

## **Cabinet – 15 July 2009**

### **Future Jobs Fund Application**

**Portfolio:** Councillor Andrew, Deputy Leader and Regeneration

**Service:** Regeneration – Strategic Regeneration

**Wards:** All

**Key decision:** Yes

**Forward plan:** No

#### **1. Summary of report**

This report is asking for permission to submit Walsall elements that will form part of the West Midlands region Future Jobs Fund (FJF) Programme submission, and if approved, to then act as accountable body for the Walsall elements of the FJF Programme in accordance with the appropriate guidance procedures and financial accounting arrangements that will accompany this programme.

#### **2. Recommendations**

- 2.1 That Cabinet approves the inclusion of the Walsall elements of the Future Jobs Fund (FJF) Programme within the overall West Midlands City Region submission.
- 2.2 That Cabinet gives delegated authority to the Chief Executive and the Executive Director for Regeneration in consultation with the deputy Leader and portfolio holder for Regeneration to negotiate the final details of the FJF Programme and to enter into / sign the relevant agreements if successful.
- 2.3 That subject to the required safeguards and financial and monitoring arrangements being set in place that Walsall Council acts as Accountable Body for the Walsall elements of the FJF Programme.
- 2.4 That a report is presented to Cabinet and Scrutiny on the programme and monitoring of Future Jobs Fund every 6 months

#### **3. Background information**

- 3.1 The Government announced the creation of the Future Jobs Fund in May, with a short turn around time with applications to be submitted in late June for consideration and approvals issued during August 2009, with a proposed start date during September 2009, hence the urgency of submitting this report.

- 3.2 If we are successful the Future Jobs Fund programme aims to support the creation of employment opportunities for unemployed people between the ages of 18 – 24, through the provision of a grant payable of £6,500 for each position created and filled, which can be added to or topped up by participants organisations own funds to extend the scale or duration of the opportunity.
- 3.3 These positions are not expected to be permanent jobs, but valuable opportunities for people who are currently excluded from the labour market to get back into the working environment, gaining work experience and training that will give them a better chance of securing something permanent in the longer term. Although the FJF will only cover a 6 months employment period it's likely that some agencies will use their own funding to extend the opportunities.
- 3.4 Payments for the individuals will be at the national minimum wage for 22+ (regardless of age), an hourly rate of £5.80 for an average of 31 hours per week, comprised of 25 hours work and 6 hours of training where appropriate for a 6 month period, and potentially longer should other funding become available.
- 3.5 The City Region board recently agreed, based on advice from the Department for Work and Pensions, that a West Midlands Regional bid would stand a much better chance of success than smaller individual submissions, so agreed that a single co-ordinated City Region wide bid should be developed.
- 3.6 The Future Jobs Fund application proposed covers the City Region of Birmingham, Coventry and the Black Country with the addition of Telford and Wrekin. It is a partnership bid involving: the individual local authorities (and relevant public, private and voluntary and community sector partners within their localities) of Birmingham, Coventry, Dudley, Sandwell, Solihull, Telford and Wrekin, Walsall and Wolverhampton. Groundwork West Midlands are also a partner in the bid.
- 3.7 The application proposes the creation of 5,844 job opportunities over the period September 2009 – September 2011. The opportunities provided will provide direct community benefit and fall within the categories of environment, health and care, community development, administration and customer care. They will provide valuable work experience and training.
- 3.8 Overall the City Region is requesting a total of £37,986,000 of Future Jobs Fund resource, of which around £2.4million is being requested by Walsall to support the creation of up to 400 new employment opportunities within a range of organisations.
- 3.9 Due to the limited time available to us in the development of our indicative submission, we were only able to announce this opportunity through traditional internal and external communication channels, which included the Local Strategic Partnership and its members. We will work to communicate this opportunity to a wider group of organisations, including the Voluntary and Community sectors, to ensure that the best opportunities are found and then added and offered through this programme.

