

<b>Title of Report:</b>	<b>Labour Market Partnership (LMP) Audit 2022/23</b>
<b>Committee Report Submitted To:</b>	<b>Audit Committee</b>
<b>Date of Meeting:</b>	<b>14<sup>th</sup> June 2023</b>
<b>For Decision or For Information</b>	<b>For Information</b>

<b>Linkage to Council Strategy (2019-23)</b>	
<b>Strategic Theme</b>	Improvement and Innovation
<b>Outcome</b>	Expenditure Certified
<b>Lead Officer</b>	Audit, Risk & Governance Manager
<b>Cost: (If applicable)</b>	n/a

<b>Budgetary Considerations</b>	
Cost of Proposal	n/a
Included in Current Year Estimates	<b>YES/NO</b>
Capital/Revenue	Revenue
Code	n/a
Staffing Costs	Internal Staffing Cost to Complete

<b>Screening Requirements</b>	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	Yes/No	Date:
	EQIA Required and Completed:	Yes/No	Date:
Rural Needs Assessment (RNA)	Screening Completed	Yes/No	Date:
	RNA Required and Completed:	Yes/No	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	Yes/No	Date:
	DPIA Required and Completed:	Yes/No	Date:

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## Executive Summary

This internal audit was completed in accordance with the financial regulations as determined by the Department for Communities (DfC) for the 2022/23 financial year. The Labour Market Partnership (LMP) is a collaboration and partnership approach to help individuals develop new skills and provide access to training to improve their employability funded 100% by DfC.

The Causeway Coast and Glens Borough Council LMP was established during the 2021/22 financial year, and this is the second year of the partnership working. An action plan 2023-24 had been developed however on the 9<sup>th</sup> May 2023 DfC wrote to the LMP chair informing Council of the proposed pause of 2023/24 funding. Currently the funding for this partnership is not secure and Council will receive 25% of their budget for this year with no guarantee of any future funding.

This report summarises the findings arising from a review of the Labour Market Partnership (LMP). A limited number of recommendations have been included within this report where controls could be enhanced however due the uncertain future Internal Audit has not considered the outcomes of the LMP in detail. The following table summarises the total number of recommendations from our audit (all recommendations being accepted by management):

Risk	Number of recommendations & Priority rating		
	1	2	3
There may be inadequate arrangements in place to ensure that the LMP complies with its statutory functions and with Council's requirements.	-	2	1
There may be insufficient procedures in place to ensure that funding applications are appropriately assessed resulting in funding being allocated to activities or organisations which do not meet the LMP's objectives	-	-	-
Insufficient documentation may be maintained on file as evidence that the project was completed in accordance with the original application and LMP objectives have been achieved	-	-	-
There may be inadequate reporting and monitoring of the LMP, leading to potential reputational damage to the LMP and Council	-	-	-
<b>Total recommendations made</b>	<b>-</b>	<b>2</b>	<b>1</b>

Based on audit testing we are able to provide the following levels of assurance:

Internal audit confirms that the expenditure incurred is accurately stated and has been spent for the purposes intended and in line with the conditions of the grant. With regard to the level of assurance in relation to the system of governance, risk management and controls of the Labour Market Partnership any opinion on this would be **satisfactory**.

The weaknesses identified during the course of our audit have been brought to the attention of Management. The weaknesses outlined are those, which have come to our attention during the normal audit work and are not necessarily all the weaknesses, which may exist. The content of this report has been discussed with the Chief Officer to confirm factual accuracy. The assistance and cooperation received during the course of our review is gratefully acknowledged.

## Objective

The main objective of the audit was to review the key systems and controls in relation to the management of the Labour Market Partnership (LMP) that have been established by the Council.

*This report has been prepared for the Members of Causeway Coast and Glens Borough Council and should not be disclosed to any third party, quoted or referred to without prior written consent of the author.*

## Background

Employability NI is the Department of Communities (DfC) new approach to providing support services for unemployed individuals seeking to get back into work. Each Council will develop and introduce a 'Labour Market Partnerships' (LMP) with the aim of creating new jobs and meet the needs of employers within the Borough. The design of local action plans is to:

- Deliver a reduction in economic inactivity and long-term unemployment to bring NI closer in line with UK rates;
- Provide increased support for those with health conditions (esp. mental health) and disabilities; and
- Create a mechanism for government to collaborate with Councils and other Departments to offer local solutions.

One of the key elements of the programme design was the proposal to create 'Local Inclusive Labour Market Partnerships' in each council area. They intend to:

- Provide leadership and lead on the integration of services.
- Develop local area plans including setting targets for performance;
- Manage devolved funding and its delivery; and
- Manage arrangements for the evaluation of local interventions.

The new employment offer devised under Employability NI includes a LMP for delivery in each of the 11 Councils districts with a regional LMP to oversee the work of the 11 Local LMPs. The aim of the LMP is to improve employability outcomes and labour market conditions locally by working through coordinated, collaborative, multiagency partnerships engaged in the provision of employability services to co-design and co-commission employability interventions.

## Risks

The risks identified relating to the audit of the park management and agreed with management are as follows:

- There may be inadequate arrangements in place to ensure that the LMP complies with its statutory functions and with Council's requirements.
- There may be insufficient procedures in place to ensure that funding applications are appropriately assessed resulting in funding being allocated to activities or organisations which do not meet the LMP's objectives

- Insufficient documentation may be maintained on file as evidence that the project was completed in accordance with the original application and LMP objectives have been achieved
- There may be inadequate reporting and monitoring of the LMP, leading to potential reputational damage to the LMP and Council

## Audit Approach

Our audit fieldwork comprised:

- Documenting the systems via discussions with key staff
- Consideration of the key risks within each audit area
- Examining relevant documentation
- Carrying out a preliminary evaluation of the arrangements and controls in operation generally within the Council
- Testing the key arrangements and controls
- Testing the completeness and accuracy of records

The table below shows the staff consulted with and we would like to thank them for their assistance and co-operation.

Job title
Director of Leisure and Development
Head of Prosperity and Place
Labour Market Partnership Manager
Strategic Project Officer (SPO)

## Findings and Recommendations

This section of the report sets out our findings in relation to control issues identified and recommendations.

### 6.1 LMP budget used to fund infrastructure for the NI Air Show

#### Issue 1 – LMP budget used for Air Show Event

**a) Observation-**

The budget presented for the 2022 NI Airshow included Labour Market Partnership (LMP) income amounting to £50,000 from LMP funding. On review of the Causeway Coast & Glens Labour Market Partnership Action Plan for 2022-23 there is no mention of part funding the costs of marquee hire at the NI AirShow or any amounts included within the LMP action plan in relation to this event.

The actual expenditure incurred by the LMP in relation to the NI AirShow was as follows:

Marquee Hire for STEM tent at NI Airshow (2022)	£17,045
LMP Events Co-ordinator	£4,431
NI Airshow Marketing Banners and foam board	£175

Preparation of Marquee prior to cancellation	<u>£250</u>
<b>Total Expenditure</b>	<b><u>£21,901</u></b>

The cost for the marquee hire for the STEM tent was charged £8,522 (50%) to SP2.7 Apprenticeship Alert and £8,947.50 (50% including £175 + £250 above) to SP3 Employability NI.

The breakdown of the budgets for SP2.7 and SP 3 as per the LMP action plan does not include reference to this event or another event of this nature. It is difficult to determine how the LMP strategic outcomes can be achieved when spending the LMP budget on the hosting of a marquee at the NI Airshow. NI Airshow infrastructure costs should be incurred by the corporate Council and LMP can certainly make use of the space available to promote STEM within the Borough.

The strategic priorities (SP) of the LMP which are as follows:

SP1 - To form and successfully deliver the functions of the local Labour Market Partnership for the area.

