



# Future Jobs Fund

## **Guide to the Future Jobs Fund**

### **What is the Future Jobs Fund?**

The Future Jobs Fund is a fund of around £1 billion to support the creation of jobs for long term unemployed young people and others who face significant disadvantage in the labour market.

The Fund was announced in Budget 2009. As the Future Jobs Fund is a challenge fund, not all organisations that submit bids will be successful. The fund is run by the Department for Work and Pensions (DWP) in partnership with the Department for Communities and Local Government (CLG) and with input from Jobcentre Plus and Regional Government Offices in England.

The Fund aims to create 150,000 jobs. 100,000 will be aimed at 18-24 year olds who have been out of work for nearly a year. Future Jobs Fund forms part of the Young Person's Guarantee. From early 2010, everyone between the ages of 18 and 24 who has been looking for work for a year will get an offer of a job, work experience, or training lasting at least 6 months. We are keen to encourage bids from all areas across Great Britain (England, Scotland and Wales). We are also specifically targeting a further 50,000 jobs in areas of high unemployment.

Of 150,000 jobs created we want at least 10,000 to be green jobs and at least 15,000 to be jobs in social enterprises.

We encourage innovative bids to create jobs and the Government is keen to work with local authorities, social enterprises and charities to turn this important priority into reality for 150,000 people. In our first round of bidding we accepted over a hundred bids that will create up to 47,000 jobs, in various sectors from forestry to social care, helping those who need it most get back into employment.

### **Who can bid?**

Bids can come from anyone, but we have a strong preference for partnership bids involving a wide range of organisations. We expect a significant number of bids to be led by local or sectoral partnerships. But we are also looking to organisations in the third sector and private sector to play their part in creating new, exciting jobs.

In general it is unlikely that bids to create fewer than 30 jobs will be accepted. However, we are committed to helping smaller organisations, including social enterprises, get

involved, and so we strongly encourage such organisations to work in partnership with local authorities and/ or other third sector organisations to develop joint bids. We will continue to refine the bidding processes to ensure that we meet our aims and organisations of all sizes are involved.

## **What are the criteria?**

### **Minimum Criteria**

Each bid will need to demonstrate that:

- it will create additional jobs, lasting at least 6 months, either for long term unemployed young people or people in unemployment hotspots\*;
- the work done will benefit local communities; and
- there will be support for employees to move into long-term, sustained employment.

\* This criteria means that the jobs must be 'additional', meaning they could not exist without this funding; they must be jobs that will be for at least 25 hours a week and paid at least at the national minimum wage; and that they must be suitable for people aged 18-24 and who have been on Jobseeker's Allowance for ten months and/ or for people who live in areas where the claimant unemployment rate is more than 1.5 percentage points above the national average.

The Future Jobs Fund contribution will be a maximum of £6,500 for each job. We welcome bids with a lower unit cost and/ or which make use of other funding streams to supplement Future Jobs Fund funding. All bids are expected to demonstrate value for money by delivering maximum benefit to individuals and communities for the cost incurred.

All partnerships involving a Local or Unitary Authority that are awarded funding in England, are required to develop a Work and Skills Plan by April 2010. In developing bids, local partnerships need to set out an initial worklessness assessment to demonstrate the longer-term benefits the funding will deliver. We are discussing with partners in Scotland and Wales whether any similar requirements should be placed on authorities in those areas.

Bidders should demonstrate that the number of jobs that they are creating takes account of the levels of long-term unemployment, particularly youth unemployment, in areas where jobs will be created. Bidders need to set out a timeline of when and how many jobs will be made available month by month over the length of the period covered by their bid.

### **Qualitative criteria**

Once a bid has passed the minimum requirements, we will take account of a number of quality criteria. These are:

- the fit of the proposed jobs to the local labour market and the expected claimant flow rate;

- how the bid takes account of the needs of the client group;
- how employees will be supported during their job;
- how the jobs will improve employees long-term employability;
- the benefits of the bid to the local community – these should be tangible and over and above the benefits of employment alone; and
- the credibility and quality of the bid – we expect bidders to demonstrate the experience and ability to manage the project from start to finish.

## **How does the bidding process work?**

Bids can be submitted at any time and they will be assessed on a rolling monthly cycle starting on the last working day for each month. Bids which pass the initial assessment are assessed by regional teams, using the qualitative criteria. We aim to notify bidders of whether their bid was successful within 6 weeks of the last working day of the month the bid was submitted.

We expect high quality bids and so we encourage bidders to work with key local stakeholders as they develop their bids. Advice to help bidders prepare their bids is available from the people named in the contacts section of the website. In England these are the named contacts in each of the Regional Government Offices and in Wales and Scotland, these are the named contacts for Jobcentre Plus. There are also specific contacts for some national organisations.

Bids are considered by a number of assessment panels taking advice from experts where necessary. The assessment panel may invite bidders to clarify their proposals before allocations are made. Bids which pass the minimum criteria but are not successful initially will receive full feedback and we would suggest they strengthen their bids and resubmit at a later date.

Bids must be submitted electronically to: [future.jobsfund@dpw.gsi.gov.uk](mailto:future.jobsfund@dpw.gsi.gov.uk) and should strike a balance between providing enough detail for assessors to mark the potential jobs, and only providing information that is directly relevant to the bid.

## **Who gets these new jobs?**

The Future Jobs Fund is set up to provide additional job opportunities to jobseekers and other people on out of work benefits who would otherwise be unable to find work, by ensuring a significant number of people, particularly those aged 18 – 24 who have been unemployed for around 12 months, are able to take up these new jobs.

The Future Jobs Fund is a vital part of the Young Person's Guarantee, although it will also provide much needed and valuable support to other people who have been out of work and on benefit for around a year living in an unemployment hotspot. By 'unemployment hotspot' we currently mean areas where the rate of unemployment on the JSA measure is (using the latest seasonally unadjusted unemployment figures) more than 1.5 percentage points above the national average. The Young Person's

Guarantee will ensure that young and disadvantaged people do not lose touch with the labour market.

## **How will people be matched to places?**

Successful bidders need to meet their commitment to fill the jobs with long term unemployed people. Eligible candidates will be referred to employers by Jobcentre Plus. Wherever possible Future Jobs Fund employers will be encouraged to sign a Local Employment Partnership (LEP) with Jobcentre Plus.

Future Jobs Fund employers are not required to take on any particular individual who is referred to them but are expected to give reasons if they decline to take someone on and to provide feedback on what the individual could have done to be successful in their application.

## **What support will Jobcentre Plus provide?**

Jobcentre Plus will be a key partner in the referral and support process for Future Jobs Fund employers. People will be referred to Future Jobs Fund employers following discussions with their Personal Advisor. Bidders should discuss with Jobcentre Plus whether their bid assumes that any of the jobs created will go to people over the age of 24, particularly in unemployment hotspots. Jobcentre Plus will also be in contact with the employee during month one and three of their job to provide support and advice on future employment.

## **How do we pay employers?**

We are finalising how we will transfer funds to Future Jobs Fund employers, but expect that the funding will be paid partly up front, to cover agreed start up costs, with remaining funds paid over the course of the 6 month job.

## **What are employers required to deliver?**

Employers should deliver jobs according to the parameters of their proposal. This will be set out in an agreement between the lead bidder and DWP, which will be a formal grant letter.

Employers should act as good employers, by delivering the requisite training and support in the workplace and helping the individual find sustainable employment. If bidders wish to apply for Future Jobs Fund resource to fund the first six months of an apprenticeship they will have to demonstrate that the apprenticeship will be paid at National Minimum Wage and that alternative funding will be available to fund the remainder of the apprenticeship.

Bidders need to think creatively about involving a wide range of partners who can deliver additional support to their Future Jobs Fund employees.

Future Jobs Fund employers must offer an exit interview to everyone who leaves a Future Jobs Fund job to assess their experience of the job, and provide them with a reference that captures their performance, attendance record and any skills learnt.

We update our website regularly and actively seek to share best practice and innovative ideas, and to encourage further bids. We recommend that prospective bidders study the guidance and advice available on the Future Jobs fund website before submitting their bid.

If you require more information, or would like to submit a bid, please contact [future.jobsfund@dwp.gsi.gov.uk](mailto:future.jobsfund@dwp.gsi.gov.uk).

## **Disclaimers**

Statements by the Government (whether directly or by its agents or representatives) as to the future process and timing of Future Jobs Fund reflects the Governments current intentions, and the Government reserves the right to vary the bidding procedure and/or timetable by notice in writing, including terminating it altogether.

By issuing this invitation to bid, DWP and CLG are not bound in anyway and do not have to accept any bids. Bidders will not be entitled to claim from DWP or CLG any costs or expenses they incur in preparing bids, whether or not they are successful.

## **Freedom of Information**

Under the Freedom of Information Act 2005 we are required to release details of bids that we receive, below is the information from your bid that we will release or will release with your permission.

### **Information that we will release to anyone:**

- Name of lead partner
- Type of organization (public/private/partnership etc)
- Number of jobs we provisionally agree to fund
- Location of the jobs

### **Information that we will release with specific permission:**

- Other partners (with permission from the lead bidder)
- Contact details (with permission from the lead bidder)
- Whether other funding is aligned (where it is public money i.e. WNF, ESF etc)
- Benefit to the community (with permission of the lead bidder)
- Further details (with permission from the lead bidder)