

# Annual Impact Report



## Neighbourhood Budgeting

2012/13



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***‘Neighbourhood budgeting isn’t a project. It is a way of working’***

*Michael Blank, Local Resident & Chair of Community Board*

## Foreword

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*Last year we decided to move forward with a neighbourhood budget in Great Yarmouth. We did this because it felt like the next step on a journey to empower local residents to commission better and more cost effective services.*

*Importantly, we didn't do it because it felt like a nice thing to do or to simply tick a box. We did it because we really believe in it and because the evidence tells us that it works. In tough economic times neighbourhood budgeting makes good economic sense.*

*So what is neighbourhood budgeting? Well for us it is a way of working. It is an approach that guides partners on how best to work with their communities, and importantly, how they can become more accountable and responsive to local need.*

*This year we are delighted to have pooled budgets with Job Centre Plus. Their support and commitment to a neighbourhood way of working has been very welcome and inspiring. Nevertheless, we know that there is more to do.*

*Many services are still designed and delivered at a county, regional and national level. We understand the need for this sometimes, but we also believe there is a strong case for involving local communities a lot more.*

*Neighbourhood working and budgets are not about far distant benefits. They are about making an impact now. We hope that other public sector partners share our enthusiasm and ambition.*

***The economic case is compelling.***

**Michael Blank**  
**Local Resident Chair**  
**Comeunity Board**

**Jane Ratcliffe**  
**Chief Executive**  
**Great Yarmouth Borough Council**

## 1: Local Context

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***‘The kids around here need jobs. We have heard of the Enterprise Zone but how do they get jobs there?’***

*Local Resident, Nelson Ward*

### 1.1: About Comeunity

The Comeunity Neighbourhood Board has been operational since 2006. It comprises local residents and representatives from the public, private and voluntary sectors.

Representation also includes local ward and county councillors.

The Board is resident-led, with at least 50% of all membership coming from local communities.

The Board is supported by a Neighbourhood Manager, employed by Great Yarmouth Borough Council, and a Community Development Worker, employed by the local voluntary sector.

Comeunity is not a grant giving organisation. Instead, it aims to influence and hold to account service commissioners and their suppliers so that they better meet the needs of local residents.

Following an economic impact report in 2009, Great Yarmouth Borough Council supported the roll out of Neighbourhood Boards across all urban areas.

Community Development Workers are currently funded by the Big Lottery, with match funding from the district council.

## 1.2: About the Comeunity Area

The Comeunity area covers the six most deprived Lower Super Output Areas in Great Yarmouth, including one area in the bottom 1% nationally for overall deprivation levels, and a further four areas in the bottom 5%.

The area borders the North Sea and key tourism and outer harbour areas. It is populated by a high concentration of social and private housing, the latter demonstrated by residences that are multiply occupied.

The area also has a high concentration of transient and migrant populations, which although presently unpopulated, represent a significant proportion of the neighbourhood.

Employment and income deprivation rates in the neighbourhood are the most acute in Great Yarmouth and Norfolk.

Looking ahead, it is anticipated that the neighbourhood will host a number of new jobs having been awarded Enterprise Zone status.

How local residents will access and benefit from these jobs is a growing theme amongst local communities.

## 1.3: Key Data

Great Yarmouth Population	97,400
Comeunity Neighbourhood Population	10,355
Employment Deprivation Rates in Comeunity Neighbourhood by Lower Super Output Areas	28% - 35%
Income Deprivation Rates in Comeunity Neighbourhood by Lower Super Output Areas	26% – 49%
JSA Claimant Rates in Comeunity Wards, March 2013	13% - 19%
National Average JSA Claimant Rates	3.8%
Great Yarmouth's JSA Claimant Ranking Amongst Local Authorities in England	8 <sup>th</sup> highest out of 326
Great Yarmouth's Earnings by Residence Compared to Earnings by Workplace	£468 : £506
Working Age Residents with NVQ Level 4 and Above Compared to National Average	16% : 34%

## **1.4: About Partnership Working**

Great Yarmouth has an established track record of working in partnership with voluntary and community organisations.

In 2009, the council and local residents worked in partnership with Job Centre Plus to commission the voluntary sector to lead a consortium of more than 15 organisations to deliver employment related support services.

