

## **FUTURE JOBS FUND**

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### **1.0 EXECUTIVE SUMMARY**

- 1.1 This report updates Members on the implementation of the Future Jobs Fund and seeks approval for the submission of a new bid to the Department of Work & Pensions (DWP) for further jobs opportunities under the Wirral element of the Liverpool City Region programme.

### **2.0 BACKGROUND**

- 2.1 The Future Jobs Fund is an initiative of approximately £1 billion announced in the 2009 Budget. The fund is run by the Department for Work and Pensions (DWP) and aims to create 150,000 jobs nationally aimed primarily at 18-24 year olds who are coming up to a year out of work but including provision for the 25+ age group in unemployment 'hotspots'. All jobs created under the Future Jobs Fund initiative must be:

- additional (meaning they could not exist without this funding);
- last at least 6 months;
- for at least 25 hours per week;
- paid at least national minimum wage;
- suitable for long term unemployed people;
- providing clear community benefit over and above the benefit to the individual.

- 2.2 On 25<sup>th</sup> June 2009, Officers sought and received approval from Cabinet to submit a bid to DWP for 323 jobs to be created locally with the Fund, co-ordinated and managed by an in-house Future Jobs Fund team. Members authorised the use of Working Neighbourhoods Fund up to a maximum of £1,005,970 in principle to support the delivery of the programme subject to a full application to the Working Wirral Programme once the DWP funding methodology had been provided. The Wirral submission formed part of a combined Liverpool City Region bid totalling 6,155 jobs to be created between October 2009 and March 2011.

- 2.3 Subsequently, on 24<sup>th</sup> September 2009, Cabinet authorised officers to accept a Grant Offer of £1,212,695 from Knowsley Council (as Lead Accountable Body for the Liverpool City Region bid to DWP) to fund 187 jobs in Wirral delivered in the first six months of the Wirral Council Future Jobs Fund programme. Members were also advised that an application to the Working Wirral Programme had been approved through the Wirral Economic Development & Skills Partnership (WEDS) to a maximum of £412,477.

### **3.0 PROGRESS TO DATE**

- 3.1 The in-house Future Jobs Fund Team is now established within Wirral Council's Regeneration Department and provides on-going programme management and a personalised support service to employees and employers engaged in the initiative.
- 3.2 Wirral's performance is in line with partners in the Liverpool City Region Programme and it is notable that Merseyside as a whole is out performing the North West sub-regions.

Whilst Wirral's performance to date is positive it is clearly behind the projected profile of the original bid due to delays set out in paragraph 3.3. The timetable of job starts has therefore been re-profiled as follows:

New Starts:	To 5 <sup>th</sup> Dec	Expected up to end Dec	Expected Jan	Expected Feb- Mar
Revised Profile	22	13	93	59
Original Profile	93	61	27	6

- 3.3 This revised timetable of job starts is a realistic reflection of expected recruitment following initial delays in the start up of the programme nationally and the embedding of processes for referrals of eligible customers from Jobcentre Plus. In response to issues being raised on implementation, DWP have also made a number of changes to the eligibility criteria. The latest position is a change in the eligible period of unemployment for 18-24 year olds from 39-43 weeks to 26-50 weeks and for over 25's from 39-50 weeks to 39-78 weeks. These changes are expected to have a positive impact on the flow of referrals from Jobcentre Plus and subsequent job applications received by Wirral's participating employers.
- 3.4 The employers providing jobs created within the Wirral element of Future Jobs Fund are a mix of: voluntary and community organisations; registered social landlords; further education providers; and Wirral Council. As advised in previous reports to Cabinet, jobs are offered at a rate consistent with the salary level typically offered by the employer for the role in order to provide a quality 'real job' experience which will be of value to the employer and employee.
- 3.5 As part of our local agreement, all posts created in Wirral Council itself receive Unison approval prior to advertisement to ensure that they are quality supernumerary posts; paid at the fair market rate; do not replace posts made redundant in the previous 12 months; and have access to 1:1 support throughout their six month contract of employment.

#### **4.0 DWP GRANT AWARD APRIL 2010 to MARCH 2011**

- 4.1 The Liverpool City Region has been invited to submit a profile of the remaining jobs identified in the original bid submission due to start in the period April 2010 and March 2011. This is in line with guidance provided with the original grant offer which stated that funding could initially only be released for the first six months of job starts and the remaining jobs profiled in the bid would be subject to a review of the applicant.
- 4.2 Knowsley Council, as the Lead Accountable Body, has advised partners in the Liverpool City Region programme that DWP have indicated they are willing to release the remainder of the funding to the Liverpool City Region Programme for the delivery of these jobs on receipt of this profile.
- 4.3 For Wirral, this accounts for the remaining 136 jobs of the original 323 put forward and a job profile has been submitted accordingly. There are no financial implications to Wirral Council over and above existing commitments as the total project costs were designed around the full 18 month programme with indicative funding identified for the full 323 posts, as previously detailed to Members.

