

**North East Derbyshire District Council**

**Cabinet**

**26 October 2016**

**Local Trusted Organisation Employer Role for Grassland Hasmoor...Big Local**

**Report of Councillor G Baxter MBE, Leader of the Council**

This report is public

**Purpose of the Report**

- To inform Cabinet of forthcoming changes with the Local Trusted Organisation (LTO) of the Grassland Hasmoor...Big Local programme.
- To recommend that the Council supports North Eastern Derbyshire Business Developments (NEDBD) Limited's application to become the new LTO from 1<sup>st</sup> April 2017 and agrees to become employing body of the Grassland Hasmoor...Big Local workers, supporting the management and delivery through the Partnerships Team.

**1 Report Details**

- 1.1 In late 2012 Grassmoor Parish and Hasland ward in Chesterfield Borough were allocated "Big Local" status by the Big Lottery Fund. Big Local is an initiative in 150 areas across the country, where the Big Lottery has allocated £1m+ to residents to spend on their priorities over a ten year period. The Local Trust oversees the management of the funding on behalf of the Big Lottery.
- 1.2 NEDBD Ltd successfully acted as Local LTO during the development of the programme, with the NEDDC Partnerships Team fulfilling the staffing duties of the company: co-ordinating the establishment of the Grassland Hasmoor...Partnership, the community profile document and the delivery plan. The Local Trust approved the programme to commence in March 2015, at which point the role of LTO was adopted by Links Council for Voluntary Service (CVS) due to the Local Trust's preference at that time for a voluntary sector group to fulfil the position.
- 1.3 To date the Grassland Hasmoor...Partnership has met a number of their delivery objectives following the overarching aim "to make the area an even better place to live." Working with the local community, voluntary groups, businesses and public sector agencies they have developed a range of community facilities, events and activities: these include local footpath improvements, community notice boards and information points, new community galas, a community cinema programme, school holiday youth activities and a Superkitchen. Imminent plans in Grassmoor include significant investment in a new Barnes Park pavilion and youth room and supporting the development of facilities at the Allotments. They have also employed a support worker successfully fulfilled a Talent Match placement.

- 1.4 On 5<sup>th</sup> September 2016 Links CVS advised that they no longer wished to fulfil the role of LTO due to their need to focus on the core services of the organisation and intend to end the arrangement on 31<sup>st</sup> March 2017. Therefore the Grassland Hasmoor...Board needs to find an organisation willing to become LTO as soon as possible who can oversee the financial management of the programme funds and also accept the transfer of the existing two workers through TUPE arrangements ("Transfer of Undertakings (Protection of Employment) Regulations 2006") by the time Links' responsibilities end. The Grassland Hasmoor...Board wishes to retain these workers, who will be on Links' redundancy risk register from 1<sup>st</sup> January 2017.
- 1.5 The Grassland Hasmoor...Board met on 15<sup>th</sup> September 2016 and agreed to invite organisations wishing to fulfil the LTO role to apply through a tendering process. It is likely that this process will be developed by the Big Local Advisor and representatives from the Board from late September. It was noted at the meeting that there was tentative interest from one other organisation which necessitated the development of a tendering process.
- 1.6 NEDBD's Board has agreed to tender for the role of LTO, subject to NEDDC becoming the employing body for the TUPE'd workers. This would follow the same successful model of operation used for the Bolsover North East Derbyshire (BNED) LEADER Approach, where programme workers are managed through the NEDDC Partnerships Team, who undertakes most of NEDBD's staffing duties.

## **2 Conclusions and Reasons for Recommendation**

- 2.1 It is recommended that the Council supports NEDBD's tendering for the LTO role by agreeing to be employing body on its behalf. This would be on the proviso of full cost recovery for the management and delivery time of the Partnerships Team and for the wages of the TUPE'd Grassland Hasmoor...workers.
- 2.2 As LTO Links CVS received a 5% management fee of the money received from the Local Trust, which would be allocated to NEDBD towards operating costs such as audit and accountancy (the latter of which is a paid service to NEDDC). In addition Links received a staff management and support fee of £6,405.35 per annum. Should NEDBD's application be supported, it is recommended that the Strategic Partnership Co-ordinator is delegated responsibility for calculating the level required for staff management and support, being mindful of the likely time demands; initial considerations are that the costs of a day per week of the Partnership Support Officer plus office resources (e.g. stationery) would be reasonable, along with some management time of the Strategic Partnership Co-ordinator. As with Links, this funding would come from the £1m+ project funding.
- 2.3 As a key stakeholder of the company (along with Bolsover District, Chesterfield Borough and Derbyshire County Councils and East Midlands Chamber of Commerce), the Council has a long-established working relationship with NEDBD Ltd. The NEDDC Partnerships Team fulfils the operational duties of NEDBD Ltd as part of their core responsibilities, such as managing the accounts and audit process, financial transactions and engaging with funders. Because of this central role within NEDBD and their track record of engagement with Grassland Hasmoor...Big Local since its inception, NEDDC is the only appropriate NEDBD member to adopt the employer and management role for the Grassland Hasmoor...workers.

- 2.4 By extension, this rationale also emphasises the importance of NEDBD becoming the LTO in order to maintain momentum and progress of the programme. Any other organisation becoming LTO would likely require significant time to acquaint with the roles, responsibilities, systems and staffing arrangements, whilst awareness of NEDBD and the NEDDC Partnerships Team will allow for a smoother transition.
- 2.5 Experience during the past two years has seen the NEDDC Partnerships Team regularly asked to provide help on detailed operational and process development issues for Grassland Hasmoor...Big Local, often on issues which should be the responsibility of the existing LTO. It is therefore more efficient that (via NEDBD) NEDDC is the LTO staffing body, as it enables staff support time to be formally extended and claims be submitted for reimbursement for this provision.
- 2.6 The intention of the Grassland Hasmoor...Board is to determine the future LTO before the end of December 2016 in order to provide some confidence to the Grassland Hasmoor...workers that the risk to their positions is minimised.

### **3 Consultation and Equality Impact**

- 3.1 Following informal enquiries from Grassland Hasmoor...Board Members NEDBD's Board has agreed to tender for the role of LTO on the basis noted in section 1.6. The Grassland Hasmoor...Board Members have previously advised that they have confidence that NEDBD and the NEDDC Partnerships Team can provide the support required, their view based upon their previous experience. This was echoed at their Board meeting held on 15<sup>th</sup> September 2016. The approach to NEDBD has been initially supported and encouraged by the Big Local Advisor.
- 3.2 Discussions with NEDDC Human Resources and Payroll department has identified that there are no technical reasons to preclude the Council transferring the Grassland Hasmoor...workers and all necessary procedures are covered in the Council's TUPE Protocol. If the NEDBD tender is approved, the formal TUPE process would commence, should the Council be mindful to support NEDBD's bid.
- 3.3 Communication & Engagement within the Communication & Engagement is one of the cross-cutting themes of the Grassland Hasmoor...Big Local Programme, to provide equality of opportunity for local people. Additionally, an Equalities Impact Assessment has been undertaken to recognise NEDDC considerations, should the role of employer on behalf of NEDBD as LTO be adopted.

### **4 Alternative Options and Reasons for Rejection**

- 4.1 Not fulfilling the employer role on behalf of NEDBD would likely see NEDBD being unable to become LTO as no other partner has the capacity or experience to provide the breadth of overview as identified in point 2.3. If another partner adopted the role it would be likely that the NEDDC Partnerships Team would be asked for support and guidance on a regular but informal basis, therefore removing significant scope for NEDDC claiming remuneration for the time spent undertaking this work.
- 4.2 Although a different organisation may be able to fulfil the practical role of LTO there is a significant risk to programme momentum because of the handover period, as identified in points 2.4 and 4.1. The Grassland Hasmoor...Board has found difficulty in identifying a replacement LTO organisation which fulfils the core criteria of:

operating in the local area; trusted to undertake the role (i.e. previous awareness of the organisation); operational capacity to do so; and can provide the required job security and management to the existing workers.

- 4.3 Some Big Local programmes have formalised their Partnership into a constituted group to become the LTO in their own right, directly employing staff and contracting with project leads. The Local Trust advises that Grassland Hasmoor...Partnership does not pursue this option as the focus required to develop a new legal entity will provide a significant distraction to Board Members whose capacity is already stretched. This would have a negative impact to the actual delivery of the programme. NEDBD and NEDDC have the required capacity and experience.

## **5 Implications**

### **5.1 Finance and Risk Implications**

- 5.1.1 The financial risk to the delivery of the programme is the responsibility of NEDBD Ltd as contracting agents with the Local Trust. This follows the delivery model successfully operated by NEDBD for national and European funds it has managed for more than 15 years. This minimises any direct risk to the Council.
- 5.1.2 Should the Council be employing body on the basis of full cost recovery it would claim regular reimbursement from the Grassland Hasmoor... programme monies held by NEDBD for the duration of the programme. This would cover staff management and support time from the Partnerships Team, the use of office resources and the wages of the TUPE'd Grassland Hasmoor...workers.
- 5.1.3 Until the tender documents are produced it is unclear what support is being sought by the Grassland Hasmoor...Partnership. It is therefore recommended that the Strategic Partnership Co-ordinator is delegated responsibility for calculating the support costs for this management and support at a level likely to be similar to that claimed by Links CVS as LTO (see 2.2). Funding to cover potential redundancy liabilities would also be identified from programme monies for the TUPE'd workers should the programme end and no redeployment alternatives be found.

### **5.2 Legal Implications including Data Protection**

- 5.2.1 If selected as LTO NEDBD Ltd, a company limited by guarantee on which the Council has nominated a director (the Joint Assistant Director for Economic Growth), will be the contracting agent with the Local Trust and supported project leads. The Strategic Partnership Co-ordinator fulfils the role of NEDBD Executive Officer and is responsible for NEDBD's operational activities. The overall liabilities to the Council are therefore limited, with the added precaution of having officers centrally involved in its undertaking and decision making.
- 5.2.2 A Memorandum of Understanding between NEDBD and the Council will be established for the staffing element of Grassland Hasmoor...Big Local. This will follow the model successfully adopted with the BNED LEADER Approach staff.

5.2.3 Personal contact information held on databases for stakeholders involved with the Board and Working Groups, or residents wishing to be informed about Big Local activities, would also be transferred from Links CVS to the Council. This information would be securely maintained on the Council's ICT frameworks and utilised in accordance line with section 4.3 of the Access to Data and Information Policy, recorded in the Council's Data Protection register of databases.

### **5.3 Human Resources Implications**

5.3.1 The two Grassland Hasmoor...workers are respectively employed for 30 and 13 hours per week. If transferred to NEDDC using the established TUPE Protocols they will be placed on commensurate grades within the current pay scales; this, plus the option to join the Local Government Pension Scheme and training opportunities provides significant improvement of their existing terms and conditions.

5.3.2 The Grassland Hasmoor...workers would be line managed through the Partnerships Team, reporting to the Partnership Support Officer who has experience working with Grassland Hasmoor...Big Local and processes the NEDBD financial transactions. Reimbursement for a fixed term extension to Support Officer wages for their support and management will be sought from programme monies, to also cover guidance and direction provided by the Strategic Partnership Co-ordinator (as department manager, NEDBD Executive Officer and Grassland Hasmoor...Board Advisor).

5.3.3 There may be developmental needs for the TUPE'd Grassland Hasmoor...workers and Partnership Support Officer. As the legislation of the new Apprenticeship Levy becomes clearer investigations will take place to determine whether any of these roles can be registered as NEDDC apprentices to help meet the Councils targets.

## **6 Recommendations**

6.1 To support NEDBD Ltd's application to become Local Trusted Organisation for the Grassland Hasmoor...Big Local programme from 1<sup>st</sup> April 2017.

6.2 To become the employer of the two Grassland Hasmoor...Big Local workers as part of the application should NEDBD Ltd be successful, supporting the management and delivery through the Partnerships Team on the basis of full cost recovery.

6.3 To delegate the responsibility for calculating the reimbursement level required for NEDDC staff management and support to the Strategic Partnership Co-ordinator.

## 7 Decision Information

<b>Is the decision a Key Decision?</b> (A Key Decision is an executive decision which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	No
<b>District Wards Affected</b>	Grassmoor
<b>Links to Corporate Plan priorities or Policy Framework</b>	H12: Support the development and delivery of projects as part of the £1 million 'Grassland Hasmoor...' Big Local scheme by March 2019.

## 8 Document Information

Appendix No	Title
NA	NA
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
NA	
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