For nearly ten years, the local council have funded the Great Yarmouth Voluntary Sector Partnership to provide representation and development support to local groups.

Over the last two years, the council has worked with the Voluntary Sector Partnership to undertake an annual survey of voluntary groups. The second survey secured responses from more than 70 organisations.

These surveys have helped the council and public sector partners to assess the impact of cuts to local services. To date, the council have not cut its core grants to voluntary organisations and community groups.

Great Yarmouth Borough Council has been praised by the Compact in Norfolk for its way of working and for its commitment to involve local residents in the design and delivery of local services.

***‘We think of Great Yarmouth Borough Council as a partner. They are prepared to be challenged and to do differently. Because of that, we are prepared to be challenged too. It just works.’***

Jo Howes, Great Yarmouth Disability Information Advice Line

## 2: Partners

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The following partners made a commitment to support the neighbourhood budget, either through financial or in-kind support.

In this context, in-kind support means officer time and / or the better alignment of existing funds and programmes.

Partner Organisation	Commitments
Great Yarmouth Borough Council	£32,500 cash. Officer time. Alignment of work carried out by contracted suppliers.
Great Yarmouth Job Centre	£25,000 cash. Officer time. Alignment of other programmes, including, 'Get Britain Working'.
Great Yarmouth College	Officer time. Alignment of funding programmes. More outreach into communities, including job clubs.
Norfolk Community Foundation	£10,000 cash. Officer time. Alignment of existing funds and grant programmes.

The total cash commitment from partner organisations was £67,500.

On average, Great Yarmouth Borough Council provided 1 day a week of officer time to facilitate planning and implementation.

Alignment of work carried out by contracted suppliers meant that partners benefited from existing Community Development Work, commissioned by the Borough Council but delivered by the local voluntary sector.

For the most part, the officer time provided by other partner organisations was limited to their involvement in resident-led working groups.

In this sense, the budgeting approach has not had a significant impact on resources, although all partners agree about the importance of the Community Development Work.

***‘The approach hasn’t challenged us in terms of time but it has challenged us on the way that we do things. That’s a positive. Having said that, I think we would have struggled without the Community Development Work, which has helped us to commission services in a more intelligent and representative way.’***

Jackie Tinkler, Great Yarmouth Job Centre Plus

## **3: Commissioning**

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The main theme of the neighbourhood budget was employability, and in particular, how best to prepare communities for future job opportunities in key sector growth areas.

In Great Yarmouth these areas are tourism and leisure, port and logistics and energy.

At the time of starting the neighbourhood budget, more information was becoming available on the Enterprise Zone and the potential for considerable expansion of the offshore energy industry.

The risk that local communities will miss out on these opportunities was increasingly being cited by residents as their number one concern.

Helping to bring residents and industry together was a key ambition of the neighbourhood budget, enabling communities to play a more active role in driving economic growth.

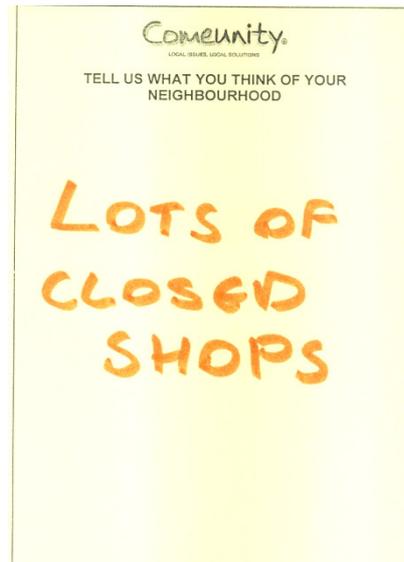
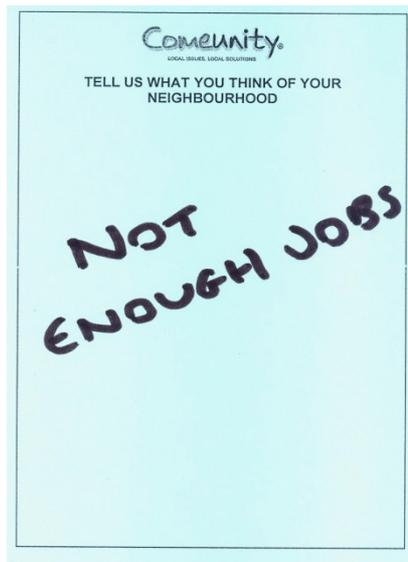
### **3.1: The Commissioning Process**

A working group, chaired by local residents, was set up to oversee the development and implementation of the neighbourhood budget.

