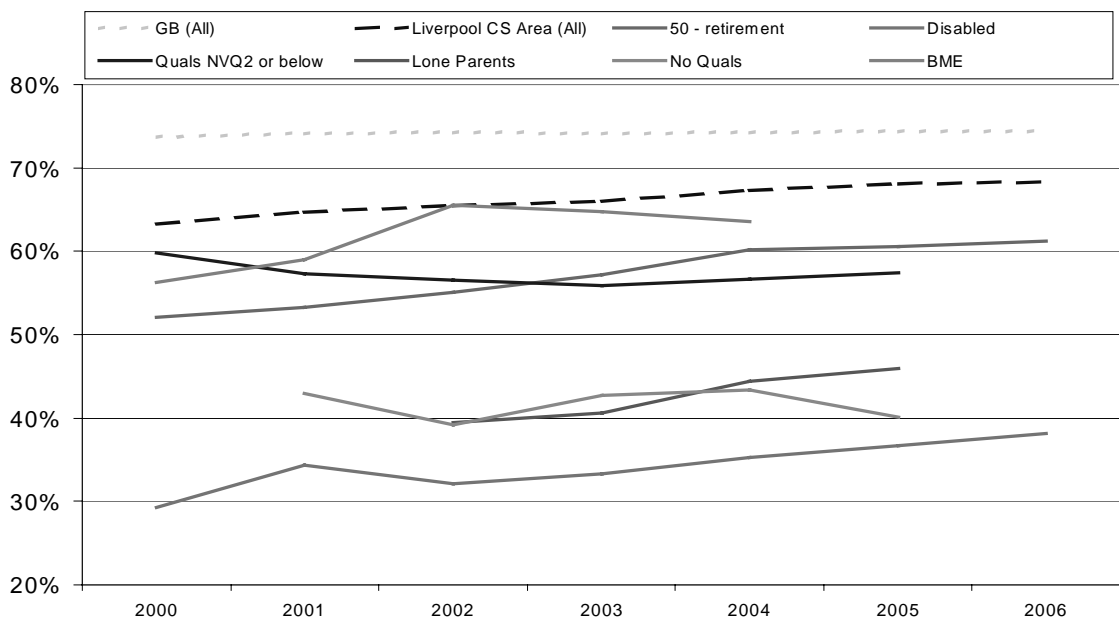
2.3 The claimant count has consistently reduced for most of the last 10 years but a recent rise in JSA claimants ended the long term downward trend.



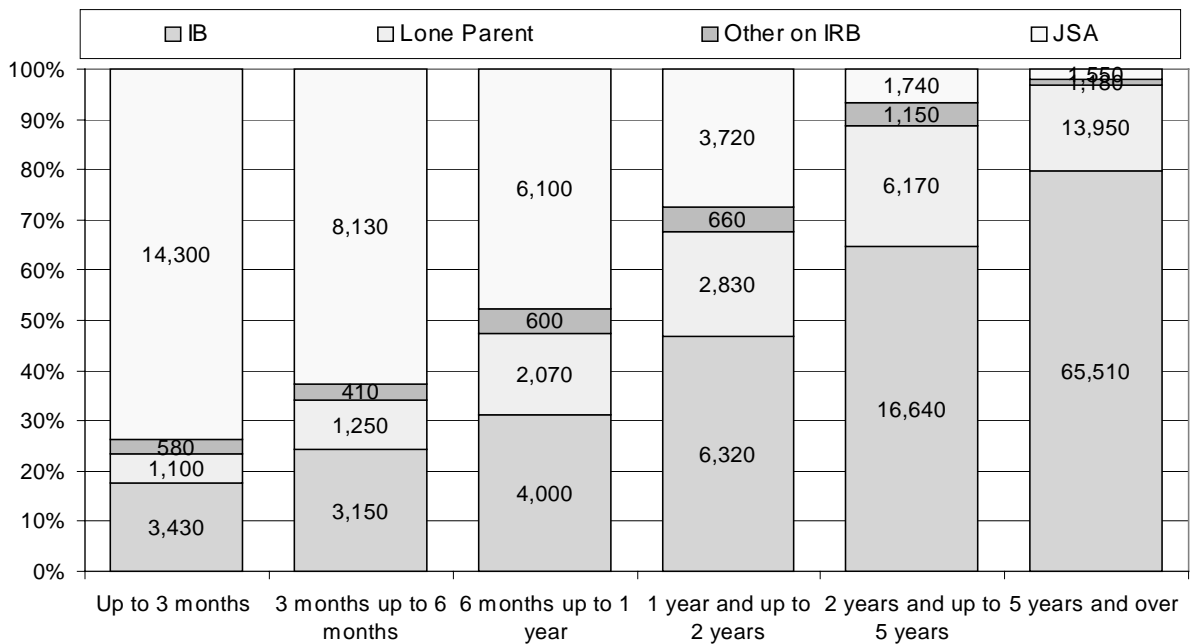
2.4 Disadvantaged groups have not all benefited to the same extent from the growth in jobs;

- The over 50s gap has narrowed but not as much as the UK;
- Black and racial minorities groups had closed the employment rate gap with the Merseyside average but this has recently opened up;
- The lone parent rate has been improving but is below the GB level;
- Disabled people have also been closing the gap but have still not reached 40% - a gap of almost 30% with Merseyside;

2.5 The gap has also widened for people with low or no qualifications. The new jobs have been accessed by those with intermediate and high qualifications, leaving those with low qualifications at an increasing disadvantage as demonstrated below:



- 2.6 Economic inactivity has started to decline. This may in part explain the increase in JSA but Merseyside still has low rates of economically inactive people 'wanting to work' relative to the NW region and comparable areas;
- 2.7 Employment rates for 16-19 year olds are low; unemployment rates higher.
- 2.8 The over-50s and those without qualifications are considerably over-represented amongst the workless. (40% of all workless);
- 2.9 The number of children in households claiming benefits is higher than in comparable areas. One in four children lives in a household claiming a workless benefit - partly explained by lone parent households.
- 2.10 Almost 50% of all workless claimants have been claiming a benefit for 5 years or more as demonstrated in the chart below:



- 2.11 Overall, because the number of JSA claimants - the group closest to the labour market - is insufficient to meet the target employment rate, the CES must focus on the whole spectrum of workless claimants.
- 2.12 A larger, more highly skilled workforce is needed to counter the growing skills and labour shortages in the more buoyant sub-economies of the city region travel to work area where the employment rate is already above the national level. The main source of additional labour supply is from the extensive pools of workless people in the city and conurbation. However, the relatively low skills and qualification levels mean that job placement is insufficient on its own and must be supported by up-skilling.

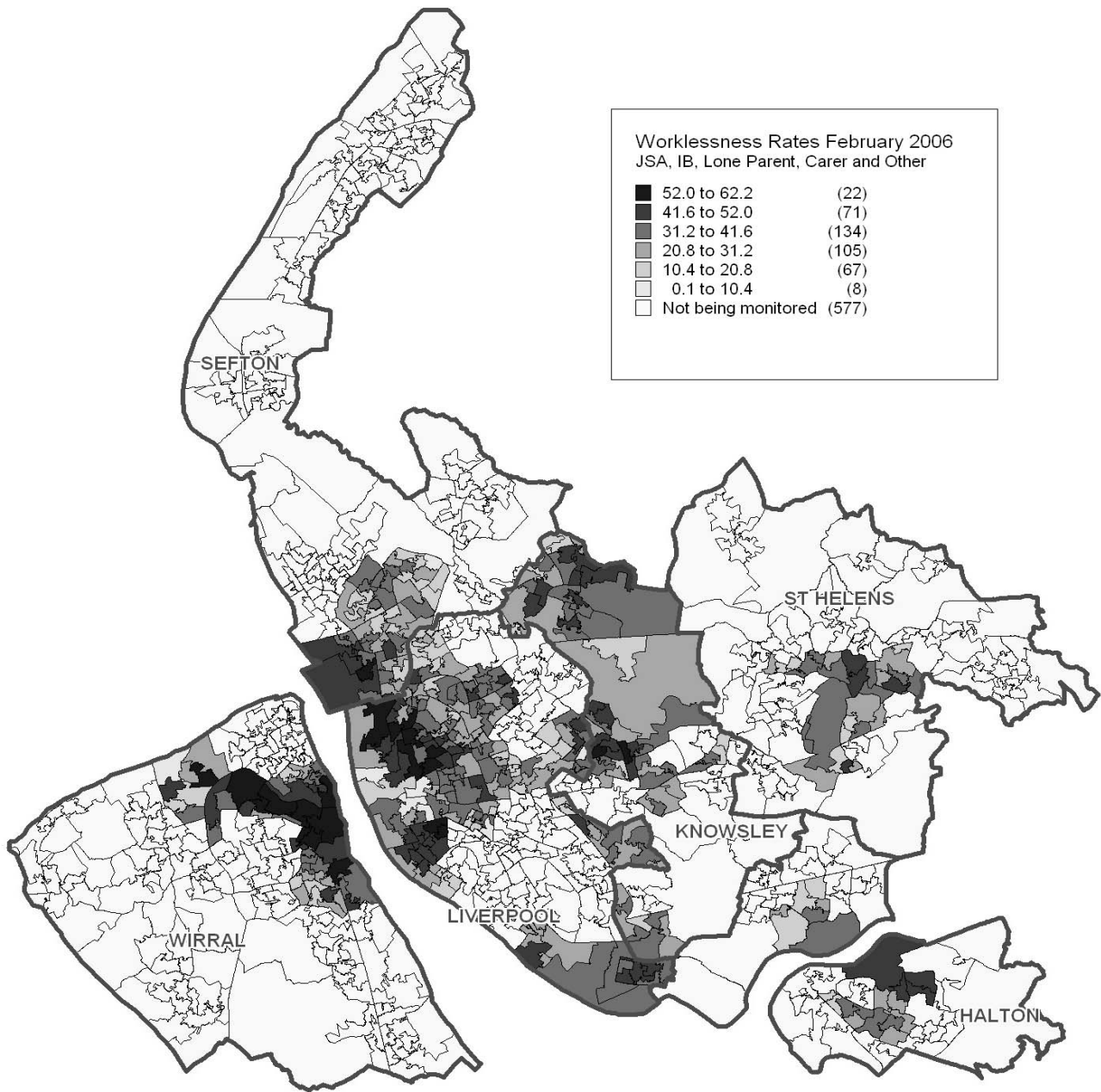
- 2.13 Worklessness is one of the most serious aspects of market failure in the conurbation. It is concentrated in several major areas of multiple deprivation, with wide variations between and within the six local authorities. These areas are co-terminous with the 62 wards targeted for the new Deprived Areas Fund (DAF). They have multiple deprivation, the lowest skills levels and other aspects of market failure such as collapsing housing markets, poor local amenities and low business densities.
- 2.14 The economic regeneration and urban renaissance of the last decade will not be completed until and unless these concentrations of disadvantage are replaced by skilled, economically sustainable communities. The need for and opportunity of integrating employability and skills measures with housing investment and neighbourhood renewal is central to the CES.
- 2.15 The spatial coverage of the worklessness interventions is as follows; (We recognise there are some problems of double counting in using the total of IS/IB/JSA. A standard definition needs to be agreed across the Pathfinders)

Local Authorities	DAF Wards	Working Age Population	Total IS/IB/JSA
Wirral	6	44,587	19,058
St. Helens	5	24,894	9,135
Sefton	6	43,206	15,825
Liverpool	23	172,183	79,236
Knowsley	16	57,107	24,195
Halton	6	19,478	7,265
<b>Totals</b>	<b>62</b>	<b>361,455</b>	<b>154,714</b>

- 2.16 The map overleaf shows the DAF wards and variations in the worklessness rate at Lower Super Output Area. Those with the highest rates – in some cases 60% + - will form the primary focus of partner activities.
- 2.17 Within these spatial priorities of the DAF wards, the key priority groups, identified from the analysis of worklessness across the conurbation are set out below. These will be the focus of the CES Board's engagement activities and its strategic work in the development of new and more integrated employment and skills measures:

- Lone parents
- Residents on Incapacity Benefit
- People with no / low qualifications
- Young people Not in Employment, Education or Training
- Over 50s
- Workless people in the BRM communities
- Women returners
- Residents of low income / child poverty households

# Worklessness Rates Mapped to SOAs February 2006



**m Mott  
MacDonald**

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Merseyside Information Service 100022195. 2006.

2.18 Further analysis has been undertaken to identify the characteristics and scale of these priority groups across the DAF areas and this forms the basis for the development of specific area action plans supported by specific targets, at ward level, for the various priority groups. This analysis will inform the operational plans of key partners, including JCP, decisions on the refocusing of existing provision and the identification of new interventions to be commissioned and procured.

## 2b Mapping current provision

2.19 Understanding the current framework of resources and programmes is a central starting point in the development of the Delivery Plan. With six local authorities, two Job Centre Plus Districts as well as DWP, GM LSC and Connexions, and the mix of mainstream, regeneration and additional funding such as the European Structural Funds, this exercise has proven to be taxing in terms of availability of information and common data sets. Where possible, provision has been mapped against the new employment and skills routeway action categories (see Section 3). A like-for-like analysis between programmes is not possible at this stage because of differences in funding regimes, signalling the urgent need for harmonisation. All the figures are qualified and will require further verification. However, the tables set out below provide an initial picture of the current resources available to the CES partners, other than DWP direct funded programmes. This provides a sufficiently robust initial programme data platform for partners to undertake a comprehensive review in 2007/08 of the effectiveness of current provision and of the options for securing better outcomes in the future.

### 2.20 Local Authority programmes

**The table below summarises Local Authority programmes 2007 to 2008.**

Providers / projects	Engagement	Information, Guidance Assessment	Employability	Transition to Work	Retention	Skills Development	Cross Activity	Total
Public	11	5	33	8	2	9	1	69
Private	0	0	4	2	2	4	3	15
Voluntary	10	12	27	16	5	20	0	90
Not known	0	0	1	0	0	0	0	1
Total Projects	21	17	65	26	9	33	4	175
Total spend	5,895,942	3,716,432	22,788,328	10,579,751	162,564	14,275,933	7,506,021	64,924,970
Of which ESF	1,922,789	1,517,304	15,884,458	6,790,918	54,188	11,342,116	6,142,676	43,654,448
Non ESF	3,973,153	2,199,128	6,903,871	3,788,833	108,376	2,933,818	1,363,345	21,270,523

2.21 Local Authorities invest significantly in measures to tackle worklessness as a central ingredient of area regeneration through a cocktail of funding which includes Single Regeneration Budget, Neighbourhood Renewal

Fund, European Structural Funds and direct expenditure. The flexible nature of these funding regimes has made possible a wide range of innovative interventions which directly target regeneration areas, such as neighbourhood outreach and local labour market intermediaries which connect these areas with local employers and which are demand led, such as skills passports developed with and for employers. Many of these interventions are central to the CES model.

2.22 **GM Learning and Skills Council**

Routeway theme	Number of Projects			Description of Projects			Number of providers			Provider Types
	LSC Discretionary Funding	LSC Mainstream	ESF	LSC Discretionary Funding	LSC Mainstream	ESF	LSC Discretionary Funding	LSC Mainstream	ESF	
ENGAGEMENT of employers and the VC sector in LSC Programmes	2	0	1	Co-ordinating learning opportunities linked to Capital of Culture and supporting the VC sector		Programme to re-engage disaffected/ disadvantaged 16-18 cohort (NEET)	2		11	Local CVS and Public Organisation plus (ESF) 9 learning providers and 2 FE Colleges
ASSESSMENT Information and Advice Projects	0	1	0		Next Step - Universal Information and Advice Service			1		Connexions
EMPLOYABILITY Interventions to aid young people and adults develop employability skills	0	2	3		Entry to Employment (E2E) plus Offender Learning and Skills Service (OLASS)	NHS Academy, Demand Led Routeways for Public Sector & Offender Learning and Skills Service (OLASS)		20	7	Private SME's, Public Organisations, NWDA & Learning Providers
SKILLS DEVELOPMENT Interventions aimed at improving the skills levels of adults.	0	8	6		Skills Development programmes: FE Provision 16-18 and 19+, Train to Gain (Brokerage and provision), School 6th Forms & Apprenticeships	Skills development programmes i.e SkillWorks	0	171	23	FE Colleges, 6th form Colleges, WBL Providers and Private SMEs, NWDA, School 6th Forms
	2	11	10				2	192	41	

Continuum/Theme	FUNDING SOURCE									Comments
	LSC Discretionary Funding			LSC Mainstream			ESF			
	2005/2006	2006/2007	2007/2008	2005/2006	2006/2007	2007/2008	2005/2006	2006/2007	2007/2008	
ENGAGEMENT	£47,798	£80,100	tbc				£582,500	£1,747,500	£1,165,000	
ASSESSMENT				£934,036	£879,113	tbc				
EMPLOYABILITY				£15,353,000	£12,969,234	tbc	£2,038,423	£3,903,640	£2,925,379	Activity of approx £6m to be procured and spent during 2007
RETENTION										
SKILLS DEVELOPMENT				£232,961,504	£245,594,265	tbc	£8,010,000	£8,315,000	£3,985,000	Activity of approx £20m to be procured and spent during 2007
	47,798	80,100	0	249,248,540	259,442,612	0	10,630,923	13,966,140	8,075,379	

All funding amounts provided are approximates based on information and funding agreements/contracts in place at the time of collation

Year runs from April - March

Year runs from August - July

Year runs from January - December

**Jobcentre Plus expenditure and outcomes****Summary of 2006/07 programmes**

	<b>£ Allocation</b>	<b>Volumes</b>
<b>Short Intensive Basic Skills Programmes</b>	262,099	281
<b>Total</b>	262,099	281
<b>New Deal WBLA &amp; BOND</b>		
	<b>£ Allocation</b>	<b>Volumes</b>
B430 Work Based Learning for Adults	399,126	NA
B444 ADF	589,985	5,899
B450 Action Teams	302,000	NA
B452 Programme Centres	539,909	1,380
B460 Restart	4,064	TBC
B490 Private Sector Leads	0	NA
B492 Progress to Work	1,303,956	850
B514 ND General	938,454	TBC
B518 ND 18-24 Gateway	1,604,874	1,756
B522 ND 25+ Gateway	274,283	450
B526 ND 18-25+ Follow Through	51,149	69
B530 ND 18-24 Options	4,375,947	3,097
B538 53800 IAP ND 25+	1,831,450	421
B542 ND SE	220,946	144
B546 NDLP	1,244,178	TBC
B558 New Deal for Partners	765,382	TBC
B562 ND 50+	70,829	TBC
<b>Total ND WBLA &amp; BOND</b>	<b>14,516,532</b>	<b>14,066</b>
<b>Non New Deal Programmes</b>		
	<b>Allocation</b>	<b>Volumes</b>
B437 Basic Skills Assessment	189,760	2628
B438 Basic Skills Incentive	75,376	837
B440 Step Up	DWP contract	TBC
B442 TIS	68,454	NA
B454 Ambition	no provision	NA
B462 Marketing	no provision	NA
B464 AIIS	no provision	NA
B466 JCP General & Programme Research	no provision	NA
B486 Rapid Response	no provision	NA
<b>Total Non New Deal</b>	<b>333,590</b>	<b>501</b>
<b>Disability Employment Programmes</b>		
	<b>Allocation</b>	<b>Volumes</b>
B434 Residential Training	0	NA
B456 Work Preparation	DWP contract	TBC
B458 Residential Work Preparation	0	NA
B468 JIS	2,435	NA
B472 Access to Work	DWP contract	TBC
B474 Blind Homeworkers Scheme	DWP contract	TBC
B476 Disability Consulting Groups	DWP contract	TBC
B478 Workstep	DWP contract	TBC
B488 Occupational Health	2,488	TBC
B495 Remploy	DWP contract	TBC
B550 NDDP	37,325	TBC
B554 NDDP - In House Teams	0	NA
<b>Total Disability Employment Programmes</b>	<b>42,248</b>	<b>TBC</b>

<b>Employment Related Initiatives</b>	<b>Allocation</b>	<b>Volumes</b>
B448 Work Trials	2,834	TBC
B470 ERA	0	NA
B482 EDMF (Debt Counselling, DMDF, WNP)	209,809	TBC
B484 Ethnic Minorities	56,050	TBC
Total Employment Related Initiatives	268,693	TBC
Pathways to Work	Allocation	Volumes
ADF	78,117	781
Condition Management Programme	1,367,107	912
In Work Support	135,809	533
Employment Programmes non New Deal	136,711	182
Employment Programmes New Deal	369,482	388
Total Pathways to Work	2,087,226	2796
<b>Grand Total</b>	<b>17,248,289</b>	<b>17,644</b>

<b>Employment Zone Liverpool &amp; Sefton only</b>	<b>Allocation</b>	<b>Volumes</b>
<b>Eligible Jobseekers and Lone Parents</b>		
<b>Contracts April 06 – November 06 (part year details)</b>	<b>7,606,272</b>	<b>3,126</b>
<b>Contracts April 05 – March 06</b>	<b>9,399,551</b>	<b>4,068</b>

- 2.24 This preliminary programme audit is incomplete because of the absence of information about directly funded DWP programmes. The Local Authority programme information is being re-worked to ensure all funding streams are captured and to provide a more precise picture of the outputs and end dates of the key projects. Further work is being undertaken to analyse the actual performance and delivery of this wide array of fragmented provision.
- 2.25 Partners are particularly aware of the scale of additional programme provision delivered on Merseyside through two European Objective 1 Programmes and the extent to which the successor Objective 2 status will mean a reduction in resources. The second Objective 1 Programme, now tailing off, included ESF resources of 452m euros (broadly equivalent to £307m) for all skills and employment interventions. Within this, a spatially targeted programme (Priority 4) focused on more or less the same areas as the DAF wards and had an ESF allocation of 125.4m euros. Programme management information indicates a total likely spend, with match funding, of 240m euros (£163m) up to 2006. This is equivalent to some £32m of additional activity each year, over and above mainstream (including DWP) programmes. The targeted areas have also benefited from the non-spatially targeted programmes, particularly for key priority groups.
- 2.26 The development of stretched targets for the Pathfinder has identified the urgent need for a better understanding of labour market and welfare benefit claim trends during at least the last Objective 1 Programme (2000-2006) and the actual performance of all programmes during this period, particularly those deploying ESF and the additional national DWP

interventions. Partners recognise that the Pathfinder period 2007-2009 will see a considerable – but as yet not fully quantified – reduction in available resources. European Structural Funds support for 2007-2013 will reduce to 205m euros, of which 127m euros will be for all employment measures, both spatially targeted and not. During this same period, many of the funding regimes which have supported the considerable volume of interventions developed in response to specific needs and opportunities and delivered in the regeneration areas will also come to an end. Many of these programmes and projects form the bedrock of the CES programme. However Single Regeneration Budget will not be replaced. It is understood that Government is considering a social inclusion funding stream to replace NRF when this ends in March 2008, and given the relative policy priority of employment as a route out of exclusion, the assumption is that a portion of this resource will be available to support the CES Delivery Plan. At this stage there is insufficient information for Partners to be able to plan the new programmes in any detail. This is compounded by a lack of certainty about some mainstream programmes, particularly JCP and DPW programme output targets for 2007-2009.

### **Initial conclusions**

- 2.27 Accepting the necessarily rudimentary nature of the analysis at this stage, annual programme provision of some £7m0 - £80m is currently being delivered by the CES partners to support employability and some related skills measures.
- 2.28 The programme review which partners will undertake in 2007 will include a finer grain of analysis of programme content, targeting and outcomes and this will provide the more robust knowledge platform for;
- more effective deployment of resources through better alignment, pooling or service integration;
  - designing and developing new interventions which the CES Board will commission and procure through DWP funding, European Social Fund, and neighbourhood renewal measures;
- 2.29 European Social Fund will have an important role in the CES in helping to pCES Board will provide the strategic framework and commissioning functions for the ring fenced Merseyside European Social Fund programme 2007 -2013 including both the two co-financed programmes and the new complementary strand agreed with DWP.
- 2.30 Additionally the CES Board will seek a solution to the anomalous position of Halton within the Delivery Plan. As the analysis in this Delivery Plan demonstrates, Halton has high levels of worklessness within its 6 DAF wards, which are also characterised by severe deprivation. However, Halton is not part of the Merseyside Objective 2 area and will therefore not access the ringfenced ESF programme. For this reason it will be essential to ensure dedicated co-financed LSC and DWP / JCP provision for Halton, firstly to support its ability to deliver CES objectives within the Borough and secondly to enable Halton to contribute to the overall CES targets for the six local authority areas.

- 2.31 Partners are developing an approach to the pooling and alignment of all funding streams, set out more fully in Section 3f – Programme Budget – and have identified several categories of programme budget, each having specific implications for the nature of the interventions it can support and for governance, programme management and Accountable Body arrangements.
- 2.32 At this stage it is not possible to draw conclusions about the relationship between progress in increasing the employment rate, the levels of funding deployed and the effectiveness of the existing menu of interventions. This further analysis will be undertaken early in 2007/08. The scale of the skills and worklessness challenge in Liverpool and Merseyside requires an equal volume of effective interventions. Some of this will be secured by achieving better outcomes from the available resources but it will also be essential to explore with Government how to increase the pool of provision through options such as a performance incentive based on the welfare benefit savings achieved by placing more people in jobs.
- 2.33 Finally, this exercise highlights the need for radical streamlining of the monitoring arrangements for public funding regimes to support Local Area Agreements, provide a better basis for cross-border, multi-area collaboration and introduce strengthened transparency and accountability.

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### 3 PROGRAMME DESIGN

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#### 3a Approach and programme design

- 3.1 In its framework of targeting and interventions, the CES will balance these inherent tensions:

Imperatives more easily achievable through those who are the closest to the labour market	Imperatives which can only be achieved through those who are the furthest from the labour market
To provide an adequate supply of more highly skilled labour to meet increasing demand now and in the future thereby supporting higher business productivity & economic output	To take more people out of worklessness and poverty to build economically sustainable communities
To drive up the employment rate to increase demand for goods and services thereby increasing economic output and impact on child poverty.	To help more people to move off incapacity benefits into work, thereby replacing expenditure on welfare benefits with a contribution to the Exchequer through NI and income tax

- 3.2 These tensions – between economic and social regeneration objectives – also translate into the twin pillars of the CES of supporting economic growth for sustainable competitiveness and of building economically sustainable communities, with higher quality of life and opportunity and increased social mobility. They are mutually reinforcing.
- 3.3 The strategic framework set out below has been designed to ensure a balance between these two poles. The CES will seek to use the relatively modest new resources to create some integrated processes, manage public services more effectively and to pilot the development of new measures on both the demand and supply sides which are currently major gaps. It will also seek to create some dynamism in the labour market to

create gaps which are closer to the skills levels of some of those who are currently workless. This can be achieved by accelerating the pace of up-skilling and progression, and thus, as individuals move on and up, the resulting vacancies can provide an opportunity for low skilled or workless people. The focus on sector strategies is part of this ambitious new approach. Equally, if the new retention and work based training programmes are successful, supported by job rotation measures, and if employers become full partners in the CES, supported by trade unions, the resulting dynamics will create the space and the additional opportunities needed.

3.4 The CES approach will be comprehensive and comprise both strategic co-ordination of mainstream and 'additional' provision and the direct commissioning of new measures tailored to the needs of employers and individuals.

3.5 The model will be rolled out progressively, increasing in innovation, scope and volume as flexibilities emerge particularly around DWP resources and as new measures are tested and evaluated.

3.6 This evolution will also lead to two fundamental developments:

- The establishment of a Commissioning Group within the CES Board for joint planning, design, procurement and management of new provision from 2008 onwards;
- The establishment of a City Region Skills and Employment Board to complete the integration of all resources into a single, demand led, planning and delivery approach for skills and employment;

3.7 Coordination and integration will be undertaken at two levels:

- Strategically - the CES Board will adopt a strategic approach to the integration of mainstream and other activity, both on the supply and demand side, to deliver a coherent package designed to meet the needs of residents from priority groups and employers through the Commissioning Group;
- Operationally – a coherent body of provision providing clear and individually-tailored route ways for the individual and tailored to the needs of employers. The aim will be better integration of service delivery between partners to provide a comprehensive package of support for individuals and employers.

3.8 Integration will be both:

- 'internal' ( between the core partners – the Commissioning Group - via alignment of resources & harmonisation of plans;
- 'external' (with regeneration programmes such as Housing Market Renewal, housing reinvestment / redevelopment programmes and Neighbourhood Renewal; with other business support and economic development activity; and with private sector investment)

3.9 **The overarching priorities will be as follows;**

- 3.10 **In relation to the demand for labour**, the CES Board will give particular (but not exclusive) focus to the new jobs and replacement labour generated by the forecast growth of the local economy over the next 4 – 5 years in:
- key growth sectors including the public sector;
  - major inward investment and flagship developments;
  - growing SMEs;
- 3.11 The CES Board will establish collaborative relationships with these employers to provide an effective recruitment and workforce development service in return for employers committing to provide retention support and work based up-skilling, taking up appropriate JCP and LSC provision.
- 3.12 The CES Board will aim to increase the share of job vacancies captured by partners in order to maximise opportunities for workless people.
- 3.13 **In terms of spatial priorities**, the CES Board will have both a general focus on those DAF wards with the worst concentrations of worklessness as well as targeting initial activities on sub-areas where the worklessness rate is above 25%. The overall objective will be to reduce the worklessness rate in the LSOAs to as close to 25% as possible. In many areas this will require 100% improvement on current baselines.
- 3.14 However, whilst these concentrations need the most intensive attention, the CES Board will roll out all the CES enabling measures across the conurbation, particularly to support priority groups outside the DAF wards.
- 3.15 **The priority groups** will be those identified in the analysis of need in Section 2; lone parents, Incapacity Benefit claimants, people with no / low qualifications, young people Not in Employment, Education or Training, over 50s, workless people in the BRM communities, women returners, residents of low income households where children are living in poverty.
- 3.16 Specific targets and measures will be developed for the reduction of child poverty to help households to increase their income through employment or through progression.
- 3.17 Strategic co-ordination will be developed by aligning commissioning and developing a framework for contract compliance across the CES area for service delivery, incorporating quality assurance. Strategic action strands 4 sets out the main components.

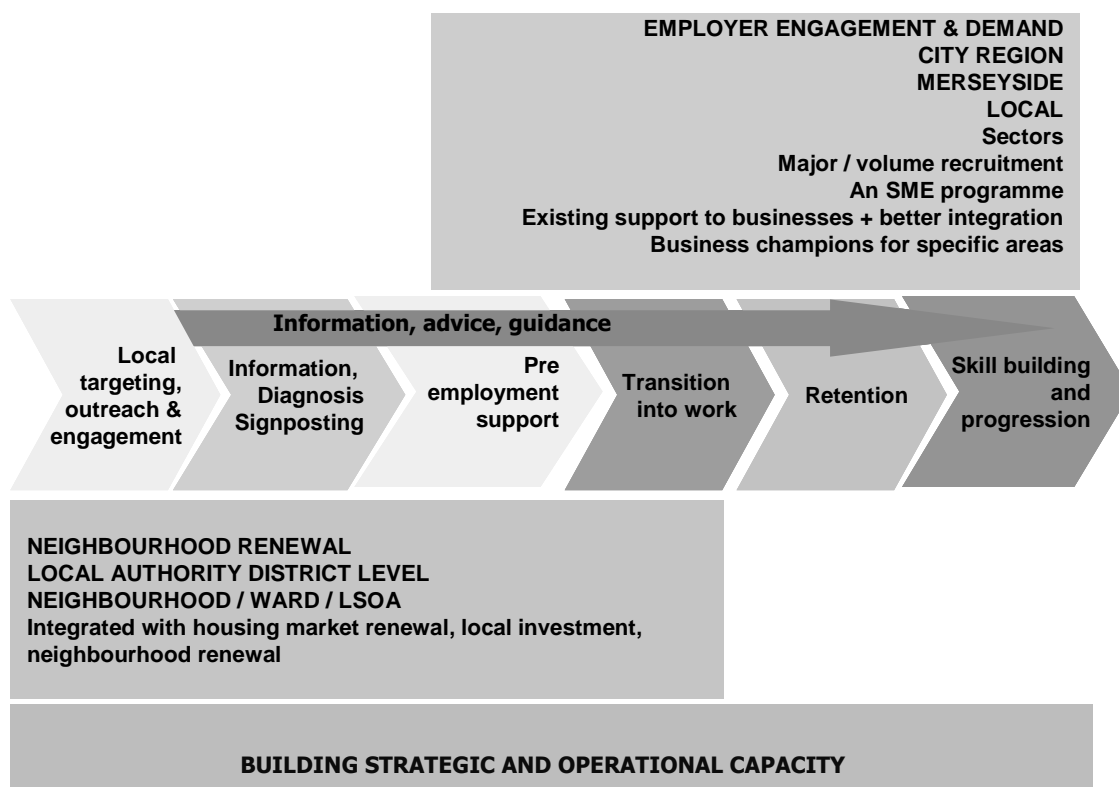
### **3b Key programme elements**

3.18 The key elements the CES are set out diagrammatically overleaf:

3.19 **The key principles are;**

- **A demand led approach which engages employers and delivers effective packages of recruitment and training services**, with an initial focus on Merseyside employers, extending through the City Region Skills and Employment Board to the travel to work area and qualifications above Level 2;

- **A routeway of personalised** assistance to individuals from worklessness to employment, with subsequent support for retention, up-skilling and progression;
- **The integration of these measures with neighbourhood and housing renewal;**



- 3.20 The four strategic action strands are set out below, identifying existing activity and new developments via pooling and aligning of existing funding and through DAF, ESF, NWDA and related funding streams.
- 3.21 The development and delivery of the programme will make maximum use of existing provider and delivery organisations and relationships whilst seeking to build new and strengthened capacities for those interventions which either need to change in focus or effectiveness or which are new and now need to be designed, piloted and rolled out.
- 3.22 Similarly, existing interventions focused on the DAF wards which are effective and delivering outputs towards individual LA / LAA targets will continue to be supported albeit that partners may wish to see some adjustments of focus, volumes and priorities, or extension of activities, to ensure alignment with the Delivery Plan priorities.
- 3.23 The initial mapping and audit of provision has identified a range of interventions or approaches which partners wish to see rolled out across the six LA areas, to ensure a consistent model of delivery reflecting the routeway to work shown above and the objective of securing maximum integration with related economic development and neighbourhood renewal and investment programmes. This approach recognises that each

Local Authority / Local Strategic Partnership is responsible for ensuring optimum partnership working and outputs in its area, tailored to its own specific circumstances, needs, opportunities and capacities. However, the partnership has a strong commitment to identify and apply best practice from all sources and to develop a common framework of entitlement and standards across the Pathfinder Area.

- 3.24 A further cross border / joint working imperative is the need to provide an effective programme and delivery response to those groups of DAF wards which either span Local Authority District boundaries, or are part of the joint Liverpool / Sefton Local Enterprise Growth Initiative (SLEGI) or which together make up the Housing Market Renewal Pathfinder (spanning the Liverpool Sefton border and including North Wirral wards on the other side of the River Mersey). Existing well established co-operation arrangements already exist in some of these cross border areas. Local area action plans are being developed in a way which ensures co-operation and consistency of service offer across these geographies.
- 3.25 The relative flexibility or constraints of the programme budget categories, as they currently stand, will be a key factor in the design and delivery of the key intervention strands.

### **Strategic strand 1 – supporting employers for greater productivity**

- 3.26 **These actions aim to improve the service to employers both in the public sector which continues to be important, and the private sector where the goal is to support business productivity, investment and growth.**

STRATEGIC ACTION STRAND 1		SUPPORTING EMPLOYERS' NEEDS
Action Ref: 1a	Liverpool City Centre recruitment and skills strategies – Shop for Jobs	Existing major project integrated into the CES and providing an exemplar for sector recruitment & skills action plans. Key development priority.
Description	Liverpool City Centre recruitment support project for a forecast increase of some 10,000 jobs by 2009, mostly in retail, hospitality and leisure. The project opens up access to the new jobs for residents of the DAF wards across Merseyside.	
Spatial level	Liverpool, but co-ordinating recruitment, employability and training across Merseyside.	
Lead	Liverpool City Council.	
Timescales	Current – 2007/09. Strategic plan development mid-late 2007/08	

STRATEGIC ACTION STRAND 1		SUPPORTING EMPLOYERS' NEEDS
Action Ref: 1b	Public Sector Demand-led Routeway Programme for Unemployed Adults and Young People	Existing major project to be integrated Objective One resources (P2 M13) £4.5 million
Description	Customised training programme reflecting the priorities of each Local Authority District, for 1500 unemployed adults and young people to access public employment opportunities	

	<p>whilst enabling the public sector to benefit from a skilled labour force.</p> <p>This programme targets the CES priority groups. The model incorporates: Engagement and IAG as part of the initial assessment, employability and the transition into work (including customised training element to address the need of the individual and the employer, retention and further skills development through work-based skills development.</p> <p>The CES Board will explore rolling out the model to other sectors and will focus in particular on retail, leisure, tourism and hospitality sectors alongside other sectors which are growing in employment terms.</p>
<b>Spatial level</b>	Merseyside, targeting DAF wards and priority groups
<b>Lead</b>	Learning and Skills Council
<b>Timescales</b>	Current delivery programme – 2007/09

<b>STRATEGIC ACTION STRAND 1</b>		<b>SUPPORTING EMPLOYERS' NEEDS</b>
<b>Action Ref: 1 c</b>	<b>Sector employment and skills strategies, Employer HR Forum and Business Champions</b>	Existing project integrated into CES & extended. <b>Key development priority</b>
<b>Description</b>	<p><b>A substantial programme to develop a demand led / business facing approach;</b></p> <ul style="list-style-type: none"> <li>▪ <b>Action planning for labour and skills demand in the 13 Merseyside growth sectors – as integral elements of sector development plans, extending existing sector action plans.</b></li> <li>▪ <b>Joint work with participating employers to develop specific customised employability, recruitment, retention and workforce skills solutions through an HM Forum.</b></li> <li>▪ <b>A package of activity to engage champions from the business community for the CES including businesses championing specific areas, adopting the CES training charter and promoting the CES through their supply chains</b></li> </ul>	
<b>Spatial level</b>	Merseyside (extending later to whole City Region travel to work area)	
<b>Lead</b>	To be agreed between current partners – LSC, TMP, Business Liverpool & sector networks	
<b>Timescales</b>	Development priority - Mid 2007 start	