- 3.10 The other requirement of the Future Jobs Fund, is that all new jobs created must be new opportunities that otherwise could not have been implemented without this programmes sponsorship.
- 3.11 It is proposed within the submission that all councils act as Accountable Body for their geographical areas, with Groundwork taking responsibility for their sector areas within the submission across the region. This role will require us to take responsibility for liaising with the City Region core team, the development of opportunities within our locality, joint working with key partners and the administration of the funding that will support the employment opportunities at £6,500 per job.
- 3.12 We will ensure through the use of the councils operating procedures and those associated with the administration of grants, programmes and their accountability and monitoring arrangements that there is no risk of financial exposure to the council. This may include if possible the use of the Council's pay role system to administer the payment and accountability of grants associated with the employees both within and outside of the council, again maximising the effectiveness of the accounting procedures and minimising any risk.
- 3.13 We will ensure that in our role as accountable body we are able to ensure that all those placements provided in Walsall that we deal with are legitimate and placed within suitable appropriate organisations. In order to clarify our role and responsibilities as accountable body we will set up an internal working group to ensure that all systems necessary to carry out this role are in place ahead of the scheme starting.

#### **4. Resource considerations**

##### **4.1 Financial:**

- 4.1.1 At the time of submission we are clear that no additional costs will fall onto the council from this proposal, other than those already budgeted for or allocated to support employment initiatives, such as the Working Neighbourhoods Fund (WNF) or Local Authority Business Growth Initiative (LABGI) programmes.
- 4.1.2 The programme will only support up to a maximum of £6,500 per post created and filled, any additional costs associated with these posts, as a result of additional salary / other payments or associated management etc. must be borne by the employer, this position will be made clear to all participating employers.
- 4.1.3 Should the submission be successful, the authority will become the accountable body. This means that the council has sole liability in relation to the grant, of c£2.4m and will be required to return any funding that the auditors feel cannot be properly accounted for, or spent in accordance with the grant conditions even if that is as a result of a third party default.
- 4.1.4 In order to mitigate this risk a named accountable officer will need to be appointed to ensure that the grant can be properly accounted for, and is in accordance with the grant conditions. The funding of £6,500 per job does not cover administration costs and these will need to be met from within existing identified resources.

- 4.1.5 The council has an accountable body protocol and a grants manual which the accountable officer must adhere to. The manual sets out the roles and responsibilities of the various parties for example the project manager, service accountant, external auditor etc. It also contains a section on grant claim procedures, this outlines the key procedures that must be followed in order to submit a grant claim to the external auditors. Checklists have been devised which covers the roles of the claim provider, verifier and project manager.
- 4.1.6 The manual makes explicit expectations as to the quality and content of the working papers for example, working papers should be: Cross referenced to the grant claim; Recorded in the general ledger; Evidence that all expenditure is eligible under the grant conditions; Contain copies of any contracts let & evidence of compliance with finance and contract procedure rules; Include evidence of all expenditure incurred by third party bodies included in the claim (copy invoices, bank receipts etc).

#### **4.2 Legal:**

- 4.2.1 If the council is successful in obtaining FJF it will need to be satisfied that it can meet all of the requirements of the accountable body agreement before entering into the contract as there may be claw back arrangements which apply in the event of non compliance with the conditions. The terms and conditions of the accountable body agreement are not known at this stage and specific legal advice should be taken before entering into the contract. Further, if the council channels the funds through external organisations for the creation of opportunities it needs to be satisfied that those organisations can deliver the outcomes required and provide full auditable evidence to satisfy the requirement of the grant funding.
- 4.2.2 With regard to making payments to individuals through our pay role system the council needs to ensure that appropriate safeguards are built into the system to ensure that those individuals who are not the council's employees do not inadvertently gain employee status.

#### **4.3 Staffing:**

- 4.3.1 It will be necessary to appoint the required staff to administer this programme, these will be at no additional cost to the council other than those already budgeted for or allocated to support employment initiatives, such as the Working Neighbourhoods Fund (WNF) or Local Authority Business Growth Initiative (LABGI) programmes.