This group was accountable to the local Neighbourhood Board, also resident-led but comprising representatives from all major public bodies, elected members and voluntary groups.

The working group received support from the local Community Development Workers, who supported involvement outside of formal meetings.

This support included facilitating a range of outreach and engagement events, to ensure that the neighbourhood budget was responding to local concerns, priorities and needs.



### 3.2: Getting Started

It became clear very quickly that there were a number of employability programmes and initiatives operating in the Borough but that there was some confusion amongst local communities about how to access these.

In response to this, the neighbourhood budget commissioned a local voluntary organisation to deliver some targeted employment support.

Their task was to employ a dedicated worker for the neighbourhood, to support a minimum of 40 people away from welfare and into paid employment, and to make best use of existing funding programmes.

They were given a clear brief to complement but not duplicate other services. These services included the Work Programme.

The service was provided by Voluntary Norfolk and called Target Opportunities. It was based upon a previous and successful model of neighbourhood-based working.

In total this service was provided with £32,500 by the neighbourhood budget, with the supplier bringing £7500 of their own match funding to allow for a full time post.

### 3.3: Listening and Responding

The Target Opportunities Project worked closely with the Community Development Worker to report back to the neighbourhood budget working group on gaps in current services.

This approach to commissioning based upon grassroots and up-to-date intelligence resulted in some smaller but tightly focused awards.

The key theme of these awards was to support local residents to engage in current or future job opportunities, and where possible, encourage voluntary providers to work more closely with local employers.

All funding awards had to be linked to Great Yarmouth's key sector growth industries, either directly or through the development of transferable skills.

<b>Voluntary Supplier</b>	<b>Purpose</b>
TS Warrior Awarded £5000.	To support the purchase of a new training boat, helping young people to gain skills for the maritime industry.
GYROS Awarded £3750	To provide a minimum of 10 work placement opportunities in their community cafe, leading to sustainable employment.
Business in the Community Awarded £10,000	To support local employers to engage with the neighbourhood and to make available business mentors and work placements.
Great Yarmouth Community Trust Awarded £9,488	To support unemployed local residents through a micro training centre, focussing on building and related skills.

### **3.4: Social Enterprise**

It became apparent that supporting communities to drive economic growth had to be about more than just linking people into existing job opportunities. It also needed to be about creating local jobs.

The neighbourhood budget working group began to devise a business plan for a cycle repair and hire project, which would help people to overcome transport barriers to employment.

At the same time, the Community Development Worker was supporting a local social enterprise, which was already moving ahead with similar plans.

These two ideas have been brought together, with Great Yarmouth Borough Council making available a prime location on the seafront.

For the neighbourhood budgeting group, this marks a small but important step towards meeting their ambition for communities to be fully involved in helping to drive the local economy.

### **3.5: Attracting Investment**

The neighbourhood budget hasn't just awarded money. It has also attracted new investment into the local area.

In the summer of 2012, Great Yarmouth Borough Council decided to lead on an application to the Big Lottery administered, 'Coastal Communities Fund'.

The neighbourhood budgets group designed Great Yarmouth's application, based upon their knowledge and experiences of local employability and job creation needs.

The application was successful and has brought an additional £600,000 of investment into Great Yarmouth.

In addition, the group designed an application to Norfolk's Community Construction Fund, which aimed to support the further development of the bike repair and hire project.

Again this application was successful, resulting in £37,500 of new capital investment.

***‘Great Yarmouth’s application to the Coastal Communities Fund is a good example of how neighbourhood budgeting can bring about new investment. As partners we were already working together with local residents. We had a strong evidence base and we were clear about our purpose. Without the neighbourhood budget approach I am not sure we would have been successful.’***

*Julia Howard, Great Yarmouth College*



**Baroness Newlove meeting TS Warrior. Their new training boat, ‘The Newlove’ was launched on 3<sup>rd</sup> August 2012 with support from the neighbourhood budget.**

## 4: Measuring Impact

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At this stage the impact report focuses on the achievements of the Target Opportunities Project. This is the only project to have completed a full year of delivery.

