



Department
for Work &
Pensions

Tim Richens
c/o Sue Dobson
3 Rivergate Temple Quay
Bristol, BS1 6ER

Our address Caxton House
10 Tothill Street
London
SW1H 9NA

Our phone number 020 7449 5653
Website www.dwp.gov.uk
Email iain.walsh@dwp.gsi.gov.uk

29 January 2018

Dear Tim Richens

Employment Support Innovation Pilot

I am pleased to inform you that your application for grant funding for the design, implementation and delivery of the Employment Support Innovation Pilot has been accepted.

This Grant Offer is made, through section 31 of the Local Government Act 2003, by Alok Sharma MP, Minister of State for Employment. In this instance, I will sign this agreement with the West of England Combined Authority (the Combined Authority) on behalf of the Minister.

The grant is to support you in developing and delivering the pilot, as set out in your business case of 24 February 2017, to test interventions that address the issues of individuals who are entrenched in low income, insecure employment and are at risk of becoming homeless. The aim of the pilot is to test a key worker model that supports in work progression through tailored interventions such as training, support to move into other jobs, diagnostic assessments, action planning and supporting personalised solutions.

Designing a robust evaluation of the pilot is a core objective and you are expected to commit to this objective.

This letter confirms that a grant will be awarded to the total value of £4m inclusive of any non-recoverable VAT and broken down as follows:

- 2017/18 Financial Year: £1.4m
- 2018/19 Financial Year: £1.522m
- 2019/20 Financial Year: £1.078m

DWP will review the grants based on the Memorandum of Understanding agreed between them and West of England Combined Authority, including the expected outcomes of the pilot outlined in Annex B.

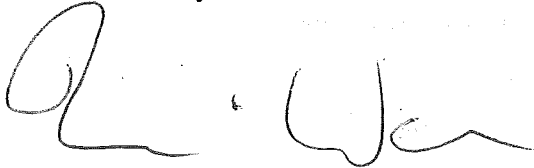
This grant will be paid in advance in three financial years, 2017/18, 2018/19 and

2019/20. To enable DWP to make the grant award they will need:

- a signed copy of the Acceptance of Grant Offer and Effective Date template (Annex A);
- a signed copy of the Memorandum of Understanding (Annex B); and
- the Combined Authorities bank account details (Annex C).

Please return the signed copies of the Acceptance of Grant Offer and Effective Date template (Annex A), the Memorandum of Understanding (Annex B) and the Bank Account Details template (Annex C) to Richard Joshua at the Department for Work and Pensions (DWP), 1st Floor, Caxton House, Tothill Street, London, SW1H 9NA along with an electronic version to our Finance Business Partner, Paul Banks at paul.banks@dwp.gsi.gov.uk.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Iain Walsh', written in a cursive style.

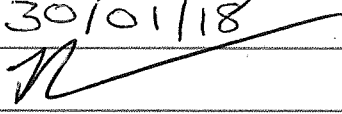
Iain Walsh

Director of Labour Market Strategy and International Affairs

Acceptance of Grant Offer and Effective Date

This grant funding agreement is effective from the date this annex is signed.

As the authorised representative of West of England Combined Authority, I have read the Grant Offer Letter dated 26 January 2018 and the Memorandum of Understanding, attached as Annex B to that letter, and agree to comply with the notified conditions of the grant on which the offer is made.

Signed by a person authorised to sign on behalf of West of England Combined Authority	
Date	30/01/18
Signature	
Name (please print)	Tim Richens
Position in organisation	Director of Investment & Corporate Services

Principal contact for West of England Combined Authority		
Contact name/Postal address	Sue Dobson 3 Rivergate Temple Quay Bristol BS1 6ER	Adam Powell 3 Rivergate Temple Quay Bristol BS1 6ER
Position	Project Manager	Director of Skills
Telephone no.	01174 286212	07814 521804
Email address	Sue.Dobson@WestOfEngland-CA.gov.uk	Adam.Powell@WestOfEngland-CA.gov.uk

Memorandum of Understanding between the Department for Work and Pension (DWP) (Labour Market Strategy and International Affairs Directorate) and West of England Combined Authority for the Employment Support Innovation Pilot

SIGNATORY ORGANISATIONS

1. The parties to this Memorandum of Understanding ("MoU") are:
 - DWP (The Labour Market Strategy and International Affairs (LMSIA) Directorate); and
 - West of England Combined Authority (the Combined Authority).

