

29th July 2019

SYPTE UNDERSPEND TRAVEL SUPPORT FOR THE UNEMPLOYED IN SOUTH YORKSHIRE

Purpose of Report

This paper outlines proposals to utilise a travel concessions budget underspend to provide supported travel to persons on unemployment programmes within South Yorkshire.

There is an opportunity to make pragmatic and effective use of SYPTE's 2018/19 budget underspend by allocating this to support a limited period of free travel on public transport to participants on current employment support schemes which have as their aim enabling access to placements and helping individuals find, secure, and transition into work.

Given the budget available, the proposals have limited ambitions – providing short term travel cost support to those participating in schemes and related placements is expected to improve retention rates and marginally improve the prospects of those (re)entering employment for remaining in work.

Thematic Priority

Develop the SCR skills base, labour mobility and education performance

Freedom of Information and Schedule 12A of the Local Government Act 1972

This paper and any appendices will be made available under the Combined Authority Publication Scheme. This scheme commits the Authority to make information about how decisions are made available to the public as part of its normal business activities.

Recommendations

Approve the proposed scheme to commence the provision of supported public transport travel tickets to participants on the SCR employment support programmes.

1. Introduction

- 1.1 Employment schemes have a vital role to play in assisting participants back to work, but accessing these schemes and their associated work placements and/or the jobs they lead to, can be a financial challenge for many.** Sheffield Hallam University research report *Addressing transport barriers to work in low income neighbourhoods* (June 2017) identifies that transport is a key factor in preventing long-term unemployed and

socially disadvantaged people from returning to work and holding down jobs leading to sustainable employment.

1.2 Across the SCR partners have developed four employment support schemes;

1. **The Working Win Health led Employment Trial** (active in South Yorkshire and Bassetlaw)
2. **The Work and Health Programme** (active programme – South Yorkshire)
3. **Pathways to Progression** (ESF programme – currently final stages of contracting)
4. **Pathways to Success** (ESF programme – currently final stages of contracting)

While these schemes have differing objectives and measured outcomes, all of them directly support the Sheffield City Region Transport Strategy Goal of “*Residents and businesses connected to economic opportunity*” as they have the common goal of enabling access for all to find, secure, keep and progress in paid work.

1.3 Although final accounts for 2018/19 have not yet been published, SYPTE’s underspend for the year is expected to be £330k.

There is an opportunity to make pragmatic and effective use of SYPTE’s 2018/19 budget underspend by allocating this to support a limited period of free travel on public transport to participants on the above programmes: helping to support the transition in to work and establishing a pattern of public transport usage for travel to work. This proposed intervention will contribute to a more integrated offer of support to the estimated 7000 people who are out of work, or struggling in employment, due to a physical and mental health condition.

2. Proposal and justification

2.1 The proposed scheme seeks to fund the cost of a travel pass for a period of up to twelve weeks per person.

The intention is to provide this support for individuals while they are transitioning via employment support schemes into stable employment and regularised pay. It will be targeted at individuals who require support to smooth the transition from reliance on benefits (where applicable) to employment. It is also proposed to make a percentage of the scheme available to individuals who are in work but, because of prolonged sickness absence, are in receipt of a reduced income to support them in their return to work.

A secondary objective is to promote greater use of public transport to meet travel needs.

2.2 Officers will work with scheme providers to establish eligibility criteria by which participants can access travel cost support. JobCentre Plus and other stakeholders have been involved in developing the initial concept for this scheme to ensure that it adds value to and does not duplicate existing provision, for example to those in receipt of the English National Concessionary Transport Scheme (ENCTS) disability passes.

2.3 When a participant starts work, whilst participating on any of the SCR employment support programmes, a personal advisor, with knowledge of the agreed criteria, will make the decision as to whether supported travel costs will improve the chances of that individual staying in employment so that it becomes sustainable.

2.4 The travel pass will be allocated using SYPTE’s existing systems. Each participant will receive a 28-day TravelMaster bus product in Barnsley, Doncaster or Rotherham (at a cost of £64.90 per participant) and a 28-day TravelMaster bus and tram product in

Sheffield (again at a cost of £64.90 per participant). This can be extended to offer travel support across South Yorkshire where needed.

The product can be renewed by the participant’s advisor at the end of the first 28-day period for two further 28 day periods, assuming they are still in employment.

Based on forecast volumes, the 2018/19 underspend will be sufficient to fund support for a period of 3 years (see 4.1 below).

