



Delegated Decision Report

3 June 2020

Subject: North of Tyne COVID-19 Capacity Fund
(Digital Inclusion Scheme)
Report of: Head of Inclusive Growth
Decision maker: Interim Head of Paid Service
Portfolio: Employability and Inclusion; and
Education Improvement

Report Summary

This report seeks approval to allocate £686,250 to pilot a Digital Inclusion scheme. This will be funded from the North of Tyne COVID-19 Capacity Fund (£500,000) and the North of Tyne Inclusive Economy Innovation Fund (£186,250). The Digital Inclusion scheme will provide targeted support to residents who, due to the impacts of COVID-19, have found themselves to be now digitally excluded.

Recommendations

The Head of Paid Service is recommended to approve the following allocations for each Local Authority, subject to the funding conditions set out in this report:

- Newcastle City Council: £343,125
- Northumberland County Council: £205,875
- North Tyneside Council: £137,250

This will be allocated to those in need of digital access across the North of Tyne area as follows:

- 800 School Children (indicative cost £207,500)
- 750 Adults in adult education provided by Local Authorities and Colleges (indicative cost £187,500)
- 1100 Unemployed adults in employability services (indicative cost £275,000)
- 25 Care homes (indicative cost £6,250)
- Project evaluation (indicative cost £10,000)

1. Background Information, Proposals and Timetable for Implementation

- 1.1 The COVID-19 outbreak is a rapidly evolving situation with wide impacts felt across Northumberland, North Tyneside and Newcastle. On the 30th March the Interim Head of Paid Service, acting under urgent delegated decision-making powers, agreed a report which proposed that up to £5m from North of Tyne Combined Authority's (NTCA) Investment Fund be allocated to create a North of Tyne COVID-19 Capacity fund.
- 1.2 As set out in that report, the purposes of the capacity fund is to support mitigation of the economic and inclusive growth impacts of COVID-19 within the NTCA area, including: local authority (and/or system) capacity to deliver rapid crisis response, including through the mechanisms outlined by Government; additional and immediate Civil Society and Local Authority led action in support of our residents and businesses; bridging finance for VCSE organisations, where the support from Government is insufficient for them to remain solvent; and measures to support a rapid and inclusive economic recovery.
- 1.3 This will ensure that our Authorities have access to the resources and capacity to help them deliver quickly, to help cope with the impact of shifting resources and ensure that we are doing everything we can to support collaborative practice that gets support to our businesses, citizens and sectors most effectively. It will be targeted at specialist capacity and/or programme support for specific COVID-19 business and resident facing interventions in the immediate future, with regular review points to ensure it continues to meet the current need.
- 1.4 The report which was agreed on 30th March made clear that the Head of Paid Service was authorised to finalise the details of this capacity fund and deploy funding in consultation with the relevant portfolio holder and the Mayor. An operational delivery plan was agreed by Investment Panel on 4th April which set out the detailed eligibility criteria and delivery arrangements for the fund. In response each of our three constituent Local Authorities has developed a programme of activity requiring up to a value of £1.5m each from the capacity fund, which will enable them to immediately respond to identified local needs.
- 1.5 Local Authority proposals for £1.5m were considered and approved by Investment Panel at an extraordinary meeting which took place on the 4th May 2020. It was acknowledged as part of the discussion that flexibility will be important as new measures of government support are announced, we must ensure that the NTCA funding continues to fill identified gaps, adds value to and does not duplicate other source of funding available. The approval by the Interim Head of Paid Service was then taken by delegated authority on 15th May 2020.
- 1.6 In conjunction with, and on behalf of the 3 Local Authorities, the North of Tyne Inclusive Growth team and the Education Improvement team have developed a Digital Inclusion scheme which is proposed to be funded by the remaining £500,000 North of Tyne COVID-19 Capacity fund plus a top up of £186,250 from the North of Tyne Inclusive Economy Innovation Fund.
- 1.7 The pilot Digital Inclusion Scheme will provide targeted support to residents who, due to the impacts of COVID-19, have found themselves to be now digitally excluded, unable to afford internet connectivity and/or access to the devices needed to get online and are those who would benefit most from internet connectivity and/or a device – whether adults unable to access the services and support they need to prepare for an inclusive economic recovery or young people unable to learn and who risk falling further behind in their education during this crisis.