PURPOSE

2. This MoU, which is not legally binding, sets out how DWP and the Combined Authority will work together to design and deliver an employment pilot based on the business case the Combined Authority submitted to DWP on 24 February 2017. This MoU covers the design, implementation and delivery of the pilot.
3. The MoU sets out:
 - I. The roles and responsibilities of the parties;
 - II. The anticipated funding of the pilot;
 - III. The Performance Monitoring and Reporting arrangements;
 - IV. The principles of collaborative working;
 - V. Provisions for management and governance of the pilot; and
 - VI. Confidentiality, Freedom of Information; Intellectual Property Rights, and Termination Clauses.

PERIOD OF OPERATION

4. This MoU between DWP and the West of England Combined Authority will be in place for three financial years from 2017/18 to 2019/20. There may however be elements of the pilot that will run beyond the 2019/20 financial year.

BACKGROUND

5. As part of the devolution deal West of England Combined Authority signed with Government they were given the opportunity to develop, for DWP Ministerial approval, a business case building on the learning from the HYPE programme, for an innovative pilot to support those who are hardest to help and furthest from the labour market. Following further detailed discussions it was accepted that West of England Combined Authority, due to their relatively buoyant Labour Market, would develop their business case along the lines of supporting their residents already in work to progress.

6. This pilot will involve a robust evaluation to test the individual and collective impact of new interventions, including the impact on employment outcomes and spend within the local area. The pilot will be initiated in January 2018 and run for 2 years 6 months.
7. Through this pilot DWP and the Combined Authority want to test a set of interventions identified as having the potential to deliver improved employment outcomes. The Combined Authority will contract with an external organisation for a full evaluation of the pilot to be carried out, as detailed in their evaluation plan.

Roles and Responsibilities

8. DWP's roles and responsibilities will be to provide ongoing support to the Combined Authority in a timely manner which will include:
 - I. Appointment of an account manager who will be the primary point of contact for the duration of the pilot and will provide personalised advice and day to day support, access to expertise and monitor progress on behalf of DWP;
 - II. Appointment of a programme manager who will have oversight of the pilot;
 - III. Provide a national support package which will include advice and expertise on areas such as information governance, service design and evaluation;
 - IV. Access to and advice from, other Government Departments, as well as DWP's Senior Responsible Owner (SRO) (it will be the account manager's role to oversee this access and act as conduit between both parties);
 - V. Contributing to the development of a service map setting out how service users will be identified, enter and flow through the pilot;
 - VI. Help identify key stakeholders ;
 - VII. Agreeing a joint implementation and delivery plan, setting out roles and responsibilities, a timetable for mobilisation and live-running and a plan for risk management; and
 - VIII. Feedback on the cost benefit model the Combined Authority will use to baseline the expected impact of the pilot.
9. The Combined Authority's roles and responsibilities will be to:
 - I. Design a deliverable pilot that meets the employment outcomes detailed in the business case and as set out in the Performance Monitoring and Reporting section of this MoU;
 - II. Work across organisational boundaries engaging with a broad range of local stakeholders, recognising the potential of the programme to impact on a wider audience;
 - III. Ensure that appropriate resources are in place to meet these outcomes;
 - IV. Ensure effective leadership and governance to promote swift decision-making;

- V. Work collaboratively with the account manager, reporting progress, escalating any concerns, develop solutions to share problems and share learning throughout the pilot; and
 - VI. Deploy the funding provided by DWP in a way that supports delivery of the objectives of the pilot.
10. Designing a robust evaluation of the pilot is, for DWP, a key element of the pilot, the Combined Authority committed to this in the business case they previously submitted. In relation to evaluation the Combined Authority should develop proposals on:
- I. The objectives of the pilot and the outcomes to be measured;
 - II. The methods used to evaluate the pilot (including impact, process and economic evaluation); and
 - III. Develop a plan for baseline data collection (i.e. employment and other characteristics of pilot participants, as well as intervention and 'business as usual' costs).

Grant Awards

11. An initial grant award of £1.4m inclusive of non-recoverable VAT will be paid to the Combined Authority in 2017/18 financial year following submission of their project plan, resource plan and expected performance levels, for years 1, 2 and 3 of the pilot.
12. For the following financial years the payments are forecast as follows:
- £1.522m in 2018/19
 - £1.078m in 2019/20.
13. This investment is for the sole purpose of delivering the pilot. Anticipated outcomes are listed in the Performance Monitoring and Reporting section below. DWP acknowledge that a percentage of the grant award will be used to pay for overheads such as management and administration of the pilot.
14. It will be the Combined Authority's responsibility to provide assurance to their account manager that funding is accounted for and is only applied to pilot based activity.

Performance Monitoring and Reporting

Performance Indicators	Year 1 2017-18	Year 2 2018-19	Year 3 2019-20	TOTAL
Number of participants starts with an action plan	40	2153	807	3,000
Number of participants with increased skills through completion of further learning/training	0	817	1183	2,000

Number of participants who achieve a sustained increase in their wages as a result of activity on the programme (measured project entry to exit and 6 month follow up).	0	487	713	1,200
Number of employers engaged through the programme and who have registered (informally or formally) support for the local programme for their employees.	25	300	75	400

15. A governance group has been established to monitor the progress of the pilot. Terms of Reference for the group have been agreed between DWP and the Combined Authority. It is anticipated that the group will meet and review MI on a quarterly basis and review the use of the grant funding and the release of future grants.
16. The amount of grant funding for 2018/19 and any subsequent years will be determined in accordance with the principles set out below [paras 17 to 22]. DWP will take the final decision on the release of future grant payments and will give the combined authority reasons for its decision.
17. For any identified underspend related to 2017/18, the Combined Authority will carry-forward this amount in their balance sheet to the subsequent financial year. This carry-forward will then be aggregated to the in-year grant allocation for 2018/19 and used to manage the contractual expenditure for that year. The opportunity to carry-forward aggregated underspends will continue from financial year to financial year subject to discussions between DWP and the Combined Authority.
18. DWP reserves the right to adjust future grant profiles or request its repayment by the Combined Authority if it deems this aggregated carry-forward amount to be significant in relation to foreseeable future liabilities arising. Adjustments to future grant agreements will be by exception and only considered at a point where performance achievement is considerably under profile.
19. The Combined Authority shall also provide performance and expenditure forecasts going forward for the duration of the pilot to inform future grant allocation planning. These forecasts are to be updated and provided by the Combined Authority at the end of each Financial Year.
20. DWP grants made in respect of the pilot during 2019/20 financial year will be subject to robust performance forecasts for the remainder of the pilot and ongoing performance achievements.
21. The final annual reconciliation process shall also include a complete reconciliation for the entire period of the grant, with supporting management information. The Combined Authority should, at that stage indicate if there are any aggregate underspends against the total grant allocations, which must be returned to DWP.

22. The Combined Authority should include contract break clauses (where contracting out services) or appropriate clauses in contracts when recruiting additional personnel to allow for the potential of the pilot terminating ahead of the end date.

THE PRINCIPLES OF COLLABORATIVE WORKING

23. DWP and the Combined Authority have a shared commitment to:
- I. Work collaboratively in the spirit of partnership – working jointly and openly to ensure successful outcomes;
 - II. Be open - communicate openly about major concerns, issues or opportunities relating to the pilot;
 - III. Jointly solve problems – work together to solve problems and unblock barriers on common issues;
 - IV. Work at pace – recognise the time-critical nature of the pilot and work to deliver in the expected timeframe;
 - V. Deploy appropriate resources – ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in this MoU;
 - VI. Adhere to statutory requirements and best practice – comply with applicable laws and standards including EU procurement rules, competition law, data protection and freedom of information legislation; and
 - VII. Spread learning – enable lessons on how to design a successful pilot and best practice identified through the pilot to be shared with other areas.

MANAGEMENT & GOVERNANCE

24. The Accountable Manager acting on behalf of the Combined Authority will be accountable for the delivery of the outcomes of the pilot and for the appropriate use of the initial and any subsequent grants.
25. DWP and the Combined Authority commit to put in place strong governance and decision-making capability to enable problems to be escalated and solved quickly. If necessary, problems should be escalated to the Programme Manager and the Innovation Pilot SRO.