Other projects were commissioned midway through the financial year, and their delivery overlaps with 2013/14.

At present, all other projects are on course to meet or exceed their agreed outputs and outcomes.

### 4.1: Achievements

In a twelve month period and using £40,000 of funding, the Target Opportunities Project has achieved the following outputs.

The total number of residents supported to improve their employability skills.	294
The total number of residents supported away from welfare and into paid employment.	70/294
The total number of residents supported to access a training programme.	54/294
The total number of residents supported to access volunteering opportunities.	70/294
<b>Job Conversion Rate</b>	<b>24%</b>

*Employability skills include attending at least one face to face support session and cover CV writing, confidence skills, job searches and interview techniques.*

## 4.2: Cash Savings

The following methodology has been applied to calculate the cash savings that are generated by the Target Opportunities Project.

Step 1 The total number of people supported into paid employment.	70 people
Step 2 Multiplied by the average job sustainability rate.	$70 \times 62.5\% =$ 44 people
Step 3 Multiplied by the average cash savings to the Exchequer.	$44 \text{ people} \times \text{£}8100 =$ £356,400
Step 4 Minus deadweight at 25%.	$\text{£}356,400 \times 75\% =$ £267,300
Step 5 Minus attribution at 25%.	$\text{£}267,300 \times 75\% =$ £200,475
Step 6 Savings ratio based upon £40,000 contract value.	$\text{£}200,475 / \text{£}40,000 =$ £5 return on investment for every £1 of contract value.

*The job sustainability rate is based upon a review of case notes and a telephone survey of residents who were supported into work. Sustainability is defined as employment lasting six months or more.*

*The average cash savings to the Exchequer are DWP quoted figures, based upon the savings made by moving one person away from JSA and into employment.*

*Deadweight refers to the number of people who would have found work independent of the project. Here it is set at 25% to reflect the broad base of the client group. For the first year of the Work Programme, deadweight was calculated at 5%. If this analysis had applied the 5% deadweight figure used by the Work Programme, the return on investment would have been in excess of £6 for every £1 of contract value.*

*Attribution refers to the average amount of input provided by other employment related support services.*

### 4.3: Other Values

#### **Volunteering Hours:**

The number of people undertaking volunteering: 70

Multiplied by average hours volunteered:  $70 \times 15 \text{ hours} = 1050 \text{ hours}$

Multiplied by the minimum wage:  $1050 \text{ hours} \times \text{£}6.19 = \text{£}6500$

Minus deadweight at 25%:  $\text{£}6500 \times 75\% = \text{£}4875$

Minus attribution at 25%:  $\text{£}4875 \times 75\% = \text{£}3656$

**Total value of volunteering: £3656**

*This total value is likely to underestimate the actual value generated by 70 volunteers. The average hours volunteered is based upon a minimum figure, and the equivalent hourly rate uses the minimum wage, which does not reflect the diverse range of volunteering opportunities undertaken.*

#### **Improved Employability Skills:**

The number of people improving their employability skills: 294

Multiplied by the contract value of soft skills:  $294 \times \text{£}27 = \text{£}7938$

Minus deadweight at 25%:  $\text{£}7938 \times 75\% = \text{£}5954$

Minus attribution at 0%: No Change.

**Total value of improved employability: £5954**

*The contract value of soft skills is based upon work previously commissioned by Great Yarmouth Borough Council to identify the value of softer employability skills. This produced a minimum contract value of £80 per session per person. Here, the figure is reduced to £27 based upon the average length of time provided by the project to each client (2.5hours).*

*Attribution is set as zero because the measurement only takes into account skills gained during support sessions with the Target Opportunities Worker.*

## 4.4: Total Investment

Total cash available to the neighbourhood budget: £67,500

Cash savings of sustainable employment: £200,475

Value of volunteering: £3656

Value of soft skills: £5954

Value of new funding secured: £237,500

**Total combination of savings and investment: £447,585**

*This amount only takes into account the amount of investment generated by the Target Opportunities Project and through external funding awards. It does not include the value of outcomes now being achieved by other projects as commissioned by the neighbourhood budget.*

*The new funding secured includes one third of the £600,000 from the Coastal Communities Fund, as this reflects how much of the funding will be targeted at the neighbourhood budgeting area. The rest of this amount is made up of the £37,500 secured through the Norfolk Construction Fund, all of which will be invested in the neighbourhood budget area.*

## 4.5: Comparison

This impact report has taken the outcomes achieved by the Target Opportunities Project and applied them to the Work Programme payments model.