### **5. Citizen impact**

The Future Jobs Fund Programme will have a positive impact on the lives of some of the most vulnerable community members throughout Walsall and will support around 400 of these into employment and training opportunities.

## **6. Community safety**

There are no direct Community safety issues with this proposal

## **7. Environmental impact**

There are no direct Environmental impact issues with this proposal

## **8. Performance and risk management issues**

### **8.1 Risk:**

8.1.1 The most significant risk is ensuring that as part of our role as accountable body, that all grants or payments made are in accordance with the approvals received, comply with audit requirements and possess the required accountability trails that record the use of all funding to ensure that there is no liability for claw back. We will ensure that systems and procedures are set in place and maintained throughout the life of the programme to mitigate this risk.

8.1.2 The second risk is around the ability of the key partners (see appendix 1) to deliver on their commitments and create the necessary opportunities and to deliver on their matching funding financial commitments, where appropriate. This risk will be mitigated through joint working with all partners to support them and if slippage occurs activities to create if possible new opportunities.

### **8.2 Performance management:**

8.2.1 The Council will need to nominate a host Directorate, which in turn will need to nominate / recruit the appropriate project manager / team.

## **9. Equality implications**

We will seek assurances from all partners involved in this programme, that all appointments made will comply with the appropriate legislation and demonstrate openness and equality of opportunity.

## **10. Consultation**

Due to the time frames limited consultation has been held with the Leader and Deputy Leader, Legal Service and Finance.

## **Background papers**

None.

## Author

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A handwritten signature in blue ink, appearing to read 'Mark Lavender', followed by a vertical line.

Tim Johnson  
Executive Director  
Regeneration

8 July 2009

A handwritten signature in blue ink, appearing to read 'Adrian Andrew', followed by a vertical line.

Councillor Adrian Andrew  
Deputy Leader  
Portfolio holder Regeneration

8 July 2009

## Appendix 1 - FUTURE JOBS FUND BREAKDOWN

**Local Authority Area/Organisation:** Walsall

Organisation <i>(within which job will be provided)</i>	Number of Jobs	Type of Jobs <i>(and brief description 2-3 lines of what they will involve)</i>	Start Date <i>(the month and year in which the job will commence)</i>	Estimated Employment Costs
Walsall Council	26	Apprenticeships in a range of disciplines e.g. business support, ICT, admin, Street Pride etc	Oct 2009 (3) Jan 2010 (3) Apr 2010 (4) Jul 2010 (4) Oct 2010 (4) Jan 2011 (4) Apr 2011 (4)	£169,000
Walsall Council	50	Traineeships in a range of disciplines e.g. business support, ICT, admin, Street Pride	Oct 2009 (5) Jan 2010 (5) Apr 2010 (11) Jul 2010 (6) Oct 2010 (6) Jan 2011 (6) Apr 2011 (11)	£325,000
Walsall Council	20	Jobs within Catering Leisure and Horticulture	Jan 2010 1 placement per mth till Aug 2011	£130,000
Walsall Partnership	2	Apprenticeships Office based	Oct 2009	£13,000
Walsall Housing Group	60	Construction roles – precursor to apprenticeship	Oct 2009	£300,000
Walsall Housing Group	12	Energy Efficiency advisors to WHG residents	Oct 2009	£57,777
Walsall Housing Group	12	Community Champions – capacity building role	Oct 2009	£63,696

Mental Health ILM Project	10	ILM's in a variety of roles	Oct 2009 2 per quarter	£65,000
Safer Walsall Borough Partnership	7	1 -Surveillance Installer  1 -Community Support Coordinator  5 - Community Support Workers	Oct 2009  Oct 2009  Oct 2009	£45,500
Intelligence Matters Ltd – Social Enterprise	6	Researchers	Sept 2009	£39,000
Social Enterprise	15	8 - Catering Assistants 3 - Health & Social Care 6 - Cleaning Staff	Sept 2009 – Dec 2009	£97,500
Incubate Vine Trust (in partnership with Ikea)	24	Assembly and fit out roles Recycling furniture, assembling furniture together for sale)	Oct 2009 (8) Apr 2010 (8) Sept 2010 (8)	£156,000
Incubate Vine Trust	24	9 -Catering 6 - Construction 6 - Horticulture 3 - Catering	Oct 2009 (8) Apr 2010 (8) Sept 2010 (8)	£156,000
Walsall Voluntary Action	20	Opportunities in voluntary organisations e.g. admin, capacity building	Jan 2010 (4) Apr 2010 (4) Jul 2010 (4) Oct 2010 (4) Jan 2011 (4)	£130,000
Steps to Work	11	2 - Tutor Support officers  2 - Security Officers	Oct 2009  Oct 2009	£71,500



		2 - Basic Skills Tutors  1 - Finance Officers  4 - Admin Officers	Nov 2009  Mar 2010  Nov 2009 (2) & Feb 2010 (2)	
Steps to Work (partnership with and Manor Hospital)	20	10 - Hospital Porters/ ancillaries 6 - Nurse assistants 4 - Other Hospital staff	March 2010	
Groundwork Black Country (Partnership with Forest of Mercia and British Waterways)	30	Green Jobs Land/Horticultural/Woodlands Energy/Recycling/ Canal operatives	Oct 2009	£124,026
Graduate Programme	10	Various roles within Walsall SME's	April 2010 (5) April 2011 (5)	£65,000
Community Transport (Furniture Service)	6	Van drivers Project workers focusing upon furniture recycling	Jan 2010	£24,348
Walsall Citizens Advice Bureau	4	Trainee Advisers – providing advice to residents on a array of issues	Sept 2009	£26,000
The Glebe Centre	3	Support Workers	Oct 2009	£17,044
Black Country ICT Hub & Microsoft IT academy	12	IT technicians	Oct 2009	£40,800
Be Active Black Country Sports Partnership	50	Sports Coaches and other sports roles		£170,000

Darlaston Community Partnership	2	Youth Outreach Workers	Oct – Dec 2009	£13,000
Union of Muslim Organisations (UMO)	2	2 - Trainee admin office worker	Oct – Dec 2009	£13,000
Aisha Mosque/Community Centre	2	Trainee admin office worker	Oct – Dec 2009	£13,000
Sunni Jaila	1	Trainee admin office worker	Oct – Dec 2009	£6,500
Caldmore Village Festival Group	1	Assistant co-ordinator- arranging local event	Oct 2009	£6,500
Usman Mosque Community Centre	1	Trainee admin office worker	Oct – Dec 2009	£6,500
Aaina Asian Woman's Group	6	2 - Eco garden maintenance officers  1 - Beauty Training Assistant  1 - Marketing and promotion officer  1 - Youth Activities supporting officer  1 - Support services assistant	Oct 2009  Oct 2009  Oct 2009  Oct 2009  Oct 2009	£34,642
Walsall Disability Forum	1	Admin assistant	Oct 2009	£6,500
Green Rivers	3	3 - Duty Officers – overseeing the centre	April 2010	£19,500

## Other target groups

Organisation (within which job will be provided)	Number of Jobs	Type of Jobs (and brief description 2-3 lines of what they will involve)	Start Date (the month and year in which the job will commence)	Estimated Employment Costs
Mental Health ILM Project	40	Apprenticeships in a range of disciplines e.g. business support, ICT, admin, Street Pride etc	Jan 2010 (6) Apr 2010 (6) Jul 2010 (6) Oct 2010 (6) Jan 2011 (6) Apr 2011 (5) Jul 2011 (5)	£260,000
Walsall Council Recruitability	30	Traineeships in a range of disciplines e.g. business support, ICT, admin, Street Pride	Apr 2010 (15) Apr 2011 (15)	£195,000