DISPUTE RESOLUTION

26. Concerns raised within/by the Combined Authority should be escalated to DWP through the following routes:
Account Manager – Boyd Wood
Programme Manager – Stephen Harry
Senior Responsible Officer – Iain Walsh
27. Concerns raised within DWP will be escalated to the Combined Authority through the following routes:
Programme Manager – Adam Powell
Senior Responsible Officer – Chris Jennings
Accountable Officer – Tim Richens

CONFIDENTIAL INFORMATION

28. Except to the extent set out in this clause or where disclosure is expressly permitted elsewhere in this MoU, each party (DWP and the Combined Authority) shall:

- Treat the other parties' Confidential Information¹ (as defined below) as confidential and safeguard it accordingly and as directed by the other party;
- Not disclose the other parties' confidential information to any other person without the owner's prior written consent;
- The Combined Authority may only disclose DWP's Confidential Information, to West of England Combined Authority employees and partners who are directly involved in the provision of the pilot and who need to know the information, and shall ensure that such employees are aware of and shall comply with relevant obligations in relation to confidentiality and the requirements of the Data Protection Act 1998; and
- DWP may only disclose the Combined Authority's Confidential Information, to West of England Combined Authority employees and partners who are directly involved in the provision of the pilot and who need to know the information, and shall ensure that such employees are aware of and shall comply with relevant obligations in relation to confidentiality and the requirements of the Data Protection Act 1998.

29. All parties shall use all reasonable endeavours to ensure that any government department, contracting authority, employee, third party or sub-contractor to whom the other parties' Confidential Information is disclosed pursuant to this MoU, is made aware of the obligations of confidentiality that such each party owes to the other.

30. The parties warrant that they shall comply with their obligations under the Data Protection Act 1998, Directive 95/46/EC of the European Parliament and any legislation and/or regulations implementing them, amending or replacing them or made in pursuance of them and any associated legislation that arises in connection with the MoU.

FREEDOM OF INFORMATION AND INFORMATION LAW

31. The parties acknowledge that they are respectively subject to the requirements of the Freedom of Information Act 2000 (FOIA) and shall assist and cooperate with each other to enable both organisations to comply with their information disclosure obligations.

¹ "Confidential information" means all confidential or proprietary information relating to a party or its business, operations or functions that is indirectly or directly disclosed or made available and shall include internal correspondence between the two organisations, unpublished research reports, of either organisation in relation to this programme, Ministerial correspondence and internal advice. This list is not exhaustive.

32. Both parties acknowledge that they will, in the normal course of events, advise and consult the other party when they receive a request under the FOIA in connection with the pilot in the Combined Authority.

33. The parties acknowledge they are required to answer subject access requests (SAR's) made under the Data protection Act 1998 and undertake to answer such requests in accordance with their obligations under the Act and their respective procedures.

PUBLICITY

34. The parties shall consult with each other before deciding whether to give any publicity to the matters covered by this MoU.

INTELLECTUAL PROPERTY RIGHTS (IPR)

35. The parties may use each other's and Departmental logos for the purposes of delivering and promoting the services specified in the MoU provided such use is in line with the owner's guidelines.

36. Any other use of the logo or other intellectual property rights will require express permission in writing from the owner.

37. The parties will have joint IPR ownership around the outputs and products of the pilot. There will be no additional charge or restriction on DWP employing these outputs and products on other programmes of work across government or the public sector.

TERMINATION

38. This MoU may only be terminated before the expiration set out in paragraph 4 by the written agreement of either party, or the failure to comply with the conditions within the MoU.

DECLARATION

Signed for and on behalf of DWP:

Name: *IAN WALSH*

Position: *Director of Labour Market Strategy and International Affairs*

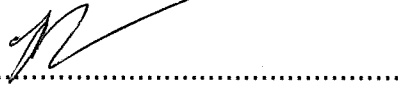
Signature: *[Handwritten Signature]*

Date: *29/1/2018*

Signed for and on behalf of West of England Combined Authority:

Name: T. Richens

Position: S151 Officer

Signature: 

Date: 30/01/18

Bank account details

Information required by the Department to make payment of grant for the activities stated in the offer letter.

Contact details for West of England Combined Authority to whom payment should be sent

Organisation name: West of England Combined Authority

Address: 3 Rivergate, Temple Quay, Bristol

Post Code: BS1 6ER

Telephone no: 01173 701958

Remittance

E-mail address: wecafinance@westofengland-ca.gov.uk

Bank account details

Account name: West of England Combined Authority

Bank address: City of Bath (A) Branch, 24-25 Stall Street, Bath BA1 1QF

Account no: 33460760

Sort code: 56-00-34

Bank name: Natwest