

Meeting: Enterprise Partnership Board

Date: 17 November 2009

Report Title: Future Jobs Fund

Report of: Martin Tucker – Regeneration Manager (Employment & Skills)

Purpose

To update the Enterprise Board on the Haringey Council led Future Jobs Fund bid that was submitted to central Government on 30 October 2009.

Summary

The Future Jobs Fund is a Government initiative, announced as part of Budget 2009, to create 150,000 employment opportunities across the country for the long-term unemployed.

A Haringey Council led bid to create 221 jobs was submitted to central Government on 30 October 2009. The jobs will be created in the Council and a range of partner organisations across the Haringey Strategic Partnership.

If successful the bid indicates that the first jobs can start in December 2009.

Legal/Financial Implications

Financial

At present the Government has only allocated less than half the available funding and as funding is allocated on a first come first served basis, the Haringey bid stands a strong chance of success.

The cost of any jobs created in excess of the grant money awarded can be met from the existing service departments' budgets, and the administration of this scheme will be managed within the Economic Regeneration service within additional resources.

Legal

The Head of Legal Services has been consulted on the content of this report. There are no specific legal implications arising from the recommendation set out in this report.

Recommendations

That the Enterprise Board notes this report.

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Background

Budget 2009 announced an extra £3.1bn for helping people back to work. The Government has committed £1bn of this to a Future Jobs Fund (FJF), which will support the guarantee that from January 2010 every 18-24 year old who is approaching 12 months unemployment or more a new job, training or paid work experience.

Communities and Local Government (CLG) and the Department for Work and Pensions (DWP) issued a letter to key stakeholders on 23 April 2009, which stated that local authorities and other organisations will be invited “to bid for to create jobs for the longer term unemployed.” It is the Government’s expectation that 150,000 jobs will be created through the FJF, between October 2009 and March 2011, with 50,000 of these being in unemployment hotspots (areas where the Job Seekers Allowance claim rate is more than 1.5% above the national average. Using this measure Haringey can be considered to be an unemployment hotspot) and 10,000 being green jobs.

Each bid will be expected to create at least 30 jobs over a six month period. As a consequence the expectation is that bids will come from larger organisations. However, this will not preclude smaller organisations, such as social enterprises, from being involved, and for this reason the Government has indicated its strong preference for partnership bids led by local public and third sector bodies.

The FJF contribution to each job will not exceed **£6,500**. Bids will be welcomed at a lower unit cost and/or that align with other funding streams such as the Working Neighbourhoods Fund (WNF). All bids will need to demonstrate value for money.

All local partnerships that are awarded funding in England will be required to develop a **Work and Skills Plan by 2010**. In developing bids local partnerships will also need to set out an **initial worklessness assessment** to demonstrate the longer-term benefits the funding will deliver.

The Haringey bid

Haringey Council's Cabinet Advisory Board (CAB) agreed at its meeting on 30 July that Haringey Council, with partners should submit a bid. CAB also agreed that each FJF job should be paid at least at the London Living Wage (currently £7.60 an hour). Each job included in the bid will be paid at least at this level.

A multi agency group meeting was held on 30 July to determine interest from Council departments and partner organisations. Based on this and further consultations the bid was developed and it commits to creating 221 jobs with £1,436,500 requested from the FJF to fund these posts. A breakdown of the 221 jobs by partner organisation is provided below:

- Haringey Council – 155 jobs
- 5E Ltd¹ – 20 jobs
- Homes for Haringey – 14 jobs
- College of Haringey, Enfield and North East London – 10 jobs
- North London Business – 5 jobs
- I Can Do It² - 5 jobs
- HAVCO – 4 jobs
- arc – Artists' Resource Collective³ – 4 jobs
- NHS Haringey – 2 jobs
- North London Partnership Consortium⁴ – 2 jobs

The management of the FJF programme including liaising with partners, DWP, with council services and directorates including HR, reporting to DWP, the HSP and Council structures will be undertaken by the Programme Management section of the Council's Employment & Skills Team.

This will enable and facilitate consistency and synergy with the other interventions tackling worklessness undertaken and managed by this team including the Haringey Guarantee, Families into Work and the ULV North London Pledge programmes. Candidates for jobs created under the FJF will be prepared and supported for the jobs through these existing programmes and the jobs created will be eligible for reporting against these programmes.

¹ 5E Ltd is a North London based social enterprise that delivers a range of government and independently funded employability projects.

² I Can Do It is an educational charity that delivers a range of education, training and employment interventions.

³ This is an initiative supported by North London Partnership Consortium. arc is a centre dedicated to the appreciation of the arts. arc's primary goal is to foster excellence in the visual arts through a range of mediums including art exhibitions, art educational programmes, artist support and marketing of art works. arc specialist interest is in the promotion of modern and contemporary African and Diasporan art.

⁴ The North London Partnership Consortium is Third Sector focused organisation working to capacity build communities, groups, individuals and organisations to access employment and skills initiatives and training and to embed localised delivery agencies within borough wide regeneration strategies.

A FJF Co-ordinator post – fixed term to March 2011 – will be created to co-ordinate and manage work related to the programme and to link and collaborate with the other programmes (all currently running to March 2011). This post will be funded through existing and upcoming resources from the Haringey Guarantee, Families into Work and North London Pledge programmes as it will contribute to the delivery of programme targets and be part of an integrated managed employment and skills service.

The Enterprise Board should note that the eligibility criteria for people accessing FJF opportunities are tight. People who can access these jobs include:

- 18-24 years old claiming Job Seekers Allowance (JSA) for between 39-50 weeks. 18-24 year olds on a mainstream programme such as the Employment Zone are not currently eligible for FJF opportunities. The jobs included in the bid for 18-24 year olds **cannot** be ring fenced for Haringey residents.
- People aged 25+ who have been claiming out work benefits (Job Seekers Allowance, Incapacity Benefit, Employment & Support Allowance, Severe Disablement Allowance and Pension Credit) for more than one year. The jobs included in the bid for this group **can** be ring fenced for Haringey residents.

People aged under 18 **are not** eligible for FJF opportunities.

The bid was submitted to central Government on 30 October 2009 and a funding decision is likely to be forthcoming within 5 to 6 weeks of the submission. If successful the bid indicates that the first jobs can start in December 2009.