

**REPORT OF: HOUSING, HEALTH AND ENGINEERING SERVICES  
MANAGER**

**TO: POLICY AND RESOURCES COMMITTEE**

**DATES: 25<sup>TH</sup> NOVEMBER 2021**

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## **NELSON TOWN DEAL – PENDLE YES HUB PROJECT**

### **PURPOSE OF REPORT**

To seek agreement to delegate authority to the Chief Executive, in consultation with the Leader of the Council, to undertake decision making regarding Town Deal funding for the Pendle Youth Employment Service (YES) Hub. To agree that, if the project is approved at a local level, the Council will front fund and underwrite activity to prevent a break in service delivery following the completion of the pilot phase. To request that the current service provider continues delivery for a short period whilst the service is re-procured.

### **RECOMMENDATIONS**

That this Committee:

- (1) Delegate authority to the Chief Executive, in consultation with the Leader of the Council, to consider the recommendations of the Town Deal Board and make the final decisions regarding Town Deal funding for the Pendle (YES) Hub project.
- (2) Agree that, subject to the project being approved at a local level, the Council will front fund and underwrite revenue activity up to a cost of £17,766 to enable the service to continue running in February and March 2022.
- (3) Agree that, subject to the project being approved at a local level, the existing service provider continues delivery for the first 6 months of the Town Deal funding whilst a re-procurement of the Service is undertaken.

### **REASONS FOR RECOMMENDATION**

- (1) To enable the project to be assured in line with the Nelson Town Deal Local Assurance Framework and the required Project Summary Document to be submitted to Government by the deadline of 14<sup>th</sup> January 2022.
- (2) To prevent a gap in service delivery between the pilot project and the main delivery phase.

## ISSUE

### Background

1. Following the agreement of the Heads of Terms offer for Nelson earlier this year, Stage 2 of the Town Deal process requires towns to develop HM Treasury compliant business cases for each project. Each business case must pass through local assurance mechanisms and a Summary Document outlining the final details of the project (spend profile, match funding, outputs, delivery plan, details of how the business case has been appraised, etc) must then be submitted to Government. The Department for Levelling Up, Housing and Communities (DLUHC) will need to review and be satisfied with the Summary Document before project delivery funding is released.
2. At its last meeting, this committee agreed the Local Assurance Framework for the Nelson Town Deal. This set out, amongst other things, the decision making process for project business cases.
3. It was agreed that following the independent appraisal of each business case, the appraisal report will be considered by the Nelson Town Deal Board who will then make recommendations to this committee. This committee will determine whether the project should be approved and agree any conditions that should be attached it.
4. The Project Summary Document will then be submitted to Government for their final 'sign-off' before delivery funding for Year 1 will be released.

### Pendle YES Hub project

5. The Pendle YES Hub is one of 8 strategic projects to be delivered through the Town Deal. The project will support Pendle's 16-24-year olds to overcome barriers to employment. It will provide a 'one stop shop' (located on Scotland Road) where young people can go to access a range of information, advice and guidance alongside a breadth of learning, training, health improvement and employment opportunities. The project is currently being piloted utilising funding from DWP, but this funding ends in Jan 2022.
6. The project has a total value of £876k and is seeking £420k of Town Deal funding to enable delivery from February 2022 through to March 2026. Pendle Council are the lead organisation and most match funding is secured.
7. The business case for the Pendle YES Hub is currently being fast-tracked given the project is seeking revenue funding for delivery activity in the current financial year. In order to draw down Town Deal revenue funding during 2021/22, project Summary Documents must be submitted to DLUHC by 14<sup>th</sup> January 2022.
8. To achieve this deadline, it will not be possible for the business case to be fully developed, appraised and considered by the Town Deal Board prior to the meeting of this committee in December. It is therefore requested that this committee delegate authority to the Chief Executive, in consultation with the leader of the Council, to consider the recommendations of the Town Deal Board, following their meeting on 7<sup>th</sup> January, and make the final decisions regarding funding for the project.
9. Should the business case be approved and then 'signed-off' by DLUHC, the earliest the Council (as the Accountable Body for the Town Deal) will receive Towns Fund payment

for Year 1 activity is March 2022. The revenue cost of keeping the service running through February and March 2022 is £17,766, and this cost would be met through the £420k Towns Fund that is being requested.

10. This committee are asked to agree that, subject to the project being approved at a local level, the Council will 'front fund' and underwrite revenue activity in Feb and March until the Year 1 Towns Fund delivery funding is released. This will enable service delivery to continue without any breaks.
11. The current Pendle YES Hub Service Provider is Active Lancashire who were awarded a 12 month Service Level Agreement to deliver the DWP pilot phase. In line with PBC's Procurement Strategy the service will need to be re-procured to deliver the Towns Fund project until Mar 2026.
12. Procurement of the Town Deal YES Hub service can only commence upon confirmation of project funding, expected at a local level in January 2022. This does not allow enough time to put the service out to tender and for the service provider to commence project delivery from Feb 2022. This committee are thus asked that the existing service provider, Active Lancashire, is granted a 6 month contract to deliver the Town Fund project whilst a procurement exercise is underway to ensure a seamless transition and prevent a break in service. The contract for the appointed service provider will then commence Aug 2022 until Mar 2026.

## IMPLICATIONS

**Policy:** None directly arising from this report.

**Financial:** If the business case is not locally assured and the summary document submitted to DLUCH by 14<sup>th</sup> Jan, it will not be possible to draw down delivery funding in the current financial year. With regards to front funding and under-writing activity in February and March, there is a risk that the Summary Document is not 'signed-off' by DLUCH and delivery funding is not released.

**Legal:** None directly arising from this report.

**Risk Management:** If authority is not delegated by this Committee, there is a risk that the Project Summary document will not meet the submission deadline of 14<sup>th</sup> Jan which is required to drawdown delivery funding in the current financial year.

**Health and Safety:** None directly arising from this report.

**Sustainability:** None directly arising from this report.

**Community Safety:** None directly arising from this report.

**Equality and Diversity:** None directly arising from this report.