

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD272

Title: European Social Fund Team London Volunteers - Deed of Variation to City Gateway

Executive Summary:

This ADD seeks approval from the Assistant Director - Intelligence to vary the GLA European Social Fund (ESF) Team London Volunteers into Employment, Education or Training project (approved by MD1304) Grant Agreement with City Gateway to extend the final date that the achievement of Sustained Outcomes (26 weeks) can be counted to 31 March 2016 and approve the use of the current approved GLA budget beyond September 2015 to fund the sustained outcomes achieved from October 2015 to March 2016.

Decision:

The Assistant Director approves:

1. The issue of a Deed of Variation to City Gateway, for the GLA European Social Fund Team London Volunteers into Employment, Education or Training project, which will extend the final date that the achievement of Sustained Outcomes (26 weeks) can be counted to 31 March 2016.
2. The use of the current approved GLA budget beyond September 2015 to fund sustained outcomes (26 weeks) achieved from October 2015 to March 2016 at 50% of the current unit rate stated in the provider's Grant Agreement.

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Andrew Collinge

Position: Assistant Director of Intelligence

Signature:

Date:

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 The GLA ESF Team London Volunteers into Employment, Education or Training (TLVEET) project's lifetime budget of £200,000 (£100,000 ESF funding and £100,000 GLA funding) was approved by the GLA's Investment and Performance Board on 11th September 2013 and by MD1304 (10th January 2014).
- 1.2 DD1194 confirms the allocation of funding within the TLVEET project in accordance with MD1304.
- 1.3 The Programme (two projects allocated £100,000 each) is funded from the existing Team London Programme budget as approved by MD1177 (for information, The Team London budget was approved for a three year period 2013/14 to 2015/16 totalling to £1,697m for this duration) and £100,000 funded from LDA ESF underspend from the LDA's Priority 1.1 ESF 2007-10 Programme.
- 1.4 City Gateway has been awarded £100,000 to deliver one Agreement under the TLVEET project.
- 1.5 Due to delays in project initiation/start up by the provider, the project is underperforming against its original profile and has submitted a re-profile which requests the extension of the project to allow the delivery of 26 weeks sustained outcomes beyond the current ESF programme end date of 30 September 2015.
- 1.6 The GLA is not currently liable to pay any claims in respect of costs incurred, or Outputs or Outcomes achieved, after 30 September 2015. ESF funding would not be available beyond this point; however the GLA does have the option to continue to fund Outputs or Outcomes achieved from the Team London match funding approved to the end of the 2015/16 financial year (March 2016). Outcomes achieved beyond this point would only be funded from the GLA match funding approved under MD1304 and would be payable at 50% of the unit cost stated in the provider's Grant Agreement.
- 1.7 The profile submitted represents a reduction in the lifetime value of the Agreement from £100,000 to £93,269. £86,539 is profiled to be defrayed before the current programme end date of 30 September 2015. £6,731 (50% of unit rate applied) is profiled from October 2015 – March 2016 The budget implications are shown in the table below.

Financial Year	Original Budget	Proposed Budget	Variance
2014/15	£82,770	£57,290	-£25,480
2015/16 (April - September 2015)	£17,231	£29,249	£12,018
2015/16 (October - March 2016)	£0.00	£6,731	£6,731
Total	£100,000	£93,269	-£6,731

- 1.8 The re-profile does not constitute a reduction in the lifetime targets or the conversion rates the Project was contracted to deliver. As a result of a proportion of outcomes being funded at 50% of unit cost, the project is profiled to achieve greater value for money with a reduction in the project's overall unit cost from £1,538 to £1,435 which represents a £104 reduction per 26 week sustained outcome.

The change in outputs/outcomes are shown in the table below.

Output/Outcome	Outputs/Outcomes delivered within current programme end date (ESF & match funded)		Outputs/Outcomes delivered beyond current programme end date (match funding only)	Lifetime	Variance from Original Targets
	2014/15	2015/16) (April to September 2015)	2015/16 (October 2015 - March 2016)		
Participants commencing on the project	124	0	0	124	0
Participants filling volunteering opportunities	124	0	0	124	0
Bonus for filling 100 volunteering opportunities	1	0	0	1	0
Participants entering employment	46	28	0	74	0
Participants entering education or training	5	4	0	9	0
Participants sustaining employment, education or training for 26 out of 32 weeks	0	40	25	65	0

2. Objectives and expected outcome

2.1 The objectives of the TLVEET project remains as agreed in MD1304; to assist Londoners to progress into sustained Employment, Education and/or Training (EET).