#### **5. DEVELOPING NEW OPPORTUNITIES**

- 5.1 DWP has recently announced that the Future Jobs Fund programme will be effectively extended beyond the original funding end date of 31<sup>st</sup> March 2011. They will now accept applications for new job starts up to the end of March 2011 with grant payments issued to bidders beyond this date for up to six months.
- 5.2 This extension effectively allows an additional cohort of participants to take up Future Jobs Fund posts. This, combined with the widened eligibility criteria, provides the Liverpool City Region with an opportunity to submit a new application for additional jobs from the Future Jobs Fund. Knowsley Council has advised partners to consider their capacity to develop further opportunities with a view to preparing and submitting a new bid in January 2010.
- 5.3 Officers have reviewed the latest position of 18-24 year olds claiming Jobseekers Allowance in Wirral to assess the potential demand for further Future Jobs Fund opportunities. Members will see from the latest published figures below that whilst Wirral's numbers have reduced by 80 in one month, the scale of the challenge is still significant with 3,070 young people claiming Jobseekers Allowance, 640 more than the same month last year.

#### **JSA 18-24** (Lower Figures are Better)

<b>Local Authority</b>	<b>October 2009</b>		<b>November 2009</b>		<b>Monthly Change</b>		<b>Yearly Change</b>	
	number	% (1)	number	% (1)	number	%	number	%
Halton	1,465	12.6	1,475	12.7	+ 10	<b>+ 0.1</b>	+ 360	<b>+ 3.1</b>
Knowsley	1,965	12.3	1,875	11.7	- 90	<b>- 0.6</b>	+ 170	<b>+ 1.1</b>
Liverpool	6,640	10.8	6,430	10.5	- 210	<b>- 0.3</b>	+ 940	<b>+ 1.5</b>
Sefton	2,650	10.7	2,570	10.4	- 80	<b>- 0.3</b>	+ 570	<b>+ 2.3</b>
St Helens	1,750	11.2	1,760	11.3	+ 10	<b>+ 0.1</b>	+ 410	<b>+ 2.6</b>
<b>Wirral</b>	<b>3,150</b>	<b>11.4</b>	<b>3,070</b>	<b>11.1</b>	<b>- 80</b>	<b>- 0.3</b>	<b>+ 640</b>	<b>+ 2.3</b>
City Region	17,625	11.2	17,185	11.0	- 440	- 0.2	+ 3,090	+ 2.0
North West	63,585	9.3	61,985	9.1	- 1,600	- 0.2	+ 16,870	+ 2.5
England	397,405	8.1	385,380	7.9	- 12,025	- 0.2	+ 119,890	+ 2.5

Source: NOMIS - JSA Claimant Count (November 2008 – November 2009)

(1) % represents the number of 18-24 JSA claimants against the area's 18-24 population estimates

- 5.4 The DWP guidance recommends prior identification of job opportunities for inclusion in bid submissions. This enables assessment of job eligibility criteria, including a judgement on the application of community benefit. As with the first Liverpool City Region bid, members of the City Employment Strategy Lead Officers Group are engaged in discussions with sector partners at a sub-regional level to identify new opportunities for the bid in January 2010.
- 5.5 In order to identify potential opportunities for an expanded local element, Officers from Wirral Council have worked in partnership with:
- existing participating employers;
  - voluntary & community sector (via VCAW);
  - registered social landlords (via Wirral's Strategic Housing Partnership);
  - Wirral Economic Development & Skills (WEDS) Partner networks;
  - Wirral Council (via Chief Officers);
  - follow-ups with potential employers who have enquired about the programme to date.

5.6 This process has identified 325 job opportunities, representing 132 new opportunities and 193 with existing employers with the capacity to repeat their Future Jobs Fund post for a new cohort of participants in accordance with the DWP extended programme closure date.

5.7 Each job created must meet eligibility criteria that include providing community benefit over and above that to the individual taking part. Due to this, the Wirral programme has concentrated solely on opportunities within the public and voluntary sector so far. Within this new bid, Members are advised that a test case for private sector employers will be presented to DWP as follows:

- a private construction company which renovates empty properties predominantly in disadvantaged areas. All refurbished properties are then rented out to 'hard to help' families working closely with Wirral Council's housing department. Community benefit can be demonstrated on two counts: bringing empty properties back to use; re-housing vulnerable families;
- a collaboration with Wirral Council Adult Social Services and private care providers to develop supernumerary personal assistant posts. Community benefit can be demonstrated on two counts: a supportive 6 month employment period to develop a new skilled workforce working towards self employment; offering a service that ensures vulnerable adults are assisted to maintain their independence as part of the personalisation agenda.