From the outset, it is important to make clear the differences between these two models and their funding regimes.

The Work Programme is specifically targeted at people who have been out of work for more than nine months. As a result of this, it is working with people who are longer term unemployed.

By contrast, the Target Opportunities Project does not have the same clearly defined customer base, and can work with people who are less than nine months unemployed.

The Work Programme is a referral only programme, and although participation can be voluntary, in most cases participation is mandatory and is made by the Job Centre.

The Target Opportunities Project is voluntary with more than 40% of its referrals being generated through word of mouth.

The Work Programme is commissioned nationally by the Department for Work and Pensions, with contracts awarded on a regional basis.

The Target Opportunities Project is commissioned at a neighbourhood-level, although as a result of additional investment, it is now being rolled out to provide coverage across all areas of Great Yarmouth.

The Work Programme is based upon payment by results with incentive payments made to suppliers as they achieved sustainable outcomes.

The Target Opportunities Project is not funded by payment by results but does fully recognise the role played by communities and customers in achieving outcomes. This is shown by the careful application of deadweight and attribution when measuring value.

<b>Applying Target Opportunities to the Work Programme Payment Model</b>
Customer Payment Model Chosen For Comparison: 18-24 year olds
Attachment Fee Earned: 294 people x £400 = £117,600
Job Outcome Fee Earned: 44 people x £1200 = £52,800
Sustainment Fees Earned: Discounted by 100%
Incentive Payment: £29,000
<b>Total Value of Outcomes Achieved by Target Opportunities: £199,400</b>

*The payment model, 18-24 year olds, was chosen because it has the lowest values attached to it. This safeguards the analysis from overestimating the value of outcomes.*

*The sustainment fees provide for an additional £97,240 of earnings for the service provider, but they have been fully discounted because the project has only been up and running for twelve months.*

*The incentive payments are triggered based upon the sustainability rate of outcomes over and above the 5% deadweight applied by the Department for Work and Pensions.*

The neighbourhood budgeting group are further analysing these comparisons to consider how payment by results models can be devised to reward the contribution made by communities and to stimulate further investment.

***The Target Opportunities Project isn't a success because of me. It is the model of working that brings about success. Referrals are often made by local residents who tell their families and neighbours to come and see me. That is why we haven't spent any money on publicity and promotion. We haven't needed to.***

*Ben Sampson, Target Opportunities Project Coordinator*

## 5: Looking Ahead

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Based upon the sustainability of outcomes achieved so far, the neighbourhood budgeting group have committed to continue with their work into the next financial year.

The work has already begun to have a positive impact on other neighbourhoods, reducing any concerns about the displacement of outcomes.

Following the award of external funding, the Target Opportunities Project is now operational across all areas of Great Yarmouth.

Great Yarmouth Borough Council has also agreed to match fund Community Development Work for one more year, which is currently supplied by the Voluntary Sector and supported by the Big Lottery's Reaching Communities Programme.

### 5.1: Key Actions

Target Opportunities	To continue to measure impact and to assess transferability to other neighbourhoods.
Other Commissioned Projects	To apply similar impact measurements at the twelve month mark.
Payment Models	To work with the voluntary sector to devise a new payment model, recognising the contribution made by local residents and their communities.
Social Enterprise Development	To support local communities to drive economic growth by creating new enterprises and jobs.
Doing Differently	To persuade other public sector partners of the economic case for doing things differently and at a more local level.

## More Information

Impact Report 2012/13

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For information on neighbourhood working visit:

[www.comeunity.info](http://www.comeunity.info)

[www.cosocial.org.uk](http://www.cosocial.org.uk)

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