<b>STRATEGIC ACTION STRAND 1</b>		<b>SUPPORTING EMPLOYERS' NEEDS</b>
<b>Action Ref: 1 d</b>	<b>SME pilot programme</b>	New measure <b>Key development priority</b>
<b>Description</b>	SMEs are key drivers of economic growth but smaller businesses often find it difficult to recruit and many do not have workforce training plans. This pilot project will support small businesses with a comprehensive package of service support.	
<b>Spatial level</b>	Coverage will be in each of the 6 local authority areas. Focus will balance between SMEs in the growth sectors and those in smaller local industrial groupings.	
<b>Lead</b>	To be agreed between key partners including St Helens and Liverpool City Growth Boards, St Helens LEGI, Sefton / Liverpool LEGI, Business Link, and Local Authorities.	
<b>Timescales</b>	Development project. Late 2007 start	

STRATEGIC ACTION STRAND 1		SUPPORTING EMPLOYERS' NEEDS
Action Ref: 1 e	Social enterprise programme	New measure Key development priority
Description	Social businesses are an important part of the economy with a major role in providing employment opportunities for workless people. This measure will support social businesses to increase the scale of their support & improve their workforce skills	
Spatial level	Merseyside	
Lead	To be agreed between partners including Merseyside Social Enterprise Network, Local Authorities.	
Timescales	Development project. Late 2007 start	

STRATEGIC ACTION STRAND 1		SUPPORTING EMPLOYERS' NEEDS
Action Ref: 1 f	Simplified action menu, information, contact and relationship management	New measure Key development priority
Description	To improve business engagement the CES Board will develop streamlined arrangements for business contacts including relationship management protocols and vacancy sharing agreements and will consider the possibility of a single portal / single branding for the CES. <b>Programme provision will be streamlined within a new menu based on the routeway to improve understanding by businesses and individuals of the CES offer.</b>	
Spatial level	Merseyside	
Lead	To be agreed between partners including LSC, JCP, Local Authorities	
Timescales	Development project – late 2007 start	

STRATEGIC ACTION STRAND 1		SUPPORTING EMPLOYERS' NEEDS
Action Ref: 1 g	Business Forum	New measure Key development priority
Description	The development, support and facilitation of a Business Forum, to provide better connectivity between existing business and sector networks and practical means by which employers can inform the content and delivery of the CES. This project will provide key links between all the elements of this action strand.	
Spatial level	All the key spatial levels; city region / TTWA, Mersey conurbation, LADs, key economic centres (eg Strategic Investment Areas).	
Lead	To be agreed as part of the development of the Liverpool City Region Cabinet framework. Key partners will include the Merseyside Employer Coalition, Sector Networks, Chambers of Commerce, LSC, Local Authorities, Business Link and JCP.	
Timescales	Development project – late 2007 start	

## Strategic strand 2 – neighbourhood targeting and renewal

- 3.27 **These actions will aim to improve targeting of effort and resources on the areas of highest worklessness integrated with neighbourhood management services, investment in housing and local infrastructure, to provide a comprehensive package of support to individuals and households and therefore better value for money through multiple goals:**

STRATEGIC ACTION STRAND 2		NEIGHBOURHOOD RENEWAL
Action Ref: 2a	Local Authority CES neighbourhood targeting action plans, Partner Engagement Plan, and Housing renewal and housing investment	Existing approaches integrated into CES and extended for stretched outcomes & integrated service delivery <b>Key development priority</b>
Description	<p>The development of a common, pro-active approach to neighbourhood targeting and support is a crucial component of the CES. There will be four specific elements;</p> <ul style="list-style-type: none"> <li>▪ <b>Building on LAA action plans</b> Local Authorities will produce an action plan for neighbourhood targeting in their area, building on their existing programmes and introducing common best practice elements, linking LAA targets for worklessness with the CES Delivery Plan.</li> <li>▪ <b>Identifying cross-border activities</b> for those DAF wards which span Local Authority Districts but which are effectively the same neighbourhoods as far as residents and / or employers are concerned.</li> <li>▪ <b>An important element</b> will be a plan for the engagement of key partners on whose services workless people depend. This project will promote the CES to partner agencies, raise awareness and support direct engagement in the targeted areas.</li> <li>▪ <b>Many of the DAF wards</b> are areas of considerable investment in the housing and physical fabric, such as the New Heartlands Housing Market Renewal Pathfinder, reinvestment programmes for former local authority housing stock and social housing development.</li> </ul> <p>This action will seek integration between the CES and housing renewal. Local Authorities and their partners will prepare action plans for their areas, setting out the practical means by which their housing activities – housing market renewal, stock transfers and reinvestment in social stock - will be linked with the CES.</p>	
Spatial level	Spatial level: Local authority district and neighbourhood	
Lead	Local Authorities working with their LSPs and jointly on a common approach.	
Timescales	Development project – early 2007/08	

STRATEGIC ACTION STRAND 2		NEIGHBOURHOOD RENEWAL
Action Ref: 2b	Improved local data for more effective targeting	Existing model integrated into CES & rolled out across all DAF areas <b>(Dependent on enabling measures)</b>
Description	Data management and access project to enable outreach projects to target workless households & individuals more effectively and monitor the outcome of referrals. Better use of existing LMI supplemented by new and better analysis and forecasting of the demand for labour and skills. Improved access to LMI and better dissemination to partners.	
Spatial level	Strengthened data accesses at a strategic Merseyside level for use at LA and neighbourhood levels	
Lead	To be agreed between partners including JCP, LSC, LAs.	
Timescales	Early 2007/08	

STRATEGIC ACTION STRAND 2		NEIGHBOURHOOD RENEWAL
Action Ref: 2c	Supporting diversity and equal opportunity	Existing provision integrated into CES and strengthened for more effective delivery & outputs <b>Key development priority</b>
Description	The BRM employment rate is well below that of Merseyside as a whole and in some areas is very low. This project will bring together the existing raft of diversity provision to develop a common standard and to accelerate the rate at which BRM communities can start to close the gaps.	
Spatial level	Targeting the neighbourhoods with the largest BRM communities and specific communities – mostly concentrated in Liverpool and Wirral	
Lead	Joint leads – Wirral MBC and Liverpool CC	
Timescales	Early 2007/08	

STRATEGIC ACTION STRAND 2		NEIGHBOURHOOD RENEWAL
Action Ref: 2d	Financial services and debt counselling	New Measure
Description	Many beneficiaries of the programme will have been out of the labour market for considerable time and will need specialist advice and support to manage the financial transition into work. This project will develop a common approach to these services across the six areas and will marshal the capacities of specialist agencies to become part of the neighbourhood outreach and advice teams	
Spatial level	Across Merseyside working with each LA / LSP	
Lead	To be agreed between partners	
Timescales	Early 2007/08	

STRATEGIC ACTION STRAND 2		NEIGHBOURHOOD RENEWAL
Action Ref: 2e	LEGI and CES	More effective integration of services <b>Key integration priority</b>
Description	This action will seek to ensure full integration and alignment between the two LEGI programmes (St Helens and Liverpool / Sefton) and the CES in the areas covered by both of these. Both LEGI programmes include projects to develop local clusters, providing scope for local recruit-and-train initiatives. The additional outcomes generated will be monitored.	
Spatial level	St Helens, North Liverpool and South Sefton	
Delivery	St Helens, Liverpool, Sefton Partners; LEGI partners	
Lead	Joint lead – St Helens and Sefton / Liverpool LEGI Boards	
Timescales	Mid 2007/08	

### Strategic action strand 3 - the employment and skills continuum

- 3.28 **Central to the CES approach is the delivery of a seamless continuum of services to employers and individuals to increase the employment rate, build a highly skilled and flexible workforce and help more people leave poverty and acquire lifelong employability and a career.**
- 3.29 This section sets out the initial CES action menu which at this stage focuses on the route to work and skills but which, through the City Region Skills and Employment Board, will expand to cover higher level skills.
- 3.30 The role of the Personal Advisor is pivotal and the CES Board will develop a common approach for the deployment of Personal Advisors to support local priorities. The table below defines information, advice and guidance support at the various stages of the route back to work as outlined at the beginning of Section 3.

Local targeting, outreach & engagement	Information, diagnosis & signposting	Pre-employment support	Transition into Work	Retention	Skill building & progression
Access to support & client engagement via Advice and Guidance centres in localities and via outreach Adviser team	Initial assessment of client needs and aptitudes resulting in a 'Skills MOT' using common standards of assessment and assessment tools. Provision of career advice and guidance to identify appropriate and suitable employment options and routes into employment and training and production of career action plan	Identification of and referral and/or introduction to education, training or entry level support programmes designed to enable access to appropriate skilled employment.	Matching individual to employment opportunities on shared job vacancy database. Prepare individual for application and selection according to employer recruitment process. Submission of individual to employment opportunity.	Access to individual career development to support employment retention and to identify those at risk of leaving employment, to provide employment support or outplacement advice and referral to alternative employment	Access to individual career development support for employees to enable skills and employment progression.

STRATEGIC ACTION STRAND 3		EMPLOYMENT AND SKILLS
Action Ref: 3a	Outreach & engagement programme	Existing model integrated into CES & rolled out across all DAF areas. <b>Integration priority.</b>
Description	Programme of intensive outreach targeting the LSOAs within the DAF wards with worklessness above 25% via outreach teams, local RSLs, GP practises, community & voluntary groups, schools, Job Centres and local employment projects. The existing neighbourhood outreach teams will be strengthened in capacity, and the model adopted by all LSPs. A common quality standard will be developed with joint training and development. The further evolution of the 'Streets Ahead' model will take place to adopt best practice from elsewhere.	
Spatial level	Pan Merseyside, LAs, DAF wards. Neighbourhood focus, covering all 62 DAF wards. Each LA / LSP will agree a prioritised outreach programme plan	
Lead	To be agreed between partners including JCP, LAs and CVS	
Timescales	Early 2007/08	

STRATEGIC ACTION STRAND 3		EMPLOYMENT AND SKILLS
Action Ref: 3b	Information advice and guidance	<b>Better management of existing capacities &amp; their enhancement to ensure universal access to accredited standard</b>
Description	Better coordination and enhancement of existing Personal and Careers Adviser teams for young people (aged 16 – 19) and adults (25 +) to provide universal access for individuals to support in career planning and development, across all the partner organisations. The project will create a single gateway to careers information, advice and guidance for individuals in the DAF wards and will include effective referral to a network of specialist Adviser support for those in need. Advisers will draw from a range of agencies working with young people and adults and will pool or align resources to guarantee individual coverage and effective referral of individuals according to need. The service will operate according to a Common Standards Framework based on IAG standards for young people and adults currently in development at a national level. Advisers	

	will be skilled, knowledgeable and reliant on a well resourced infrastructure which enables the service 'to be brought to the client'. They will provide initial assessment leading to a skills MOT / Health check and will help individuals develop a personal action plan towards employment which will address the skills needed to secure, retain and progress in employment. Advisers will provide sustained guidance and support brokerage for individuals through common vacancy sharing systems and effective tracking of progress through joint information sharing and caseload management systems.
<b>Spatial level</b>	Across all 6 Local authority areas and agencies in the statutory, voluntary, community and private sectors
<b>Lead</b>	TO be agreed between partners including JCP, Connexions, CVS, LAs
<b>Timescales</b>	Mid 2007/08

<b>STRATEGIC ACTION STRAND 3</b>		<b>EMPLOYMENT AND SKILLS</b>
<b>Action Ref: 3c</b>	<b>Pre-employment support</b>	Existing provision, strengthened with new demand led measures. Development of new measures to fill gaps in existing provision to meet the needs of individuals and employers. <b>Key delivery and development priority</b>
<b>Description</b>	<p>This element of the CES programme is critical to its success. The planning process has identified a wide raft of existing provision, both mainstream and additional. There are two specific goals;</p> <p>Firstly, the CES Board will deliver existing programmes in a way which gives priority, where this is possible to the DAF wards, with improved targeting &amp; better integration with other services &amp; after-care. The programmes to be delivered are primarily those identified in the mapping exercise, totalling some £80m of provision each year.</p> <p>Secondly, it will review existing programmes and develop a new extended menu of provision such as Skills Passports and customised training tailored to employer needs for joint commissioning and provision for client groups whose needs are currently not met adequately such as non-claimant parents in child poverty households, or not met in sufficient volume compared with the actual needs.</p> <p><b>Analysis of worklessness undertaken by CESI has identified a number of key priority groups and areas described in the Local Context section. The CES Board will generate measures to address all these priorities and including a specific early focus on supporting Lone Parents whose youngest child is aged 11 by using the flexibilities of partners to support Lone Parents with job seeking activities. It is hoped the CES Board can bring forward an earlier introduction of the types of activities needed to deliver the Lone Parent employment objectives of the Ministerial announcement on 30/01/07, addressing Child Poverty.</b></p> <p><b>We suggest greater flexibility regarding Child Care by allowing greater discretion for New Deal for Lone Parents Advisors to support Lone Parents' childcare, even if they are not on a JCP programme. Alternatively a pooled approach to Child Care provision across JCP, LSC, Local Authorities and Sure Starts will provide wider access to a larger pool of Lone Parents.</b></p> <p>Additionally, the CES Board will work with partners involved in enterprise development to ensure that self employment options form a key part of the menu of interventions.</p>	
<b>Spatial level</b>	Refocusing of flexible provision into the DAF wards. Spatially targeted programmes to continue their current focus.	
<b>Lead</b>	CES Board priority. The Board will ask individual partners to lead on specific types of provision.	
<b>Timescales</b>	Early 2007/08 to provide the basis for delivery programmes	

STRATEGIC ACTION STRAND 3		EMPLOYMENT AND SKILLS
Action Ref: 3d	Transition into work	Existing provision, strengthened with new demand led measures <b>Key development priority</b>
Description	The CES Board will improve the quality of recruitment services to employers and individuals including vacancy matching, referral of potential candidates, jobs fairs in conjunction with the HR Forum, sector networks and key participating employers. The affordability and adequacy of childcare provision will be reviewed with all key barriers or gaps in provision.	
Spatial level	Pan Merseyside, extending to the city region travel to work area.	
Lead	Lead to be agreed – partners will include JCP, LSC, LAs	
Timescales	Development project - Late 2007/08 start	

STRATEGIC ACTION STRAND 3		EMPLOYMENT AND SKILLS
Action Ref: 3e	Retention	<b>Key development priority</b> Existing pilot provision (IB Pathways) & ASPIRE will be extended to increase adequate volume
Description	An essential element of the CES approach will be to provide after care to residents of DAF areas placed into jobs to ensure better retention rates. Employers will be engaged to provide work based support. Individuals will be supported either by Personal Advisors and / or Trade Union workplace learning mentors. Major new development for Year 1. During 2007/08 a pan Merseyside model will be developed, tested and prepared for full roll out on a sufficient scale to meet need in 2008/09.	
Spatial level	Pan Merseyside, with specific project presence and delivery in LADs	
Lead	Union learn NW	
Timescales	Development project - Mid 2007/08	

STRATEGIC ACTION STRAND 3		EMPLOYMENT AND SKILLS
Action Ref: 3f	Work-based skills development	Major new measure building on existing flexible training programmes <b>Key programme priority</b>
Description	Many residents in the targeted areas have low or no qualifications or outdated skills, or skills which are not currently in demand from employers. To help individuals into sustainable employment, and to support the development of a more flexible and highly skilled workforce, the CES Board will work with individuals and employers to put demand-led and appropriate skills provision in place. Train to Gain will be a key programme. It provides businesses with free independent brokerage to identify current & future skills needs and funding to enable employees to first gain a level 2 qualification, a wide range of flexible training for low skilled employees and the possibility of a contribution- for companies with less than 50 employees – to cover the cost of the time spent in training.	
Spatial level	Pan Merseyside, delivering in each LAD.	
Lead	Learning and Skills Council	
Timescales	Development project – mid 2007/08	

STRATEGIC ACTION STRAND 3		EMPLOYMENT AND SKILLS
Action Ref: 3g	Skills passports and skills escalators	Better management & co-ordination of existing provision and fuller integration into support packages for individuals and businesses <b>Key development priority</b>
Description	The aspiration is to develop real career ladders for adults and support actual progression from worklessness and poverty into more highly skilled, higher paid occupations. In Year 1 the CES Board will co-ordinate, refocus and expand measures such as workbased mentors, Skills Passports and Skills Escalators into the menu of provision. It will also work with Unionlearn to join up support services to employers and individuals.	
Spatial level	Pan Merseyside, focusing on DAF wards	
Lead	Lead to be agreed.	
Timescales	Development project – mid 2007/09	

#### Strategic action strand 4 - building strategic and operational capacity

3.31 **The CES is a new strategic model which aims to deliver a more integrated suite of employment and skills measures through more effective deployment of existing resources. In addition to the specific measures identified in Action Strands 1, 2 and 3, partners have identified the following further actions to strengthen strategic and operational capacity;**

STRATEGIC ACTION STRAND 4		STRATEGIC & OPERATIONAL CAPACITY
Action Ref: 4a	Joint labour market intelligence system, single programme and targeting framework and programme management & monitoring systems	Consolidation & expansion of existing systems. <b>Key development priority.</b>
Description	<ul style="list-style-type: none"> <li>▪ To support the delivery of a demand driven approach, the CES Board will consolidate and expand existing Labour Market intelligence systems.</li> <li>▪ Building on the mapping of current programmes and services, the CES Board will establish a joint single programming and targeting framework as a key tool for improved planning, monitoring and co-ordination of activity.</li> <li>▪ Common monitoring systems will be rolled out where practicably possible.</li> <li>▪ An evaluation framework will focus on specific exemplars of best practice as well as the overall performance of the CES.</li> </ul>	
Spatial level	The framework will support individual LAA programmes as well as providing a pan Merseyside (and eventually pan city region) programme tool.	
Lead	CES Board Implementation Team	
Timescales	Development project – late 2007/08	

STRATEGIC ACTION STRAND 4		STRATEGIC & OPERATIONAL CAPACITY
Action Ref: 4b	Joint Commissioning Group	New measure Key development priority
Description	The CES Board's strategic and fund holding partners will establish a Commissioning Group with the remit of managing the pooling and alignment of funds and for the commissioning and procurement of provision via funding from NWDA, ESF, DWP, DfES, and other appropriate funding streams. <b>A comprehensive review of all existing programmes and provision will underpin the Commissioning Group's work in designing, commissioning and procuring effective measures to support the CES objectives.</b>	
Spatial level	Pan-Merseyside (and eventually city region) level	
Lead	Central CES Board Priority. Early 2007/08	
Timescales	Current – 2007/09	

STRATEGIC ACTION STRAND 4		STRATEGIC & OPERATIONAL CAPACITY
Action Ref: 4c	Best practice & knowledge management	New measure
Description	A key function to be delivered by the Co-ordination Team will be to capture, evaluate and disseminate best practice across the partner agencies, to provide the basis for a joint training and development programme, to inform the rolling out of a common approach and to feed into the CES Board annual programme review and business planning cycle.	
Spatial level	All key spatial levels – city region / TTWA, Mersey conurbation, LADs and neighbourhoods.	
Lead	CES Board Implementation Group	
Timescales	Development project – mid 2007/08	

STRATEGIC ACTION STRAND 4		STRATEGIC & OPERATIONAL CAPACITY
Action Ref: 4d	Provider network	New measure
Description	To support a real step change in the effectiveness of service delivery, the CES Board will facilitate a provider network to bring together existing networks and delivery organisations from the public, private and community & voluntary sectors for a common work programme of sharing of best practice, professional development and training, and new approaches to joint working. The provider network will not duplicate the work of existing arrangements, but, probably taking a virtual form, will seek to expand capacity for more effective delivery. This will be supported by a review of existing provider capacity and adequacy which will be a key element of the CES Board preparations for the joint commissioning of provision from 2008 onwards.	
Spatial level	Pan-Merseyside and extending eventually to the whole city region.	
Lead	Lead to be agreed between LSC, JCP. Delivery priority for Implementation Team when in post.	
Timescales	Mid 2007/08	

STRATEGIC ACTION STRAND 4		STRATEGIC & OPERATIONAL CAPACITY
Action Ref: 4e	New delivery mechanisms	New measure
Description	In Year 1 the CES Board will review existing delivery mechanisms and explore options for new models for more employer-facing and neighbourhood focused, integrated delivery. This key review will also form part of the CES Board 's gearing up for the new commissioning arrangements from 2008 onwards.	
Spatial level	Pan-Merseyside and extending eventually to the whole city region.	
Lead	CES Board supported by Implementation team	
Timescales	Late 2007/08	

### 3c Employer engagement

- 3.32 The CES places employers - private, public and third sectors – at the heart of a demand led strategy which can support both increased business productivity and economically sustainable communities;
- The CES aims to improve the service to employers - through effective dialogue and working relationships with employers to support their current and future requirements;
  - CES objectives of larger and more skilled workforce cannot be achieved without proactive participation by employers, particularly in relation to retention support and workforce training and development;
- 3.33 Strategic Action Strand 1 sets out some of the measures to support the relationship between employers and the CES Board. Action Strand 3 details some of the key employment and training measures which will be delivered. These will be underpinned by a framework of employer engagement which builds on, consolidates and extends existing partnerships and fora, in the following ways;
- 3.34 Employers will be represented on the CES Board . The actual arrangements for this will form part of the consultation and dialogue which will take place as part of the implementation of the Delivery Plan. The Merseyside Employer Coalition will be central in this and discussions are ongoing with the Coalition about the roles and functions it might play. Additionally the sector focus of the CES means that some of the key sector networks will also be represented on the Board, probably through major businesses in the specific industries.
- 3.35 The CES Board will work with the various business and sector networks to develop and establish practical means by which employers can be served by and engage with the CES. In addition to employer participation on the Board, the CES Board will engage businesses at several different levels, through existing structures and networks and through new arenas, in a way which also helps to connect these up to the Board. These will include;
- The Merseyside Employer Coalition, which co-ordinates a sectoral approach to employment and skills;
  - Sector networks for the 13 growth sectors on Merseyside;

- Business Leaders' Fora including those involved in key economic areas such as Liverpool City Centre & the Strategic Investment Areas;
  - The City Growth Boards of St Helens and Liverpool;
  - Business Liverpool, 08businessconnect Business Club, The Mersey Partnership, Chambers of Commerce and Industry, Business in the Community;
  - Local business associations; social economy networks;
- 3.36 These and other business networks will be invited to form part of a new, wider Business Forum which can provide better connectivity between all the existing business networks. The development of the Forum is also linked to the development of new wider city regional governance arrangements by the Leaders of the Local Authorities.
- 3.37 As the CES evolves into the Employment Skills Board, the Business Forum will be invited to expand its geographic coverage to the whole city region / travel to work area. This will improve the match between demand and supply through better co-ordination of skills provision, transport and business support services.

### **3d Voluntary and community sector engagement**

- 3.38 The Community and Voluntary Sectors will be engaged in two ways;
- Through the Local Strategic Partnerships, the Community Engagement Network and through the various neighbourhood level structures in the six local authority areas;
  - The CES Board will draw on the capacities and expertise of the sector as deliverers of employment and skills provision, particularly for those priority groups which rely on specialist support;
- 3.39 The CES will build upon existing activity and networks which have been developed through the LSC. GM LSC is delivering a programme to capacity build the sector to assist in the delivery of provision.
- 3.40 Over the 2 years of the strategy, more detailed engagement will take place at regular intervals around issues facing specific groups such as BME communities and people with disabilities to enable the CES Board to build on the voluntary sector's knowledge of communities of interest.

### **3e Targets**

- 3.41 The overarching goals of the CES are to close the gap between the employment rate and skills levels in the 6 local authority areas and the rest of the UK. Because there are some major constraints in developing quantified targets at this stage, a detailed framework will be prepared in the early part of 2007/08. By then partners hope that the current labour market trends analysis prepared to underpin this Delivery Plan will be complemented by a more thorough understanding of the actual performance of current programmes and of the actual availability of resources - including the potential for stretching outcomes - during the period of the pilot.

- 3.42 A major concern is that the employment rate may well have peaked and that the remaining pool of workless and low skilled working age adults are much further away from the labour market than those who are now part of the workforce. If this is so, it will be a major factor in the design of the new interventions and of the overall targets for the CES since partners remain committed to the goal of accelerating the rate at which skills and employment levels can rise to close the gap with the UK.
- 3.43 Projections from the initial baselining work suggest that, based on past trends and current population estimates, it will take the whole of Merseyside until 2020 to achieve an 80% employment rate. Within this, the timescales for 3 of the local authority districts will be considerably longer without substantial improvements in volume and effectiveness.
- 3.44 The initial framework of targets which will be developed for the CES will comprise the following;
- **Target layer 1** – the CES standard core target 3% stretch on projected future performance as estimated by DWP and related employment rate target (*yet to be agreed with DWP*).
  - **Target layer 2** - the existing worklessness and skills targets agreed by each Local Authority / LSP through the 4<sup>th</sup> Block of their existing Local Area Agreements.
  - **Target layer 3** – a range of qualitative outcomes that reflect the improved partnership working, integration and co-ordination of activities and development of the new measures and increased capacities. These are set out in the table below.
  - **Target layer 4** – specific new targets for priority groups and geographies, all of which will have a direct relationship with the resource base, delivery capacities and intervention framework of the CES, including;
    - (a) Black and racial minorities; partners are committed to developing new measures for assessing progress on BRM employment. The recently released JSA ethnicity data will be a starting point.
    - (b) Spatial targets: the DAF wards within the individual local authorities, covering both the priority groups and the worst LSOAs, subject to the technical feasibility of maintaining such as system.
    - (c) Child poverty targets, using proxy indicators such as Free School Meals, Children in Workless Households and families on the full rate of Working tax Credits. The CES Board will request bespoke data from DWP on ‘children in households claiming benefits’ in order to up-date existing baselines from the Joseph Rowntree Foundation;
    - (d) NEET targets – with the Connexions Service, more detailed NEET targets will be established for the DAF wards, thereby providing a basis for strengthening preventative work;

- (e) Demand side targets – a suite of indicators to measure the effectiveness of the new business-facing / employer participation approach including numbers and share of vacancies captured by the CES Board, and operational targets for retention and skill-building;

3.45 In relation to target Layer 1, partners will seek to work with DWP and JCP on the projected future performance baseline to refine the key assumptions. The initial mapping and audit of partner programmes has identified that the favourable performance between 1999 and 2006 has been supported to a considerable extent by the volume of additional activity funded by Merseyside’s Objective 1 Programme which came to an end in this period. The successor programme will provide significantly reduced resources for employment and related skills activity and also coincides with the end of several funding programmes such as SRB and NRF. Whilst accepting that the CES must deliver measurable additional outcomes partners are concerned that inherent within the projected baseline is the assumption that the same level of resources will be available during 2007 – 2009 as in the period 1999-2006.

3.46 It is recognised that a more precise assessment of the actual resources available during this period will not be easy, for example for JCP and DWP programmes, but such an exercise will provide the Board with the precise resource assessment which partners need to be able to plan effectively as well as enabling DWP to have increased confidence in the basis for setting the stretch target for the CES. Moreover, the Board will seek to establish some alignment between this target and the existing LAA targets for worklessness, with a view to making a contribution to Government policy on the reduction of public service targets.

3.47 **Target layer 3 – developmental targets for Year 1 2007 / 08;**

These outcome targets give specific focus to the key development priorities in the four strategic action strands, as follows;

Action Strand Ref	Outcome target
1a – City Centre Recruitment	Recruitment and skills strategic action plan for retail, hospitality, leisure and tourism to support the estimated growth in these sectors of 10,000 jobs by 2009
1c – Sector employment and skills strategies, Employer HR Forum and Business Champions	Development of strategies with sector networks, establishment of HR Forum and range of Business Champions
1d – SME pilot programme	Design and establishment of SME programme to support recruitment and workforce development
1e – Social enterprise programme	Design and establishment of social business programme to support recruitment and workforce development
1f – Simplified action menu, information, contact and relationship management	Development of new employer interface approach

contact and relationship management	
1g – Business Forum	Establishment of Business Forum
2a - Local Authority CES neighbourhood targeting action plans, partner engagement plan and housing renewal / investment action plan	Development of common approach across the 6 local authorities, engagement of key partners and integration of CES with major investments in housing
2c – Supporting diversity & equal opportunity	Consolidated action plan across partner agencies and the 6 LADs
2d – LEGI and CES	Full alignment plan for ST Helens LEGI and Sefton / Liverpool LEGI and CES
3c– Pre-employability support	Completion of comprehensive review of existing programmes and development of new more effective menu of provision for commissioning in 2008
3d – Transition into work	Review and strengthening of services to employers
3e – Retention	Development of new retention support models
3f – Work based skills development	Development of new work based skills support for residents of AF areas
3g – Skills passports and skills escalators	Consolidation, extension and development of new measures to support progression of individuals in the labour market
4a – Single programming and targeting framework, programme management and monitoring systems	Consolidation and expansion of existing systems to support the whole CES programme including evaluation
4b – Joint Commissioning Group	Establishment of Group and underpinning strategic programme design and support mechanisms

3.48 Target Layer 1 represents the current baseline, both in terms of quantified targets and as the only existing strand of targets. Layers 2 and 3 are therefore new, additional activity, both cross-border and inter-agency. Layer 2 targets will be prioritised and sequenced by partners.

### **3f Programme budget**

3.49 At this stage it is still not clear to what extent the resource framework during 2007-2009 will differ to the funding base of the last few years. Key factors are ESF, which will see a considerable reduction, discretionary, regeneration funding such as SRB and NRF, both of which will tail off during the 2 year period of the pilot and the end of the Action Teams and Working Neighbourhood programmes in 2006. The roll-out of IB Pathways will clearly add to the volume of provision as will DAF albeit to a lesser extent but it is not likely that these two will completely replace the level of mainstream provision.

3.50 A considerable volume of some of the most flexible and innovative provision has been supported by SRB, NRF, ESF, Action Teams and Working Neighbourhoods and there is a concern that the DAF wards will

actually have a considerable reduction in support unless mainstream provision can be effectively refocused and unless there is some continuity of dedicated funding through the local authorities such as a replacement for NRF.

3.51 The CES has been designed to provide an overarching strategic, delivery and commissioning framework through which all the main funding regimes can be marshalled for more effective all round outcomes. The integration of a range of customer facing services (such as neighbourhood and estate management by Registered Social Landlords) and business facing activities (such as workplace learning mentors) will add a further but un-quantified level of additional value to the CES.

3.52 There are four key elements of the CES programme budget, each with specific characteristics, flexibility and / or constraints, summarised as follows;

a **CES Core Budget;** The most flexible resources, which will form the core of the CES programme, are Deprived Areas Fund, the complementary ESF strand, funding from NWDA, residual NRF (2007 only) and, potentially, subject to CSR 07, the successor funding stream for neighbourhood renewal / social inclusion. Not all elements of this are yet confirmed but **the indicative allocation** comprises the following;

	£m
Seedcorn funding for Year 1 implementation	0.210
DAF – Years 1 and 2 plus assumed £1.6m carry forward from 2006/07	9.6
NWDA – indicative allocation to support the CES – 2 year funding	3
Sub-total confirmed funding	12.81
<b><i>Assumed</i></b> additional match – NRF (07/08 only) & successor (08/09)	10
Sub-total – potential match funding	22.81
ESF from Complementary Programme Strand, @ 50% intervention	22.81
Total <b><u>potential/ indicative</u></b> CES Core Budget 2007/09	45.62

The DAF, existing NRF and, it is assumed, any successor social inclusion / neighbourhood renewal funding will be channelled through individual LAAs. The CES Board will agree the precise arrangements for these amounts to be pooled and deployed for agreed Pathfinder priorities through direct commissioning processes.

b **European Social Fund – Merseyside Ring fenced Allocation - 2008 – 2013;** Of the £140m (sterling equivalent) some £86m is indicatively allocated for employment and the balance for a range of skills interventions, including higher level skills. The actual allocation for the Complementary Programme Strand is currently being agreed with DWP. The mainstay of the remaining funding will be deployed through co-financing at a national level by LSC and DWP / JCP. The CES Board will

agree the precise form and nature of the commissioning processes which will be involved here but the expectation is that the mainstay of the interventions procured will directly reflect CES Delivery Plan priorities, with the balance of the programme being deployed for employment measures outside the DAF wards, workforce skills development outside the direct scope of the CES and for higher level skills.

- c **Dedicated ESF programme for Halton;** as set out earlier sections of this Delivery Plan, the effective delivery of the Pathfinder both within Halton and overall requires agreement on a dedicated ESF allocation for the Borough, firstly to enable Halton to maximise available resources to the full (through the pooling arrangements within the CES Core Budget and dedicated provision via Co-Financed programmes) and secondly so that the resulting stretched performance in the Borough can make its proper contribution to the Pathfinder objectives and targets.
- d **The mainstream provision / programme budgets for existing services and activity by partners,** summarised in section 2. This analysis will not be complete until DWP / JCP budgets / programmes for 2007/08 have been confirmed. Key issues will include the balance of targeting within and outwith the DAF wards and between priority groups. The CES Board will expect to see increasing flexibility in these programmes in order to maximise the impact on the DAF wards and priority groups and integration with both the additional Core CES Programme, Co-financed ESF Programmes, economic development and demand side priorities and neighbourhood renewal and related local investment on the ground. As existing mainstream programmes and pilots come to an end, the CES Board will work with DWP, JCP and LSC partners on the development of new intervention programmes, and where this adds value in terms of strategic and delivery effectiveness, optimising integration with other public services and investment, business and community engagement and accountability, the CES Board will seek to be the commissioning body for such new programmes

**3g Cross cutting themes appraisal**

**a. The CES will impact on the key cross cutting themes as follows;**

<b>Diversity</b>	Specific focus on DAF wards with the lowest BRM employment rates, including specific BRM skills and employment targets and by consolidating partner activities in the form of a single strategic action plan. (Strategic Action Strand 2 – Action reference 2c)
<b>Health</b>	Through integration of CES activity with local health initiatives to achieve Health Targets in Local Area Agreements.
<b>Economic growth</b>	The demand led / business facing approach of the CES seeks to directly support business productivity including ensuring an adequate supply of suitably skilled labour to meet increased demand from forecast job growth and to support the needs of the key growth sectors and expanding SMEs.
<b>Regeneration</b>	The DAF wards are mostly co-terminous with / adjacent to area based regeneration initiatives including the Housing Market Renewal Pathfinder, Liverpool City Centre & Strategic Investment

	Areas. CES will secure the closest possible strategic and service delivery integration with investment, neighbourhood management, local delivery of floor targets and overall improvement in public services in these areas.
<b>Social inclusion</b>	The CES will target territorial communities and communities of interest which are amongst the most economically and socially excluded in the UK.
<b>Gender Duty</b>	The CES will include the development of an Equalities Impact Assessment.

## 4 GOVERNANCE AND MANAGEMENT

### 4a Governance

- 4.1 The CES and its strategic and geographic extension into the City Region Employment and Skills Board is being developed within the overall framework of new City Region governance arrangements. The CES / Skills and Employment Board will be one of several Strategic Boards, reporting into a City Region Cabinet of Elected Leaders. The specific remits and, responsibilities of the Cabinet and Boards and the overall governance arrangements are currently being developed in 2007 by the Local Authorities involved. This new framework also includes the establishment of a City Region Business Leaders' Forum which is a central feature of the CES. *The first two strategic Boards to be developed will be those for economic development and employment and skills. They in turn will form part of the Programme Management arrangements for the new Objective 1 Programme. Early agreement between partners on key issues of membership, structure, remits, accountability and governance is therefore a key factor.*
- 4.2 The CES (and City Region Skills Strategy when this is developed) will be the subject of a **Multi-Area Agreement** which will combine the skills and employment targets and action plans of the six individual LAAs with the wider scope of the CES and the further areas of intervention which will be delivered by the Skills and Employment Board.
- 4.3 The governance arrangements for the CES set out below, *and given the further more detailed design work and agreement between partners, the CES arrangements are therefore of a preliminary, interim nature, sufficient to provide an adequate framework for starting the delivery of the CES, but clearly needing to be the subject of further evolution during 2007.*
- 4.4 The design of the CES / Skills Board balances several factors;
- Partner Local Authorities, their LSPs and LAAs are the basic building blocks of the strategy and of the governance arrangements, together with the proposed Business Leaders' Forum. The key non-Local Authority partners – JCP, LSC, Connexions, Unionlearn – work within the LSPs and will now work with all the Local Authorities at the sub regional (and city regional) levels on an integrated employment and skills agenda. The CES must therefore balance needs, opportunities and priorities at both the individual LAD level and across the wider geography covered by the CES / Skills Board;
  - Central to the success of the CES will be the extent to which partners are able to harness and integrate a wider range of resources and services, tailored to the very different conditions in the component localities and across the whole economic geography of the city region. This includes the very different needs of businesses in key sectors and of priority groups, particularly communities of interest who face specific forms of disadvantage in the labour market. This marshalling of capacities and resources requires a broad and inclusive coalition. At the same time, the CES / Skills Board will need

to deliver as a tightly knit team and the strategic and fund holding partners in particular will be responsible for strategic decisions on the pooling, alignment and deployment of public resources (for which they are individually responsible) and will be accountable for the delivery of the CES targets as well as those for which they are institutionally responsible. The CES Board balances these tensions between the need for inclusivity and the strategic, commissioning and delivery role of certain partners through its membership and structures.

- Thirdly, the devolution of certain flexibilities to the CES and responsibility for public resources at the local level needs to be matched by a commensurate strengthening of democratic accountability. In the first instance this will mean that the CES / ES Board will report to the Merseyside Leaders' Group, an established Local Authority forum which oversees a range of both statutory and non statutory local government issues. Ultimately, when it is established, the City Region Leaders' Cabinet will take over this role.
- Key CES decisions will need to be taken at two levels; firstly through individual LSPs, to ensure alignment with LAA action plans and targets and individual Local Authority decision, and secondly at the CES Board level.
- *Finally, partners recognise the crucial nature of the worklessness elements within the wider framework for employment and skills being established. The CES is the core of the overall strategic and operational envelope being developed. Its success is central to achievement of several strategic goals including building a larger workforce, eliminating the significant concentrations of poverty and deprivation and thereby safeguarding and adding value to investment in housing regeneration, commercial and industrial infrastructure, increasing net aggregate demand in the city economy and revitalising local neighbourhood economies through a larger working population, and reducing and ultimately eliminating child poverty. The delivery of the CES targets will be the subject of transparent oversight and accountability at the highest levels within the overall governance structures which are being established.*

### **Key elements of the CES governance arrangements**

- 4.5 *The CES will be managed by a Board, comprising the partners and structures set out below. In the absence of any formal statutory status, the Board will be a voluntary partnership, effectively a joint extension of each of the Local Authority Areas' Local Area Agreement 'Fourth Block' partnership arrangements.*
- 4.6 *The design of the Board reflects both the specific functions it will discharge in relation to the CES as well as allowing flexibility for the further role it will assume during 2007 / 08 in extending its remit to the full spectrum of employment and skills issues. This extension into the City Region Employment and Skills Board (CRESB) will also increase its spatial coverage from the CES focus on Merseyside, which will remain a key priority, to the wider city region area. The partnership and membership*

*implications will be that additional local authorities and other partners (such as other LSCs, JCP Districts and HEIs) will be invited to join the Board.*

### **The CES Board**

- 4.7 *The remit set out below covers the role of the Board in relation to the CES. The development of specific proposals for the CRESB will include a further evolution of appropriate governance arrangements.*
- 4.8 **The CES Board will be responsible for the development of the strategy, management and oversight of delivery, including overall targets at the sub regional level, co-ordination of analysis and labour market intelligence, for the deployment of the DAF and any related funding and resources and for evaluation and dissemination of best practice.**
- 4.9 The Board will comprise the main strategic and fund holding partners, plus other partners responsible for directly related services and programmes, and the key stakeholders representing employers and communities.
- 4.10 **Within the Board there will be a Commissioning Group comprising the key fund holding and strategic partners including; JCP, LSC, Business Link, Connexions, Local Authorities, NWDA and DWP.** Its remit will be to approve, review and revise all major strategic and operational proposals through the annual Delivery Plan, agree the pooling and alignment of funds and key areas of joint delivery and business plan harmonisation, commission provision, have oversight over procurement, monitor the performance of the ESS programme and of individual component programmes / projects. Ultimately responsibility for the delivery of the CES and its targets will be with this group.
- 4.11 The Board and Commissioning Group will be chaired by the Chief Executive of Liverpool City Council. Local Authority membership will be at Regeneration Director level. JCP will be represented at District Manager Level and LSC and Connexions at sub-regional Director level.
- 4.12 The Board and its Commissioning Group will be supported by a small implementation / co-ordination team.
- 4.13 *The current extensive framework of joint working groups which has developed the Delivery Plan will be replaced by a smaller advisory structure, facilitated by the Implementation Team. Its role will be that of a Lead Officers' Group, responsible for the preparation of detailed advice and proposals and for ensuring on-going communication and liaison between the key delivery partners. These arrangements reflect the need for good quality co-ordination across the partner organisations, the need to share and roll out best practice and to continue to develop innovative interventions tailored to changing patterns of demand and need.*

## Key partners

Local Authorities of Liverpool, Wirral, Sefton, Halton, St Helens, Knowsley	Strategic partners, community leadership role of convening the local partners and stakeholders through Local Strategic Partnerships and co-ordination of LAAs
Job Centre plus Districts of Liverpool / Wirral and Greater Mersey	Key strategic, fund-holding and delivery partner Mainstream employment and working age benefit services with Job Centres covering the DAF wards.
Learning and Skills Council Greater Merseyside	Key strategic, fund-holding and delivery partner - mainstream training programmes including 'Train to Gain' and Merseyside Skills Works.
North West Business Link	Key strategic, fund-holding and delivery partner
Merseyside Employer Coalition	Employer / New Deal engagement and coordinator of key sector engagement in employment & skills
Key sector networks – e.g. Mersey Maritime	Business networks supporting specific sector growth strategies and business needs
Greater Merseyside Connexions Service	Key strategic, fund-holding and delivery partner of careers service in the DAF wards
PCTs	Key strategic, fund-holding and delivery partner
Unionlearn North West	Co-ordinating workplace learning activities with key sectors / employers plus workplace learning mentors to support retention and progression
Liverpool Council for Voluntary Service	Co-ordinating voluntary sector services – linked into Community Engagement Networks across Merseyside.
BRM network	Supporting Black and Racial Minorities
<b>Strategic housing partners</b>	<b>To be agreed</b>
Merseytravel	Key strategic fund holding and delivery partner
North West Development Agency	Strategic economic development partner

## Composition of the Board

The make up of the Board is to a large extent determined by its intended role of ensuring more effective delivery of a range of public sector programmes – both those concerned directly with employment and skills and indirectly such as health, housing, transport – with and through effective engagement of key stakeholders who include employers and communities (geographic and of interest). Membership of the Board will to a large extent therefore be by virtue of post-holding within the key partner agencies, particularly the strategic fund-holding agencies. However, the selection of non-fund holding partners and stakeholders will be an important means of ensuring that the Board is representative of the communities it serves.

- 4.16 The membership structure has been designed to ensure diversity, inclusivity and accountability in several ways;
- Firstly through the key building blocks of the Local Strategic Partnerships, whose own governance and delivery structures drill down to neighbourhood levels and a close relationship with key communities of interest. As set out above, individual LSPs / LAAs form the essential building blocks of the CES;
  - Secondly through the make up of the CES Board, which balances the need for a small working team of strategic, fund-holding partners and a broader body of key stakeholders. Key stakeholding partners will include the Community and Voluntary Sector through Liverpool CVS which co-ordinates the Community Empowerment Networks across the six local authority areas;
  - Thirdly, because of the particularly low employment rates within some of the Black and Racial Minority Communities, particularly in Liverpool and north Wirral, the BRM Network will be invited onto the Board;
  - Fourthly the Board will agree an equalities and diversity code of practice including provision for complying with the Gender Duty;

### ***Roles and responsibilities***

- 4.17 Key principles will be as follows;
- (i) The Board as a whole will be accountable for the CES.
  - (ii) The Commissioning Group, as the strategic and fund holding partners, will be responsible for the pooling and alignment of funding, deployment of resources and the delivery of agreed output targets. The CES is built on voluntary co-operation between partners and the assembly of pooled budgets, the alignment of programmes and services and the integration of delivery on the ground will be the end product of agreement between the Commissioning Group partners.
  - (iii) The Commissioning Group will develop an annual Delivery Plan and related detailed implementation plans, commissioning frameworks and programme budgets in conjunction with the whole Board and in consultation with individual local authorities / LSPs, and strategic agencies, particularly JCP and LSC.
  - (iv) The Board will agree and operate by a code of conduct which expressly encourages and supports co-operation and collaboration between partners in the delivery of the Vision and objectives of the CES and will seek to incentivise such co-operation and to support capacity building to maintain high levels of joint action. The code of conduct will also provide for conflicts of interest particularly in relation to the procurement of provision and projects to ensure that public funding is deployed with adequate probity, transparency and accountability. *It will be supported by a Partnership Agreement which expressly sets out partner commitments.*

- (v) The Commissioning Group will agree the specific programmes, services and projects to be delivered by partners. Some will be the subject of direct commissioning either for delivery by partners or by external providers contracting with the Board, through the Accountable Body for the CES.
- (vi) The Board will hold individual partners with a funding and delivery role to account for delivery of agreed outcomes and such partners will account to the Board for agreed programmes and projects.
- (vii) The Board will develop a framework for supporting the delivery of agreed outputs and targets by partners in the CES. This will include provision for co-operation and support where this is needed and a hierarchy of sanctions where non-delivery of programmes or projects puts the annual Delivery Plan targets at risk. The sanctions will depend on the nature of the programmes or projects. Those which are funded through funding streams managed by the Board will be covered in a Funding Agreement and may include withdrawal or clawback of funding. In other cases where the non-performance is in relation to programmes where effectively DWP or DfES are the overarching strategic or funding body, the Board will refer the issue to the relevant Whitehall Department.

4.18 Liverpool City Council has acted as Lead Partner in the development of the CES and will continue to lead development work on the extension of the CES Board into the City Region Employment and Skills Board. Partners have agreed that Liverpool will also act as Accountable Body and Host Body for the Implementation Team.

### **Timescales**

4.19 *Partners propose to establish and launch the CES Board in the summer of 2007/08 following sign off of the Delivery Plan.*

4.20 *During the first three months, the CES Board will agree the core budget, programme priorities, a commissioning framework, detailed targets (where these remain to be developed), the Code of Conduct and Partnership Agreement, Performance Management Framework and detailed programme / project management, monitoring and reporting arrangements.*

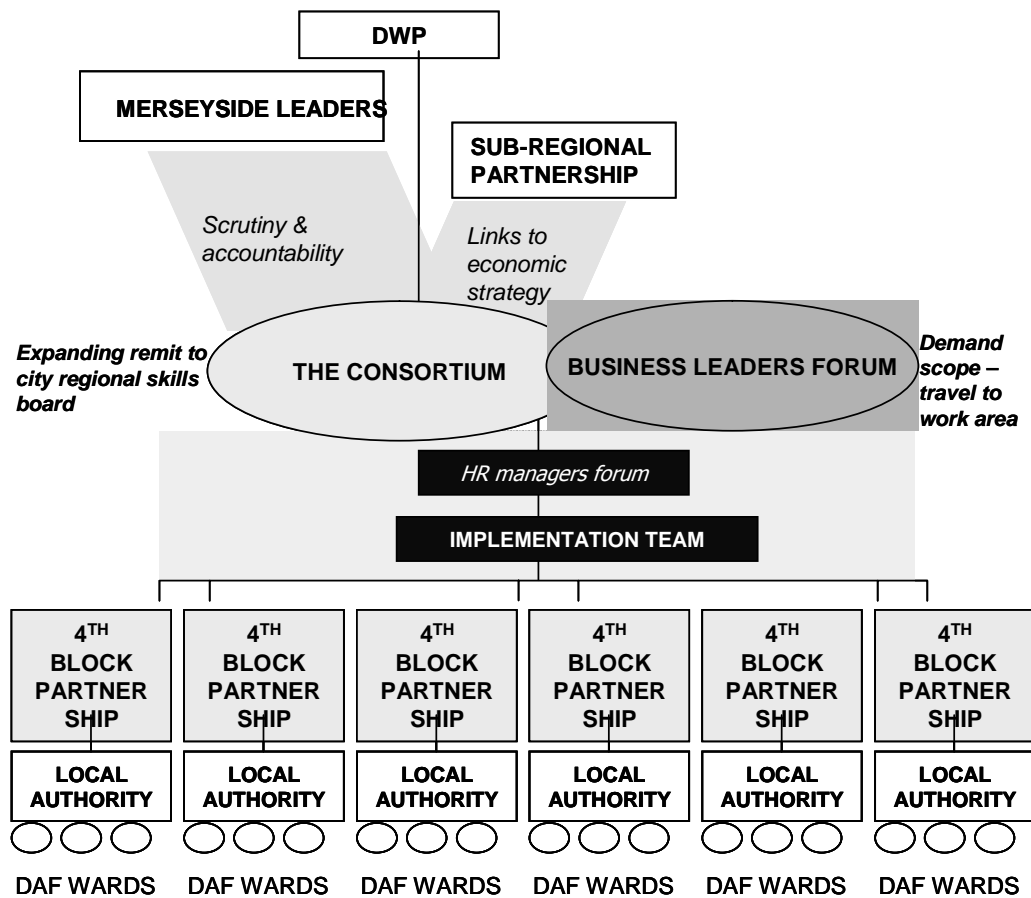
4.21 *Recruitment of the Implementation Team will start in July. Interim arrangements will be strengthened to support the key stages of developing, commissioning and procuring the first programme phases. During this period, further modifications may be made to the Implementation Team structure to reflect any additional capacity requirements to service and support the ESF programme.*

4.22 *Particular early focus will be given to the development and establishment of programme monitoring arrangements with a view to ensuring that these are in place in sufficient time to capture programme management information for the first actual quarter of CES delivery.*

4.22.a.1.1.1.1.1.1

## Governance structure and external relationships

4.23 The governance structure is set out as follows:



4.24 The Board forms part of both the Sub-Regional Partnership arrangements in relation to the interface with the NW Regional Economic Strategy (and, as set out above) the emerging Liverpool City Region Cabinet framework with its underpinning range of key strategic Boards.

4.25 The Sub-Regional Partnership will act as the Merseyside Phasing-In Board for the purposes of the European Programme 2007-2013. The Board will therefore have a direct strategic and operational relationship with the new Structural Funds programme, extending its role of commissioning mainstream skills and employment programmes to the ESF programme.

4.26 As well as reporting to the Merseyside Leaders' Group, the Board will agree additional arrangements for the engagement of Local Authority Elected Members in the CES including at the sub-regional level. This is intended to strengthen democratic scrutiny and accountability at all the key spatial levels at which the CES will operate.

## **4b Programme and management**

4.27 An implementation / co-ordination team will be established. The core team will comprise;

- a Project Director, responsible for the development and delivery of the CES over the initial two year pilot period including its extension into the Employment and Skills Board. The Project Director will have specific responsibility for supporting the Board and the Commissioning Group;
- b Programme Co-ordinator, responsible for the review, monitoring and assembly of the programmes / projects and supporting the commissioning / procurement processes;
- c CES Board Liaison Manager, responsible for day to day co-ordination of activity across the partner organisations, capture and dissemination of best practice, marketing and joint capacity development;
- d Programme management, finance, administration, HR, ICT. These functions are likely to be absorbed within or delivered from one of the partner organisations, probably the Accountable Body. Actual arrangements will depend on the amount of funding coming under the direct control of the CES Board;

4.28 The Implementation Team will be appointed in the summer of 2007/08, following confirmation of DAF, and it is envisaged that the process will be one of secondments through partner organisations, involving initial 2 year secondment agreements, subject to agreement about funding for Year 2 implementation costs.

4.29 The Implementation Team's activities will also be supported by several dedicated projects to deliver the specific development priorities in the Delivery Plan. Where any such projects require a dedicated project manager, s/he will form part of the Team for the duration of the project. Similarly, the Team will either co-ordinate, or in some cases actually deliver some of the key Delivery Plan priorities. The CES Board will agree the specific arrangements and responsibilities against the overall immediately available flexible programme budgets.

4.30 The Working Group which produced the original Expression of Interest and this preliminary Delivery Plan will continue in existence but its membership and the structure of dedicated task groups will be modified to provide direct support for the specific Delivery Plan priorities and to support close cross-border and inter-agency working, co-ordination and communication.

4.31 At this stage, the key tasks of the Implementation Team will be to support the Board in achieving the key milestones and targets of the Delivery Plan. In Year 2, however, the balance of activities will change to a greater focus on the commissioning, procurement and delivery of programmes and therefore, depending on the actual volumes of funding and provision which will be involved, the CES Board may want to modify the structure and composition of the Implementation Team.

4.32 Liverpool City Council will act as lead partner in the establishment of the programme management and co-ordination arrangements. The partners within the Commissioning Group have agreed that Liverpool City Council will act as Accountable Body and host organisation for the implementation / co-ordination team.

**4c Performance and financial management**

4.33 The nature of the specific funding streams which the Board will manage or co-ordinate will determine the actual accountable body requirements. Initially the following arrangements will operate in relation to programme budget categories set out in Section 3f;

<p>CES Core Budget including seedcorn funding</p>	<ul style="list-style-type: none"> <li>▪ Individual local authorities to act as their own Accountable Body for DAF and related complementary strand of ESF for projects delivered in their area or commissioned by the Board for delivery across the CES area</li> <li>▪ The Accountable Body for those projects commissioned by the Board for delivery by external providers will be Liverpool City Council</li> <li>▪ This programme budget will have its own dedicated Delivery Plan, agreed by the Commissioning Group, and supported by specific commissioning frameworks and procurement arrangements agreed with the key funding bodies. The performance management systems will be those used by the partner acting as Accountable Body. The requirements of the Funding Agreement will specify the outputs, reporting and monitoring arrangements, and any evaluation that may be appropriate. Monitoring and reporting will be quarterly. All outputs will be the subject of independent validation. Non-performance will be the subject of funding sanctions, stipulated in the Funding Agreement, which will be determined by the Commissioning Group.</li> </ul>
<p>European Social Fund Merseyside Ringfenced Programme</p>	<ul style="list-style-type: none"> <li>▪ DWP / JCP and LSC will be the two co-financing organisations, operating within regulations set by DWP</li> </ul>
<p>Dedicated ESF Programme for Halton</p>	<p>Programme management arrangements will be determined once agreement is reached.</p>
<p>Mainstream programmes / services</p>	<p>JCP, LSC, Connexions arrangements.</p>

4.34 The design of the overall programme management system has not yet been finalised pending agreement with DWP about arrangements for the Objective 2 ESF programme, for which the Board will be the commissioning body. However, key principles agreed to date are that individual local authorities and a small number of other partners will contract with DWP in respect of the Complementary Strand of ESF and will effectively act as managing agents to the Board in the delivery of agreed programmes and projects. This factor plus the arrangements for

channelling DAF through the individual LAAs provides the basis for the arrangements set out in this Delivery Plan.

- 4.35 As is evident from the mapping of existing programmes, the Local Authorities, LSC and JobCentre Plus all have experience of managing large scale programmes. The Local Authorities already manage substantial programmes comprising complex cocktails of funding including European Structural Funds (as does LSC) and all have experience of the Accountable Body role for both UK and European funding regimes.
- 4.36 Liverpool City Council acts as Accountable Body for a number of major external projects such as the Liverpool Vision Urban Regeneration Company, Kensington New Deal for Communities, New Heartlands Housing Market Pathfinder and the Liverpool Land Development Company and manages externally funded programmes of in excess of £60m each year.
- 4.37 An Accountable Body Agreement will stipulate the specific functions to be delivered together with the overall framework of regulations and processes agreed with the Commissioning Group.
- 4.38 The proposed arrangements are therefore highly practical, ensuring that CES activity is effectively absorbed within existing programme and funding management arrangements which are also the subject of both internal and external audit.
- 4.39 However it is recognised that these arrangements will also require central monitoring to ensure that the Board and in particular the Commissioning Group have access to a precise and up-date overview of expenditure and outputs. A central monitoring system will be established to be operated by the Co-ordination Team.
- 4.40 The Board will adopt a procurement protocol to ensure consistency across all CES provision as well as compliance with statutory and specific funding stream requirements. Part of the move to secure greater harmonisation between the partner agencies will include the development of a joint provider / supplier panel, supported by work with providers to strengthen capacities and quality standards. This will build on Merseyside LSC's capacity building programme for voluntary sector providers.
- 4.41 The very different nature of each the four funding streams will each have their own performance management and monitoring arrangements, summarised below. These will be collated within a single programme and target framework, maintained by the Co-ordination Team and presented as a routine quarterly report to the Board, with more detailed programme performance and spend overviews presented to the Commissioning Group;

CES Core Budget - including seedcorn funding	All projects will report quarterly on expenditure and outcomes – particularly job outcomes in the DAF areas. The CES Core Budget, as set in earlier sections of this Delivery Plan, will be the most flexible of the resources available for the delivery of outcomes in the DAF wards and will provide the mainstay of the additional, flexible and innovative provision in these areas.  Programme outcomes will be directly compared with the
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	<p>reduction in worklessness 'stretch' target (see Targets section below).</p> <p>Local Authorities currently use several monitoring and tracking systems. CORE is the most widely used and the Board will consider whether some investment should take place in rolling out this system to all areas. Whether this happens or not, the quarterly monitoring returns will summarise performance of each project. Project sponsors will be required to maintain records which enable outputs to be independently verified.</p>
European Social Fund Merseyside Rignfenced Programme	DWP / JCP and LSC will be the two co-financing organisations, operating within regulations set by DWP. Monitoring arrangements have yet to be agreed but building on the experience and practice of the two previous Objective 1 programmes, beneficiary monitoring will be required as well as comprehensive programme management information.
Dedicated ESF Programme for Halton	Programme management and monitoring arrangements will be determined once agreement is reached.
Mainstream programmes / services	<p>JCP, LSC, Connexions will provide quarterly reports on outcomes against agreed targets within the Delivery Plan.</p> <p>DWP will be formally asked to ensure that its directly funded / contracted programmes (eg Employment Zone) make required monitoring returns to the Board.</p> <p>It is recognised that there will be some difficulties with time lag particularly in relation to JCP returns. Further work will take place with JCP and DWP to explore how timely management information could be provided with the right level of spatial and client group disaggregation.</p>

- 4.42 Quarterly reports covering these four funding / programme areas will also be used by the Board to review the effectiveness of individual measures and projects and of the delivery agencies. This on going review and monitoring will provide the basis for the development of the Year 2 Delivery Plan by the end of March 2007 and for the commissioning of any new interventions which the Board identify as being needed or which the availability of funding, such as a replacement for NRF, may make possible.
- 4.43 The importance of a robust and effective programme management system is recognised and partners have to date noted the need for a more extensive exploration of the specific needs and the available options. Within this particular note has been made of the value of client tracking systems, especially given the need to support retention and work based up-skilling. This issue will form part of the detailed operational arrangements to be developed during 2007, balancing the benefits of such a system with the actual costs involved and the length of time it may be required for.
- 4.44 Given that the mainstay of all employment support within the CES will be delivered by JCP, the development of any new programme management or client casehandling system will be subject of joint work with JCP and DWP.

#### 4d Administrative budget

- 4.45 The core administrative budget for 2007/08 will comprise £210,000 seedcorn funding plus specific partner contributions in cash and in kind (awaiting confirmation). Detailed proposals are in the Seedcorn Bid.
- 4.46 The outline budget for Year 2 will be agreed by the CES Board following confirmation of the specific arrangements for DAF in both Years 1 and 2 and agreement on priorities for all other flexible funding including the NWDA contribution. The actual scope of the CES programme, including the specific arrangements for the deployment of ESF, will be a key factor in the Board's decision about the nature and extent of the functions to be delivered and about the amount of funding required.
- 4.47 In relation to DAF, NWDA funding and other flexible resources, the CES Board will be guided by the usual public funding de minimis guidance that administrative costs should be no more than 5% of the overall programme expenditure.

#### 4e Risk management

- 4.48 **The following risks have been identified and will be mitigated as follows;**

Risk	
(i) Failure to secure appropriate secondments into Co-ordination Team	Open market recruitment with short term, interim support from partners
(ii) Non delivery of key programmes and priority actions in the CES Delivery Plan / Programme Delivery Plan	Quarterly monitoring will provide indications of need for early corrective action by the Commissioning Group. Sanctions
(iii) Disagreement between partners about priorities or performance.	The Board and its Commissioning Group will both have specific Terms of Reference which will cover disagreements and failure to deliver agreed outcomes.
(iv) Operational risk - key programmes / projects fail to deliver quality or targets	The Annual Programme Delivery Plan will specifically identify and categorise risk for each major project.
(v) Insufficient capacity between the partners to deliver the quantitative and qualitative step change required	Capacity building including the capture and dissemination of best practice is a key feature of the CES and will operate at levels including learning from other Pathfinders, expanding capacity in the provider network
(vi) Failure to deliver outcomes across all the key geographies	The SPTF will include targets for all the key geographies. Outcome / impact monitoring will also be at all the key levels – sub-region, LAD and DAF wards. This will provide an early warning system of any spatial imbalances.
(vii) Silo delivery – insufficient integration between partners both strategically and operationally	The CES routeway continuum and the focus on priority geographies and priority groups all require the greatest possible joint effort between a wide range of partners. The

	effectiveness of joint working will be monitored by partners, including Elected Members, at the LAD / LSP and sub-regional levels. Ultimately partners will agree a Multi-Area Agreement for the CES which will formalise agreement on inter-agency co-operation.
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#### **4f Implementation timeline**

Section 2 (iii) sets out detailed milestones against an overall timeline.

#### **5a Consultation**

4.49 The Delivery Plan has been developed through a substantial joint working effort across the six local authorities and partner agencies including the business community and voluntary sector, thereby ensuring a wide range of perspectives and inputs.

4.50 The first draft of the Delivery Plan was the subject of more intensive consultation throughout January 2007 including a series of presentations to partners through the Sub-Regional Partnership, Merseyside Employer Coalition, Merseyside Sector Directors Board, private and voluntary sector provider networks and the Liverpool City Growth Board. Individual partners have also undertaken specific consultations through their Local Strategic Partnerships and with their Elected Members.

4.51 Further consultation on the detail of some of the interventions will take place as part their development, particularly those which have been identified as key development priorities,

4.52 On-going consultation and engagement of employers is a key feature of the CES to ensure that new programme interventions are tailored to specific business needs.

4.53 The CES Board will consult on each year's Programme Delivery Plan as a key annual milestone, seeking views from all stakeholders.

#### **5b Communication**

4.54 The CES Board will develop a detailed communication strategy which will include a web site, Marketing and PR plan and a programme of events to enable partners and stakeholders to share proposals and best practice and celebrate achievements.

4.55 Maximum use will be made of the local radio stations and the press to publicise the CES, in tandem with outreach activities and work with major employers.

#### **5c Learning**

4.56 Partners recognise that the CES is a radical new model of interventions whose full potential will only be realised with a significant increase in the capacity of all those involved in its development and delivery.

- 4.57 **Action points 4c and 4d** specifically prioritise the need to develop a proactive approach to the capture, sharing, dissemination and application of best practice. **Action point 3b** proposes specific support measures to strengthen the pool of personal advisors whose information, diagnosis, guidance and signposting services are central to the delivery of the routeway to jobs and skills. These actions are key priorities for both increased joint effort between partners and for additional resources through the CES budgets.
- 4.58 The web site will be an important tool in spreading learning across the partner organisations and will also be accessible to other Pathfinders as well as to customers of the CES.
- 4.59 The CES Board will also work closely with the other CES Pathfinders, particularly in the North West Region and in urban areas with similar challenges to Liverpool / Merseyside. Through the Liverpool city region network contact will also be maintained with Rhyl which falls just outside the core travel to work area.

## **5a Review and evaluation**

- 4.60 In addition to the DWP external evaluation arrangements, the CES Board will commission annual evaluation as part of its review of performance and the preparation of the following year's Programme Delivery Plan.
- 4.61 Each major new project will have its own evaluation requirements which will include a client perceptions assessment. These will help to inform the formal review of provision which will be a key feature of the Commissioning Group's approach to the assembly of the annual programmes.
- 4.62 Proposed pilot projects such as the SME and social business support programmes will be action research based, collecting feedback on key issues as part of the delivery of services.
-