

Report to Section 151 Officer
Appraisal of Funding Applications (up to £250,000)

Subject:	Application for funding from the Department for Works & Pensions for Kickstart Funding
Directorate	Education, Skills & Employment
Date:	26th November 2020

Purpose of Report
To seek retrospective approval for submission of an external funding application to the Department for Works & Pensions for £171,983. Sandwell MBC wish to act as an intermediary body to deliver temporary paid placements for unemployed young people. The Kickstart programme is for 16-24-year olds in receipt of Universal Credit who are at risk of becoming long term unemployed. Employers can receive the full salary costs for a 25 hour per week for a 6-month placement, paid at National Minimum Wage.

Key Points
<p>Since January 2020, there has been a 7.4% increase in 18-24 year olds claiming Universal Credit in Sandwell, compared to an increase of 5.4% in the West Midlands and a national increase of 5.5%.</p> <p>Sandwell MBC will work in partnership with local businesses wanting to benefit from the initiative. Expressions of interest have been gathered with over 30 placements generated to date.</p> <p>The Council's Employment & Skills Services Team will distribute the grant to approved employers to fund salary costs.</p> <p>The Kickstart programme will be delivered from November 2020 until Dec 2021.</p> <p>A review has been undertaken on the above project with the following findings:</p> <ol style="list-style-type: none">1) Total programme costs are estimated to be £0.172m.2) No match funding is required from Sandwell MBC.3) Project activities fit with the funding criteria.4) A breakdown of costs has been provided and appears reasonable.5) The project offers value for money as no match funding is required from Sandwell MBC, although option analysis has not been undertaken.6) The terms and conditions of grant funding will need to be complied with and passported to businesses receiving Kickstart funding.7) Procurement for the project will need to be in accordance with the Council's financial regulations.8) The project will be managed by the Senior Manager – Employment.9) Outputs and outcomes have been identified.10) A project plan has been provided.11) A corporate Risk Register has been provided.12) The project will positively contribute to Sandwell's Vision for 2030.13) VAT/tax implications will need to be assessed following receipt of grant terms and conditions.14) There are no strategic asset implications.

15) There are no state aid implications.

Recommendations

1. That the submission of an application for funding of £0.172m to the Department for Works & Pensions for the delivery of work placements for unemployed young people be retrospectively approved.
2. That terms and conditions of grant funding are adhered to.
3. That procurement for the project is in accordance with the Council's financial regulations.
4. That contracts are entered into with employers to reflect and pass on grant requirements, in order to mitigate the risk to the authority.

Signed:

Date: