

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4467
Author:	Alex Reader
Department:	Growth and City Development
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Subject:	Local Match for the Nottm Works 4You project
Total Value:	58,224 over 3 financial years (21-22, 22-23, 23-24) (Type: Revenue)
Decision Being Taken:	To use £58,224 of Economic Development's income from the NCC Procurement Levy over 3 financial years (21-22, 22-23 & 23-24) to provide the Local Match funding to add additional roles to the Nottm Works 4You project.

Reasons for the Decision(s)

In September 2021, three delivery partners on the ESF funded NW4Y project pulled out of the project partnership. This meant NCC had to submit a Project Change Request (PCR) to DWP, including an updated delivery partner list, expenditure and delivery profile. NCC invited organisations working in the Employment & Skills agenda in the City to join the partnership. Five new Organisations have been engaged and have been in the PCR. After adding these replacement partners into the project it did not utilise the total salary budget (and ESF funding) agreed in the existing Funding Agreement. In order to access the total available ESF funds, NCC is able to increase its own delivery and management capacity by adding the two additional roles below into the project Claim. The funding for the posts will be met through income already received through the NCC Procurement. As per existing NCC procurement levy policy, contractors are required to pay a 1% levy contribution back to the Council. This Levy income (£100k pa) can only be used to fund the delivery of Employment and Skills related activity within Nottingham City. The two posts are:

1. **Careers Strategy Manager** (including 20% of their salary costs in the project from Jan 2022 to Dec 2023). This existing role is already involved in the management of the project, as the post-holder manages the Futures NEET contract which is used to match fund the Futures staff who provide support to 16-18 year old NEET residents. In the original project structure there was no capacity to include this post in the project claims. By adding a proportion of this role to the project, NCC can access an ESF contribution to the costs of this role, thereby reducing the overall cost to NCC for employing this post. Providing £11,089 in Local Match from the Procurement levy over three financial years, would enable to draw down an equivalent contribution from ESF funds as well as an additional contribution of £2,218 for Overheads. This contribution of £13,307 would be off-set against the ongoing costs of employing this post holder and enable them to continue to work on related Careers Strategy activities up to the end of 2023.
2. **Employer Engagement & Apprenticeship Officer** (including 100% of their salary costs in the project from Feb 2022 to Nov 2023). Adding this post to the project would increase the capacity within the Nottm Jobs Service to engage more local employers in employment and skills activities, including working with them to create additional roles and to recruit City residents (particularly those in vulnerable and priority groups) into their vacancies. This type of employment and skill activity is one that the Economic Development Service needs to deliver using its annual contributions from the NCC Procurement Levy. By including this role in the project, NCC would need to provide 50% of the salary costs (£43,085) over three financial years (22 months). The other 50% would be provided using the available ESF funds (£43,085). In addition to this, NCC would draw down an additional £4,567 in Overheads. The net cost to NCC in employing this additional post to support employment & skills activity for 20 months would be £38,518, compared to £86,169 if the post were not included in the NW4Y project. Adding these two roles to the project, not only allows NCC to access ESF contributions to salary costs and overheads, it also enables NCC to submit a PCR which maintains the Contract Value and delivery targets in the existing Funding Agreement. This means 100% of the ESF funds secured for this project can be accessed and the target of supporting 4,908 NEET and unemployed City residents to progress into employment, education and training can be delivered.

Briefing notes documents:

Portfolio Holder Decision - Local Match for NW4Y appendix.pdf

Other Options Considered:

Not using the Procurement Levy income to provide match funding for these two roles This option was rejected for the following reasons. 1. Not including these additional posts in the PCR, would mean that NCC could not maintain the current Project Value & Targets. This would mean that ESF funds already allocated to support NEET and unemployed City residents would not be accessed. Fewer NEET and unemployed City residents would be engaged onto the project. The time taken for the PCR to be appraised and approved by DWP would increase as a reduction to the agreed Contract Value and targets would mean that the PCR application need to go to the full DWP appraisal process (inc. Value for Money calculations etc). Allowing for a longer appraisal and approval process would mean new partners would not be able to join in Feb 22 as planned. A later start date for these partners, would mean a greater reduction in the Contract Value (and ESF funds) and even fewer NEET and unemployed City residents could be engaged and supported. There is also a risk that DWP would not approve a PCR with a reduction in Project value or targets. Delaying the planned Feb 22 start for the new partners, would mean that there would be less time for the partners to be on the project and to deliver the project targets. In the meantime, the project would continue to fall behind profile (as 3 partners have left the project. DWP could put the project on Performance Improvement during this period. This is the first step on the Performance Underperformance methodology which could ultimately lead to financial clawback) 2. This type of employment and skills activity would still need to be funded through the Procurement Levy income. By not including these posts in the NW4Y project, NCC would need to meet 100% of the salary costs associated with delivering the levy activity and get no contributions to the overheads from ESF funding

Background Papers:

None

Published Works:

None

Affected Wards:

Citywide

Colleague / Councillor Interests:

None

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

<p class="MsoNormal" style="margin-bottom:0cm;line-height:normal;mso-layout-grid-align:none;text-autospace:none">It is well documented that crime and disorder increases when unemployment rises. As this project is aimed at reducing youth unemployment, it will have a positive impact on reducing criminal and anti-social behaviour in the City. By not including these role on the project, fewer NEET and unemployed young City residents would be supported to progress into EET.

Equality: EIA not required. Reasons: EIA not required. Reasons: The NW4Y already has an Equality Implementation Plan that ensures all priority groups are considered in the delivery of the project. The project has targets for minimum numbers of participants from priority groups that must be engaged(including female participants, those from BAME communities, those with disabilities, those from single adult households)

Decision Type: Portfolio Holder

Subject to Call In: Yes

Call In Expiry date: 14/12/2021

Advice Sought: Legal, Finance, Human Resources

Legal Advice: This proposal seeks approval to use £58,224 funding from the Procurement Levy Fund over a 3 year period for the reasons stated in the report. Advice provided by Sarah O'Bradaigh (senior solicitor) on 01/12/2021.

Finance Advice: This decision seeks the approval of drawing down funding to the value of £58,224 from the procurement Levy fund over a period of 3 financial years. The procurement levy is to be used in the manner the author has described. Income from the previous year was carried over and is held in a provision. The current balance of this provision is £160,000. It is expected the drawdown requests will be approximate as follows:

Post 1 Careers Strategy Manager
January - March 21/22 £1,386
April - March 22/23 £5,545
April - December 23/24 £4,158

Post 2 Employer & Engagement Apprenticeships Officer
February - March 21/22 £4,285
April - March 22/23 £25,710
April - November 23/24 £17,140

Both posts include a provision for potential pay increases over the next 2 financial years and therefore the risk of requiring additional funding is mitigated. Advice provided by Michelle Pullen (Commercial Business Partner) on 30/11/2021.

HR Advice:

As outlined, the proposal seeks authorisation to spend £58,224 of income from NCC Procurement Levy over a three year period to cover additional staffing costs, to enable the continued delivery of the Nottingham Works 4You project. The impact of not covering these additional staffing costs would have a negative impact on supporting NEET and unemployed City residents and would mean the Council covering 100% of costs of the roles.

The proposal, if approved, seeks authorisation to use a proportion of this income to cover 20% of the staffing costs for the Careers Strategy Manager role, which will reduce the overall staffing costs for this post to the Council. This post already exists in the structure and the post holder is already covering the duties expected of this project.

The proposal also seeks authorisation to use this income to recruit to 1 x Employer Engagement and Apprenticeship Officer post, on a fixed term contract (FTC) basis until November 2023. This post will be responsible for delivering employment and skills work in the team. There is no capacity in the existing team to fulfil this work.

Any appointment to the temporary post will be on a FTC or secondment basis and in accordance with the Council's recruitment process. Recruitment for the post cannot commence until the post has been established in Oracle Fusion.

Should the FTC be extended, the service will need to be aware of the associated redundancy costs after the employee has been in post for more than 2 years. At this point, the recommendation is for the service to consider making the employees permanent, rather than to continue extending the FTC incrementally. If redundancies need to be made due to reduced fees generated after this time, the affected employees should be consulted with accordingly, in line with the Restructuring Principals and Redundancy Guidelines.

It is understood that a job description already exists for the Employer Engagement and Apprenticeship Officer post which has undergone a job evaluation process and has been evaluated at Grade H.

Recruitment should follow the current protocols, with consideration for the current vacancy freeze and budget/spending controls that are in place. A business case for recruitment is required, with the support of the relevant Director, and all requests should be submitted through the recruitment portal. The post will be considered for redeployment. The service should ensure that their recruitment process is supportive of the Council's Equality, Diversity and Inclusion (EDI) strategy and make every effort to attract a diverse pool of applicants.

Management should be aware that the selected candidates should commence on a starting salary of level one within the respective grade, unless the appointed colleague is already in employment at the Council and currently on Level two of the same grade, in which case the employee would be matched over at the rate of pay they currently receive.

There will need to be a support and development plan for the new post holder once appointed in line with managing performance through the probationary policy.

As the post is initially temporary, an appropriate exit strategy must be in place in order to terminate the contract in line with NCC guidance in the event that the post/funding cannot be made permanent at the end of the FTC. Management will need to ensure appropriate timelines are in place to notify the affected employee and give appropriate notice.

Employees should be referred to redeployment in good time, 12 weeks before the end of contract (end of funding), and supported by management throughout the redeployment process.

Advice provided by Sheena Yadav-Staples (HR Consultant) on 25/11/2021.

Signatures

Rebecca Langton (PH Skills, Growth and Economic Development)
SIGNED and Dated: 03/12/2021
Sajeeda Rose (Corporate Director of Growth & City Development)
SIGNED and Dated: 03/12/2021