- 1.8 IT equipment and devices will be distributed to residents in need via existing services to enable residents, depending on their need, to search and apply for new jobs, remain in education and training, and to maintain their support networks in line with the North of Tyne Combined Authority Inclusive Economy objectives. Existing services will distribute the devices to residents who are unable to engage in online provision on the basis that these residents then re-engage. Residents will be signposted to online resources and directed to service-specific tools to continue to their pre-coronavirus activities.
- 1.9 The project will support 2675 residents in North of Tyne, as per the output guidance issued as part of the Investment Fund. This includes:
- 800 School Children;
 - 750 Adults in adult education provided by Local Authorities and Colleges;
 - 1100 Unemployed adults in employability services;
 - 25 Care homes.
- 1.10 The indicative allocation for each Local authority is:
£343,125 - Newcastle City Council
£205,875 Northumberland County Council
£137,250 North Tyneside Council
This indicative allocation is not reflective of the number of residents in need in the local authority boundary, but of the lead organisations that will enable support to reach residents. For example, Newcastle and Northumberland local authority areas act as managing authorities for multiple adult employability provision. North of Tyne residents from each local authority area may claim support from an employability programme in an area they may not reside. The local authorities will work with partners to monitor the impact of the programme on residents in line with the North of Tyne Inclusive Economy objectives. Claims will be managed in each local authority but evaluation of the impact of the programme will be aggregated to North of Tyne level.
- 1.11 In order to respond quickly to the immediate impacts of COVID-19, the project will be delivered from 1st June 2020 to 31st May 2021. A programme evaluation is scheduled and will be presented to Investment Panel.
- 1.12 The project will be delegated to the local authority of Newcastle City Council, North Tyneside Council and Northumberland County Council respectively. Each local authority will coordinate the procurement, deployment and monitoring of equipment through existing local structures which provide services residents impacted by digital exclusion. For example, schools, colleges, employment services and care homes will act as intermediaries between the local authority and residents in need.
- 1.13 Investment Panel were asked to recommend the application for approval subject to the following conditions:
1. Each Local Authority will manage the risk of any overspend should demand for this intervention be greater than had initially been forecast.
 2. Local Authorities to report outcomes of the programme which will be shared with NTCA Investment Panel for review in October 2020.
 3. Equipment returned by residents following completion of project activity should be retained by the Local Authority and re-used for local services that align with the scope of this project, for the remainder of their useful economic life.
- 1.13 The Digital Inclusion scheme proposal for £686,250 was considered and approved by Investment Panel on 29th May 2020 by written procedure. The Investment Panel members welcomed the speed at which the proposal had been developed in response to the needs of North of Tyne residents. Clarity was sought on the processes for managing security of the

assets and how the equipment would be monitored for accounting purposes. No additional funding conditions were recommended.

2. Potential Impact on Objectives

- 2.1 The proposal contained within this paper supports the Combined Authority in their purpose of developing social and economic prosperity, and the wellbeing of communities across Northumberland, North Tyneside and Newcastle. It will set the foundations for a strategic programme of recovery, to jump-start our economy post crisis and maintain a continued focus on our ambitions for inclusive growth.
- 2.2 While the focus of this proposal is to address the immediate challenges to social and economic prosperity presented by COVID-19, NTCA recognise the wider significance of digital inclusion and connectivity for underpinning growth, productivity and an inclusive economy. NTCA will agree a legacy of activity beyond the life of the programme where local authorities are able to continue to support residents in line with the purpose of this proposal for an extended period without additional investment from NTCA.

3. Key Risks

- 3.1 A risk exists around duplication with future government schemes which are yet to be announced. This is mitigated against by including within the decision a degree of flexibility to enable the scheme to respond and divert funds to other areas of need in response.
- 3.2 Risks specific to this scheme have been included in the application form with mitigative action provided.
- 3.3 Risks will be managed by the NTCA Programme Officer in line with the claims and monitoring work instruction. Risk is reported to the Investment Panel as part of the monthly performance report.

4. Financial and Other Resources Implications

- 4.1 In line with our agreed claim process, grants will be paid at the agreed intervention rate quarterly in arrears and upon verification of costs.
- 4.2 The practical completion date for the project will be the 31st May 2021. Applicants will have until 31st July 2021 to submit their final claims.
- 4.3 Below is a forecast projected spend profile, this will be updated as more accurate forecasting information is provided through the contracting process

2019/2020					2020/2021				
Q1 Apr- Jun	Q2 Jul- Sep	Q3 Oct- Dec	Q4 Jan- Mar	Total	Q1 Apr- Jun	Q2 Jul- Sep	Q3 Oct- Dec	Q4 Jan- Mar	Total
£0	£405,750	£202,875	£67,625	£676,250	£10,000	£0	£0	£0	£10,000

5. Legal Implications

- 5.1 The Monitoring Officer's comments have been included in this report

6. Equalities Implications

- 6.1 All of our constituent authorities receiving grant have in place individual equality policies which they adhere to and are in line with the Public Sector Equality duty which came into force in April 2011.

7. Inclusive Economy Implications

- 7.1 The North of Tyne Combined Authority believes in opportunity for all, removing the barriers which make it difficult for people to take up employment, education and training opportunities. We want to empower our people, adults and children alike, with the skills and resources they need to take ownership of their futures. There is a real risk that digital exclusion through the COVID-19 pandemic will exacerbate already significant and pernicious issues for some communities and groups of residents.
- 7.2 A recent study by the Good Thing Foundation reports as many as 1.7million households in the UK do not have access to or cannot afford the internet. Digital exclusion is also closely associated with poverty. Approximately 42% of households earning under £15000 do not have access to the internet. Digital exclusion is also more profound for people who live alone (9% of households with a single adult aged between 16 and 64 compared with only 1% of households with two adults aged between 16 and 64 years), have low skills (Only 40% of those without qualifications use the internet, compared with more than double that among those with any level of formal educational qualifications) and women (58% of all internet non-users). These people and families now find themselves shut in their homes, vulnerable to social isolation, unable to continue their education, find accurate health information or access welfare and employment opportunities.

8. Climate Change Implications

- 8.1 The activity of this scheme is focused on supporting residents to operate from their own home. Services will be offered digitally, therefore reducing carbon footprint of more traditional methods used pre-COVID-19 pandemic. Access to digital solutions play an important role in reducing carbon emissions from travel.

9. Consultation and Engagement

- 9.1 The issue of digital inclusion has been raised by colleagues from across sectors when discussing responses to, and recovery from COVID-19. Amongst others, colleagues from Department for Work and Pensions, Department for Culture, Media, Sport, Department for Education, the North of Tyne Inclusive Economy Board, North East Skills Advisory Panel and Joseph Rowntree Foundation have highlighted the personal, social and economic need for ensuring people have access to digital technology, which has been incorporated into the development of this application.
- 9.2 In developing the proposal there was extensive engagement with the Employability and Inclusion and Education Challenge portfolio leads, Local Authority colleagues in education, employability, adult social care service and IT teams, Adult Education providers and representatives of the VCSE sector.

9.3 Extensive consultation has taken place on the Digital Inclusion application form with the Technical Officers Group, Investment Panel, at both Officer and Director level between teams in NTCA, the three local authorities and the North East LEP.

10. Appendices

10.1 none

11. Background Papers

11.1 none

12. Contact Officers

12.1 Leigh Mills, Head of Inclusive Growth, leighmills@northoftyne-ca.gov.uk, 07855 100179
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13. Glossary

LEP	Local Enterprise Partnership
NTCA	North of Tyne Combined Authority
VCSE	Voluntary, Community and Social Enterprise