In each case, the potential employers have been advised that these posts cannot proceed without clear approval from DWP that full eligibility has been met.

5.8 The offer to employers is in line with the current approved programme namely:

- funding to cover the wages of the eligible employee;
- funding to cover the wage on-costs of the eligible employee eg: employers national insurance contributions;
- discretionary support funds for the employer and the employee;
- a full support package for the employee and employer during their Future Jobs Fund post;
- advice and support in accessing suitable training.

5.9 A full breakdown of job opportunities identified for inclusion in the Wirral element of the second Liverpool City Region bid to DWP is presented at Appendix 1.

## 6.0 FINANCIAL IMPLICATIONS

6.1 The total project costs and available funding for Wirral Council for the combined 648 Future Jobs Fund jobs to be created between October 2009 and March 2011 is shown in the table below:

	<b>Jobs</b>	<b>2009/10</b>	<b>2010/11 +</b>	<b>Totals</b>
<b>Total Expenditure</b>		<b>1,046,487</b>	<b>3,568,270</b>	<b>4,614,757</b>
<b>Funding Breakdown</b>				
Working Wirral Existing Offer	All	166,695	245,782	<b>412,477</b>
DWP Existing Grant Offer	187	879,792	332,903	<b>1,212,695</b>
DWP <b>Indicative</b> Extension	136	-	881,960	<b>881,960</b>
DWP New Funding Claim	325	-	2,107,625	<b>2,107,625</b>
<b>Total Funding</b>		<b>1,046,487</b>	<b>3,568,270</b>	<b>4,614,757</b>

6.2 As highlighted in paragraph 4.2, DWP have indicated that they are willing to release funding for jobs identified in the original Liverpool City Region bid submission due to be

created between April 2010 and March 2011. For Wirral this represents 136 jobs at an award of £6,485 per job created.

6.3 The new bid to DWP will be submitted with a funding model of £6,500 per job created. Knowsley Council, as the Lead Accountable Body for the Liverpool City Region Future Jobs Fund, will draw down £15 administration charge per job, leaving delivery partners with an allocation of £6,485 per job created. On this basis, Wirral Council would expect to receive £2,107,625 for the creation of 325 new jobs.

6.4 As with our grant offer for the first bid submission, the anticipated DWP award amount will support on-going delivery costs over and above employee wage reimbursement payments. The funding received from DWP for the 325 additional posts will be sufficient for the full additional expenditure costs of the total 648 posts.

6.5 As detailed in the June 2009 Cabinet report, Members authorised the use of Working Wirral to the maximum £1,005,970 in principle, subject to the return of a full application to the Working Wirral Programme when the DWP funding methodology had been provided. As highlighted in paragraph 6.4 and detailed to Cabinet in September, the DWP funding methodology has provided our 'best case scenario' from our original assumptions on requirements for additional funding. The Working Wirral funding currently supports the Wirral Council Future Jobs Fund Team and elements of the support package for participants. Members are advised that, subject to successful delivery of the programme and a consistent delivery cost model, the current authorised funding from Working Wirral of £412,477 will be sufficient. However should there be future pressures on this allocation a report will be returned for Cabinet approval to vary the £412,477 sum via Working Wirral resources.

## 7.0 **STAFFING IMPLICATIONS**

7.1 As reported and approved at Cabinet in June 2009, a Future Jobs Fund Team has been recruited as part of the support package for this project, consisting of:

- 1 x Manager PO10 (£35,079-37,665)
- 3 x Job Support/Development Officers PO2 (£28,353-30,546)

7.2 These posts have been contracted in accordance with the time limited funding up to 31<sup>st</sup> March 2011. Due to the extension of the DWP initiative as detailed at 5.1, Members are asked to support an extension to the Future Jobs Fund Team staff contracts up to October 2011, subject to confirmation of additional funding from DWP. Approvals will be taken via a report to Employment and Appointments Committee on confirmation of a grant offer. Any potential additional costs associated with these staff extensions will be met from existing approved delivery costs within the Working Wirral programme as detailed in Section 6 of this report.

## 8.0 **EQUAL OPPORTUNITIES IMPLICATIONS**

8.1 The Future Jobs Fund aims to promote equal opportunities.

## 9.0 **COMMUNITY SAFETY IMPLICATIONS**

9.1 No implications arising as a direct result of this report.

## 10.0 **LOCAL AGENDA 21 IMPLICATIONS**

10.1 No implications arising as a direct result of this report.

## **11.0 PLANNING IMPLICATIONS**

11.1 No implications arising as a direct result of this report.

## **12.0 ANTI-POVERTY IMPLICATIONS**

12.1 The Future Jobs Fund aims to tackle social deprivation by creating job opportunities at 'national minimum wage' rate as a minimum to long term unemployed people who are in receipt of Job Seekers Allowance.

## **13.0 SOCIAL INCLUSION IMPLICATIONS**

13.1 The Future Jobs Fund will promote social inclusion.

## **14.0 LOCAL MEMBER SUPPORT IMPLICATIONS**

14.1 No implications arising as a direct result of this report.

## **15.0 BACKGROUND PAPERS**

15.1 The Future Jobs Fund Guidance and associated documents can be found at:  
<http://www.dwp.gov.uk/campaigns/futurejobsfund/index.asp>

## **16.0 RECOMMENDATIONS**

16.1 Members are asked to:

- i) Support the submission of a new bid to the Department of Work & Pensions Future Jobs Fund initiative via Knowsley Council as Lead Accountable Body for the Liverpool City Region Programme;
- ii) Support the number and type of new employment opportunities within Wirral Council departments detailed in this report to be included in the forthcoming bid.

**J. WILKIE**

Deputy Chief Executive/Director of Corporate Services

## Appendix 1

<b>EMPLOYER</b>	<b>POST TYPE</b>	<b>NUMBER</b>
<b><u>New Opportunities Pledged</u></b>	<i>NB: numbers can include more than one cohort</i>	
Vale House Community Centre	Trainee Chef	1
Vale House Community Centre	Customer Service	1
Shaftesbury Youth Club	Groundsperson	1
Shaftesbury Youth Club	Youth Club Publicity Worker	1
Shaftesbury Youth Club	Catering Assistant	1
The HQ Coaching Centre	Sports Coach	3
Birkenhead Youth Club	Activities Planner	3
The Youth Resource Centre	Project Worker	1
Wirral Resource Centre	Administrative Assistant	3
YMCA	Receptionist	2
YMCA	Gardener	2
YMCA	Sports Instructor	2
Forum Housing	Asset/Records Assistant	1
Forum Housing	Telephonist/Receptionist	5
WIRED	Information Officer	1
WIRED	Welfare Benefits Officer	1
RASA	Administration Assistant	1
RASA	Data Entry Clerk	1
Charing Cross Methodist Centre	Administrative Assistant	1
Charing Cross Methodist Centre	Caretaker	2
Charing Cross Methodist Centre	Tuck Shop Assistant	1
North Birkenhead Trust	Catering Assistant	3
North Birkenhead Trust	Receptionist	3
Wirral Ark	Trainee Support Worker	1
Wirral Ark	Housekeeper	1
S&R Residential	Trainee Construction	7
Wirral Council	Technical Services Recycling Assistant	18
Wirral Council	Environmental Health Admin Support	6
Wirral Council	Housing Accommodation Assistant	3
Wirral Council/Private Care Providers	Personal Assistants	55
<b>Total New Opps</b>		<b>132</b>
<b><u>Exisiting Opps / New Cohort</u></b>		
Regenda	Clerical Assistant	2
Regenda	Neighbourhood Warden Assistant	2
Regenda	Environmental Warden Assistant	2
Forum Housing	Administrative Assistant	3
Forum Housing	Finance Assistant	1
Forum Housing	Marketing & Publicity Assistant	1
Forum Housing	Assistant Data Processor	1
Forum Housing	Environmental Champion	3
Forum Housing	Maintenance Assistant	2
Forum Housing	Youth Participation Assistant	3
Age Concern	Shop Assistant	4
Age Concern	Care Support Assistant	8
Age Concern	Driver	2
Age Concern	IT Assistant	1
Advocacy in Wirral	Trainee Welfare Benefits Assistant	3
Awaiting Confirmation	Various Voluntary Sector	22

Wirral Council	Adult Services Admin Assistant	20
Wirral Council	ASBT Admin Assistant	2
Wirral Council	ASBT Community Development Worker	4
Wirral Council	Community Safety Admin Assistant	2
Wirral Council	Youth & Play Driver	2
Wirral Council	CYP Admin Assistant	22
Wirral Council	CYP Childcare Worker	6
Wirral Council	Schools Teaching Assistant	75
<b>Total Repeat Opps</b>		<b>193</b>