2.2 The objective of the amendments to the Grant Agreement is to maximise the outcomes that can be achieved and reported within the confines of the current grant eligibility and evidence guidelines, and within the current budget allocation, therefore increasing the potential number of participants supported by the programme, to increase the potential number of outcomes for participants, and to increase the volume of outcomes that the GLA can report to Department for Work and Pensions under the GLA Co-Financing Beneficiary Agreement.

3. Equality comments

- 3.1 The proportional targets agreed with project Delivery Partners in the original agreements remain unaltered, and projects are required to report against equality characteristics for disability, gender and ethnicity. The grant agreement requires that delivery partners must comply with all applicable existing and future equal opportunities laws, regulations and guidance, and GLA guidance in relation to race, nationality, ethnicity, disability, gender, sexual orientation, age, religion or belief.

4. Other considerations

a) Links to strategies and Mayoral and corporate priorities

The project directly contributes to the delivery of the Mayor's key strategic objectives of:

- Increasing youth opportunities
- Creating opportunity and equal life chances for all Londoners.
- Building on the legacy of 2012 Games volunteering so that it continues into 2013 and beyond

b) Impact assessments and Consultation

Consultation has taken place with Team London who have agreed to the request for the changes being made. The budget impact per year has been communicated to Finance in the Q3 forecasts recently provided and the carry forward of funds from 2014/15 to 2015/16 will be processed in line with the normal year end procedure.

c) Risk

The delivery risks remain as they are in the current programme in that targets will continue to be challenging due to the nature of the target groups. The proposed amendments seek to enhance outcome achievement, and do not adversely affect current arrangements; therefore no additional risks or issues have been created.

The project is funded on an outputs related basis therefore any funding released would be based on actual achievements.

5. Financial comments

- 5.1 DD1194 approved grant funding of up to £100,000 to City Gateway for the ESF Team London Volunteers into Employment, Education or Training project, to be funded 50:50 by GLA's Team London programme budget and ESF funding via DWP.
- 5.2 For reasons provided in the main body of this report, approval is now being sought to issue a deed of variation to extend the date of the funding agreement from 30 September 2015 to the 31 March 2016. This also includes a reduction in the lifetime value of the agreement from £100,000 to £93,269, a gross reduction of £6,731.
- 5.3 As detailed in paragraph 1.6, ESF funding is not available for beyond the original programme end date of the 30th September 2015, and therefore the £6,731 profiled into the extension period (Oct to Mar 2016) as per paragraph 1.7 would have to be wholly funded by the GLA, specifically from the original Team London match funding approved for the programme (as approved by MD1304 and DD1194).
- 5.4 It should be noted, the entire gross budget for this programme is currently accounted for within the 2014-15 accounts and given that there will be project slippage for both projects approved by DD1194, a budget carry forward request will be made at year-end which will be dependent on the final outturn position for the programme in 2014-15 and will be subject to the Authority's closing of

accounts process. If the carry forward request is not approved, the GLA match funding will have to be contained within budget provision allocated to Team London in 2015-16.

- 5.5 Any changes to this proposal, including budgetary implications will be subject to further approval via the Authority's decision-making process. All appropriate budget adjustments will be made.
- 5.6 The ESF Delivery Unit in liaison with the Team London Unit (Communities & Intelligence Directorate) will be responsible for managing all activities relating to this programme and ensuring all expenditure complies with the Authority's Financial Regulations, Contracts & Funding Code and Funding Agreement Toolkit.

Appendices and supporting papers:

MD1304 Team Young Volunteers into Employment

DD1194 - Team London Volunteers into Employment, Education or Training project

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? YES

If YES, for what reason:

Subject to approval of this ADD, the GLA will be required to issue a variation to the provider’s original Grant Agreement. Publication of this ADD should be deferred until the Deed of Variation has been executed.

Until what date: (a date is required if deferring) 16 March 2015 or upon execution of the Deed of Variation (whichever is sooner).

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Sandeep Duggal has drafted this report in accordance with GLA procedures and confirms that the Finance team have commented on this proposal as required, and this decision reflects their comments.

✓

HEAD OF GOVERNANCE AND RESILIENCE:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:

Date: