

Agenda Item No: -

Report to: Audit Committee

Date of Meeting: 19 January 2011

Report Title: Chief Auditor's Summary Audit and Risk Report

Report By: Tom Davies
Chief Auditor

Purpose of Report

To inform the Audit Committee of recent audit findings of the Future Jobs Fund audit report.

Recommendation(s)

1. That the Audit Committee note the report

Reasons for Recommendations

To monitor levels of control in the organisation.

Summary Reports
Future Jobs Fund
Report to Audit Committee

In 2009 Hastings Borough Council applied to the Department of Works and Pensions for a grant from the Future Jobs Fund and it was successful in being offered up to £812,500 to create 125 jobs for a six month period which provided community benefit for unemployed persons in community. This grant was based on providing £6,500 per person taken on. The grant was to provide jobs throughout the East Sussex area. The intention of the grant was to bring young people and long term unemployed into the employment market.

The initial grant was followed by a further grant for the following six month periods totalling maximum expenditure of £1,488,500. The total funding from the Future Jobs Fund will be up to a maximum of £2.3 million.

Key Findings

The audit has been centred on the first grant which is now coming to its completion. The audit found that the Council as the lead accountable body has complied with the grant conditions well and the project has generally been successful. Although the initial finding of suitable jobs was slow the target set by the DWP was achieved and the projected 125 jobs were created. The financial information was submitted to the DWP in a timely manner and is regularly agreed to the Council's own financial ledger. The DWP have accepted the returns and made payments to the Council based on the information supplied.

The DWP have advised the Council that they will not be carrying out any audits of the fund however all lead authorities will be subject to an assurance visit. This will take place in February 2011. The objective of the visit is to evaluate the outcomes of the project.

The Council uses 2 independent agencies to provide additional support to beneficiaries and monitor the progress and effectiveness of the project. The audit has confirmed that these agencies have interviewed the employees during their six month placements and has the data necessary to adequately evaluate the outcomes of the project.

Currently the Council has projected that there is £45,366 under spent on the first tranche. This is a pattern across the country. Under the terms of the grant any under spend may be reclaimed by the DWP. Officers of the Council are currently confirming that all eligible expenditure is being included in the monthly returns.

Audit Conclusion

Overall Audit Assessment: A – Good.

Financial controls are in place and are working effectively.

Management Response

We agree the recommendation and have started implementation of it.

Wards Affected

None

Area(s) Affected

None

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	Yes
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No

Background Information

The detailed internal audit report on the Future Jobs Fund (January 2011)

Officer to Contact

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