2.5 The provision of the supported travel is intended to act as an incentive for beneficiaries to remain engaged with the support offered throughout their employment programme. If a participant subsequently disengages with the offer, then subsequent supported travel costs will be withdrawn.

2.6 Uptake of the travel passes will be monitored by SYPTE and reported to the SCR Skills and Employment Thematic Board to understand the travel to work patterns of the programme participants in the form of an aggregated report to learn from and establish the impact from this scheme. This will also allow monitoring of financial expenditure in line with assumptions to ensure that the scheme remains within the overall budget available.

3. Consideration of alternative approaches

3.1 Do nothing – Retain the underspend in reserves.

3.2 Do less - The duration of the proposed scheme could be reduced so that support is only offered for one 28-day period, and the costs again would reduce to reflect this change.

3.3 Do more – The proposed scheme could be adjusted such that the duration of travel support for each eligible participant is for a longer period in order to encourage greater likelihood of them both remaining in sustained employment as well as continuing to use public transport as their primary means of commute once their free travel ceases. Should this be the case, the volume of participants would need to be adjusted accordingly to reflect in the increase in costs.

3.4 Do something else - While the PTE could investigate other social benefit schemes being run throughout the region and consider if they are suitable for supported travel costs and/or identify alternative options for allocating the PTE Concessions underspend, the proposals outlined in section 2 represent a pragmatic response to the desirability of deploying these monies effectively, and quickly, in support of a key thematic priority (Skills base, labour mobility).

4. Implications

4.1 Financial

Given that the source of funding is from SYPTE budget underspend in 2018/19, the total cost exposure can be capped at the final available underspend stated in the SYPTE end of year accounts (£330k).

The detailed projected costs of the scheme are set out below based on the latest known volumes of participants being referred on to programme. Modelling assumptions assume an uptake of the travel support offer from 50% of all unemployed or inactive cohort and 8% of the employed cohort will require this support.

	2019/20	2020/21	2021/22
WorkingWin	£60,000	£10,000	£ -
Work and Health Programme	£75,000	£70,000	£38,000
Pathways	£30,000	£40,000	£7,000
Total	£165,000	£120,000	£45,000

4.2 Legal

The powers for the SYPTE to undertake this activity include s.9A Transport Act 1968 and s.99. Local Transport Act 2008 (“Well-being” powers). The Well-being powers include:

- the promotion or improvement of the economic well-being of its area, and
- the promotion or improvement of the social well-being of its area

In addition, under s.10A of the Transport Act 1968 and s.13A Local Democracy, Economic Development and Construction Act 2009 the PTE and CA have functional powers of competence, allowing the CA/PTE to do anything an individual could do linked to or incidental to the functions of the CA/PTE.

4.3 Risk Management

Top 4 Risks	Mitigation
i. The scheme does not achieve its forecasted usage targets	The scheme covers the main SCR commissioned employment support schemes, initial indications from those delivery partners suggest that this risk remains low. Volumes will be monitored on a quarterly basis. Should it appear this risk is becoming an issue there is scope to broaden out the scheme to cover some of the JobCentre Plus cohort. Regular reports will be submitted to the Skills and Employment and Education Board of the MCA.
ii. That the travel passes are not being used for the purpose intended	Advisors will check participants travel behaviours to ensure that they are using the pass issued for the purposes intended.
iii. Travel passes are not allocated to individuals where need is greatest	The allocation of travel passes will be delegated to the Work Coaches within the ringfenced programmes ensuring that we utilise their knowledge and experience of the participant's individual circumstances. Within each programme, their management team will also have oversight to ensure effective distribution and have ultimate accountability.
iv. Uptake of passes exceeds available funding	If more passes are issued than planned based on modelling assumptions, there is a risk that the budget for the full year is spent before year end. To mitigate this, regular (minimum quarterly) analysis of passes issued by scheme and advisor will be produced and shared with SCR. This will allow discussions with the scheme managers to ensure spend remains within profile.

4.4 Equality, Diversity and Social Inclusion

The employment support programmes are carefully designed to ensure access to all and are monitored against a series of indicators as required by the various funding bodies.

The travel support passes will be delegated to the programme Work Coaches who have a detailed understanding of the needs of their programme participants to ensure that they are allocated to those who need it most.

5. Communications

- 5.1 SCR Employment Support programmes are promoted through a Working Win brand and supporting website following strict communications and branding guidelines. The travel support scheme will be an integral part of the communications plan and opportunities to promote the contribution made by the travel support scheme will be maximised.

6. Appendices/Annexes

6.1 None

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: