

## **CABINET MEMBER DECISIONS FOR ADULT SOCIAL CARE 21 April 2015**

### **OXFORDSHIRE EMPLOYMENT SERVICE CONTRACTS WITH OTHER LOCAL AUTHORITIES AND AGENCIES**

#### **Report by Director of Adult Social Services**

#### **Introduction**

1. Oxfordshire Employment Service incorporates County Print Finishers and the Reprographics and Design unit.
2. Since 2001 Oxfordshire Employment Services and County Print Finishers have held a range of contracts with The Department of Work & Pensions to support training and employment support for people with disabilities and long term health conditions. The first contract was New Deal for Disabled People which ran from 2001 to 2009/10. An additional Workstep contract was introduced during the final year of the New Deal contract, which took the place of the old Supported Employment grants and funded employment and training within County Print Finishers. Both of these contracts were with the Department of Work & Pensions.
3. In 2010 Workstep and New Deal ceased and both merged into a new programme called WorkChoice, which also introduced the Prime Contractor model, whereby large organisations took on regional contracts with the Department of Work & Pensions and subcontracted to smaller organisations. This reduced the number of contractors the Department of Work & Pensions were dealing with directly and at that time Local Authorities were not considered as potential Prime Providers but sub-contractors.
4. For our region SHAW Trust were awarded the Prime Contractor arrangement and entered into a WorkChoice contract with Oxfordshire Employment Services (including County Print Finishers) as a third party contractor to provide employment and training opportunities across Oxfordshire. The contract provides funding for the permanent and temporary training roles at County Print Finishers (previously funded via Workstep) and sets yearly targets for the number of people supported into work and sustained outcomes.
5. As part of the overall service County Print Finishers not only employs 16 people with disabilities and/or long term health conditions it also provides a platform for ten six month paid training placements for people preparing for or returning to work. These placements are not all just for Print Finishing but include options such as administrator roles, the Future Clean car cleaning project or graphic design and reprographics.

6. As permanent posts in County Print Finishers become available they are converted to temporary six month training posts and it is hoped to further develop the range of training options available within the WorkChoice funding going forward.

### **Current Issue**

7. Shaw Trust is likely to extend the WorkChoice contract with Oxfordshire Employment Services by eighteen months whilst Department of Work & Pensions decides how it wishes to proceed with its overall work programme. Shaw Trust have the right to extend the contract for up to two years. Extensions are not unusual and occurred with the previous contracts. During the contract extension SHAW Trust may also ask sub-contractors to take on additional employment support contracts, which we would be keen to consider. It is anticipated that any additional contracts would also be covered by the permissions as set out in the recommendations section of this report.
8. Legal services have raised a query regarding cabinet approvals for contracts with third parties as it appears formal permissions were received in 2010 but only in relation to County Print Finishers, and not all of Oxfordshire Employment Services, when the contract changed to Workchoice.

### **Financial and Staff Implications**

9. Currently the Workchoice contract funds:
  - Temporary support staff employed to fulfil the contract targets.
  - Ten six month training placements for people preparing for or returning to work
  - Print Finisher posts for people with disabilities and/or long term health conditions.
10. On average Oxfordshire Employment Services receives £252,000 per annum via the contract and overachieves on the targets, with any overachievement funding further input from support workers that are employed on a temporary basis linked to the contract.
11. Risk assessments are completed and reviewed annually to ensure compliance with the contract so that any funding shortfalls are mitigated. All temporary posts are linked to the contract funding therefore risks to the organisation are minimal.
12. Legal services have advised that in general terms, the Council is able to provide services for a charge where the services are discretionary and the charge is on a cost-recovery basis. The Council is also able to trade with third parties for a profit without setting up a separate trading company where the activity is covered by the Local Authorities (Goods and Services) Act 1970 (which requires the services to be of specific types and to be provided to certain public sector bodies). The charging for the current Shaw Trust contract is on a cost-recovery basis. Legal advice should be taken before any

further arrangements are entered into to ensure that the Council has sufficient power to enter into any proposed contract.

### **Equalities Implications**

13. Oxfordshire Employment Service supports people with disabilities and or long term health conditions to prepare, train and enter or return to paid employment, thereby supporting equality and economic wellbeing.

### **RECOMMENDATION**

14. The Cabinet Member for Adult Social Care is **RECOMMENDED** to:
  - (a) note the current arrangements with Shaw Trust and the potential for the contract to be extended for up to two years; and
  - (b) agree that the Director of Adult Social Care enters into future contracts with other organisations and local authorities for Oxfordshire Employment Services to provide services to those organisations and local authorities that meet the aims of the service.

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Background papers: Cabinet Report 2010, Approval for County Print Finishers to enter into contracts with other local authorities and agencies

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