SP2 - To improve employability outcomes and/or labour market conditions locally –

SP3 - To support delivery of Employability NI

It is acknowledged that the cancellation of the NI Air Show was unavoidable however even if the event had occurred it is difficult to determine how the objectives of the LMP would have been achieved with such a large amount of the budget incurred for the hire of a marquee. The Letter of Acceptance from DfC clearly states that funding will be wholly, exclusively and necessarily incurred in running the activities of the LMP as detailed in the LMP Partnership Plan and budget schedule.

**b) Implication-** There is a risk that the objectives of the Labour Market Partnership may not be achieved with the amount of funding allocated to one event within the Borough.

**c) Priority Rating-**  
2

**d) Recommendation-**

The role of the LMP should become more established and its credibility developed amongst stakeholders as a purposeful entity. The partnership should have a primary focus on employability supports for the economically inactive and the newly unemployed. It should observe and support the various initiatives coming forward from DfC and then it should evolve quickly to co-design and deliver programmes with local insights at the core of their objectives.

If funding is to be provided to the delivery of an event this should be within Departmental guidance and included within the LMP partnership plan and budgeting schedule prepared.

**e) Management Response-**

**Accepted** – the LMP team will try and identify future events in advance but there will be occasions where events won't be planned/known at the time of signing-off on the annual LMP Action Plan. However, the LMP team will endeavour to identify all related events within the Plan before submission to DfC for approval.

Explanation

The primary focus of the LMP is employability support for the Economically Inactive and Unemployed. Other priority themes in the 2023/24 Action Plan include addressing Skilled Labour Supply, Youth Unemployment and Disability Unemployment.

Similarly, in 2022/23 the four priority themes for the LMP Action Plan were:

1. Employability supports for the economically inactive/long term unemployed.
2. Addressing the future skills deficit.
3. Programmes to be delivered in response to the rise in claimant numbers, due to redundancies caused by the COVID pandemic.
4. Increase awareness of employability and skills programmes.

The programmes that funded the Airshow STEM Careers and Apprenticeship Village were SP2.7 and SP3.

- SP 2.7 Apprenticeship Alert was funded under the 'Addressing the future skills deficit'.
- SP 3 To support delivery of Employability NI was funded under the 'Increase awareness of employability and skills programmes' theme.

The marquee for the Airshow STEM Careers and Apprenticeship Village was significantly larger than previous years, and included a section for STEM demonstrations, but also STEM Careers information and STEM Apprenticeships. This also included a STEM speaker schedule.

KPIs to be measured by partners and exhibitors in the Village related to enquiries and referrals to regional programmes including Apprenticeships, Higher level Apprenticeships, Traineeships, FHE courses, Skill Up, Skills Focus and other programmes. This data would've included their residential location to enable LMP to monitor CCAG resident support. Due to the cancellation of the event it was not possible to capture this data.

Moving forward, in addition to the Airshow STEM Careers and Apprenticeship Village, consideration will be given to engaging with schools and colleges prior to the Airshow. This will include aeronautical themed STEM activities. Consideration will also be given to engaging and delivering STEM activities with other suitable local events. Additionally, consideration will be given to engaging with local employers and businesses to promote the STEM agenda at such events.

Whilst the Airshow was not specifically mentioned in the Action Plan, it does make reference to co-hosted events in SP3 with £15,000 budget for Upskilling / Retraining in STEM priority sectors promotion.

It is also worth noting that if the Airshow STEM Careers and Apprenticeship Village in Sept 2022 was not taken forward a LMP activity then the marquee used could have been cancelled and no cost incurred.

As a result of the LMP support and modelling, the STEM tent evolved considerably with much greater progression of attendees to STEM related courses, apprenticeships and careers.

**Responsible Officer & Implementation Date-** Head of Prosperity & Place

## 6.2 LMP options paper for Elected Members Consideration

### Issue 2 – Consideration of continued funding for the Labour Market Partnership

**a) Observation-**

On the 9<sup>th</sup> May 2023, the Department for Communities (DfC) wrote to the LMP chair informing the Council that:

‘The Department will be unable to fund Labour Market Partnerships (LMPs) beyond the first quarter of this year. Effectively LMPs will receive 25% of their budget for this year with no guarantee of any future funding.’

*The correspondence states:*

‘The Department’s LMP team will be making contact with local LMPs to begin the process of planning for the pausing of LMP activity. I expect there will be a tail of expenditure in 2023/24 that the Department will meet from within the limited budget available for LMPs.

The LMP for Causeway Coast and Glens Borough Council have suggested to DfC that the 25% of the 2023/24 budget be allocated for salaries over 2023/24 to allow for no cost / low-cost work to progress across the Borough. The Council awaits a response from DfC in relation to its proposal.

**b) Implication-** In the absence of a Council LMP or skills section within Council there is a risk that Council may not achieve its economic statutory indicators.

**c) Priority Rating-**  
2

**d) Recommendation-**

In the absence of funding guarantees from the Departmental for Communities (DfC) for the Local Labour Market Partnership (LMP) consideration should be given by the Senior Leadership Team (SLT) for the presentation of an options paper to Elected Members. Council may choose to fund the shortfall of funding for the LMP, Council may decide to fund the salaries element of the LMP to the end of 2023/24 or Council may choose to end the LMP in its entirety.

Internal audit recommends that a proposed options paper is presented to the Elected Members at the earliest opportunity informing them of the current uncertainty surrounding the funding of the LMP. The LMP should explore the other Departmental grant funding schemes that could be considered in the delivery of some skills programme for example the Peace Plus scheme. Consideration may be given to funding the LMP in the short term (3 months) until the uncertainty surrounding funding is definite.

**e) Management Response-**

**Accepted** – Consideration will be given by the Senior Leadership Team (SLT) for the presentation of an options paper to Elected Members. This cannot be undertaken until after DfC’s Equality Impact Assessment of the LMP has been completed and the Department has provided final confirmation regards its position on the budgetary cuts to LMP funding.



**Explanation**

A 'low cost no cost' proposal has been submitted to DfC with a plan to spend the 25% over the full financial year. This includes covering 1.5 of the LMP salaries. This has not been approved by DfC.

Funding from DfE has been accrued and DfE have approved funding 0.5 of the LMP officer role with the remainder being used towards skills projects.

The Head of Prosperity & Place will also continue to monitor and identify support to the LMP from complimentary programmes identified in the Prosperity & Place 2023/24 Business Plan. The LMP manager is also co-designing projects with colleagues within Council.

The LMP team are in discussion with local colleges re accessing Skill Up funding to co-design and deliver academies and programmes.

When the above points are fully explored and clarified it will be more appropriate to consider an options paper which will have more appropriate options and alternatives for Council to consider.

**Responsible Officer & Implementation Date-** Head of Prosperity & Place

## 6.3 Conflict of Interest declarations for key stakeholders

### Issue 3 Conflict of Interest Declarations

**a) Observation-**

Audit notes that Declarations of interests are completed by all staff and stakeholders who are independent members of the LMP. Audit noted occasions when declarations of interest received were not be complete, with personal interests/relationships not being disclosed on these forms.

**b) Implication-**

There is a risk that declarations of interest may be incomplete and therefore that potential conflicts are not being appropriately managed.

**c) Priority Rating-**

3

**d) Recommendation-**

It is recommended that the LMP manager and officer reviews the declarations of interests received and confirm with the members of LMP that they are complete. If necessary LMP staff should provide a prompt to the individual concerned to ensure that the conflict of interest declaration is complete and correct.

If funding is secured for the LMP consideration should be given to the roll out of training around declarations of conflicts of interest for independent members/stakeholders of the LMP.

**e) Management Response-**

**Accepted** - With immediate effect the LMP Manager and/or the Chair of the Meeting will be more assertive with prompts, especially if they believe a conflict exists which is not correctly declared.

The nature of 'local lens' partnerships such as the LMP is that conflicts of interest arise frequently. LMP Members are asked to declare Conflicts of Interest at each meeting, and this is always an agenda item. Additionally, members all complete a Conflicts of Interest Register when they become a member, and annually thereafter.

Conflict of interest training was given to members on the inaugural LMP Meeting on 5<sup>th</sup> August 2022. Additional training will be organised with Members in Quarter 2 2023.

**Responsible Officer & Implementation Date-** Head of Prosperity & Place

## Conclusion

The internal control environment, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems. These include but are not limited to the possibility of poor judgement in decision – making, human error, control processes being deliberately circumvented by employees and others, management overriding of controls and unforeseen circumstances arising.

The risk associated with the Labour Market Partnership achieving its strategic objectives is considered to be low. It is important that a Partnership is formed at the earliest opportunity to allow for the timely roll out of schemes and initiatives on the ground.

As a result of the audit, senior management have been reminded of their statutory obligations in relation to the establishment and oversight of Causeway Coast and Glens Labour Market Partnership. Internal Audit has made 3 recommendations, 2 at medium and 1 low priority.

The recommendations have been accepted by management and procedures put in place to address the issues.

## **Appendix I: Definition of Assurance Ratings and Hierarchy of Findings**

### **Satisfactory Assurance**

Evaluation opinion: Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.

### **Limited Assurance**

Evaluation opinion: There are significant weaknesses within the governance, risk management and control framework which, if not addressed, could lead to the system objectives not being achieved.

### **Unacceptable Assurance**

Evaluation opinion: The system of governance, risk management and control has failed or there is a real and substantial risk that the system will fail to meet its objectives.

### **Hierarchy of Findings**

This audit report records only the main findings. As a guide to management and to reflect current thinking on risk management we have categorised our recommendations according to the perceived level of risk. The categories are as follows:

**Priority 1:** Failure to implement the recommendation is likely to result in a major failure of a key organisational objective, significant damage to the reputation of the organisation or the misuse of public funds.

**Priority 2:** Failure to implement the recommendation could result in the failure of an important organisational objective or could have some impact on a key organisational objective.

**Priority 3:** Failure to implement the recommendation could lead to an increased risk exposure.

## **Appendix II: Limitations and responsibilities**

### **Limitations inherent to the internal auditor's work**

We have undertaken this review subject to the limitations outlined below:

#### **Internal control**

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

#### **Future Periods**

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- The design of controls may become inadequate; or
- The degree of compliance with policies and procedures may deteriorate.

### **Responsibilities of management and internal auditors**

It is management's responsibility to develop and maintain sound systems of risk management, internal control, and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist.

## Appendix III: Summary of Key Controls Reviewed

Risk	Control issues
<p>There may be inadequate arrangements in place to ensure that the LMP complies with its statutory functions and with Council's requirements.</p>	<ul style="list-style-type: none"> <li>• The LMP has a terms of reference.</li> <li>• Members and staff receive training to understand the role of the LMP</li> <li>• An action plan has been developed for the LMP to ensure it fulfils its statutory roles and objectives</li> <li>• The LMP has a mechanism for gathering the views of and engaging with the public and other stakeholders</li> </ul>
<p>There may be insufficient procedures in place to ensure that funding applications are appropriately assessed resulting in funding being allocated to activities or organisations which do not meet the LMP's objectives</p>	<ul style="list-style-type: none"> <li>• A register of funding provided by the LMP to external bodies or groups is maintained</li> <li>• Open calls for applications for funding are made and evidence of advertising is retained for audit purposes</li> <li>• Clear criteria are available as guidance for applicants</li> <li>• Funding applications are made in writing and providing sufficient detail</li> <li>• Applications received after the designated deadline are not accepted</li> <li>• Where procurement staff are involved in a LMP funded project the appropriate Council Procurement policies have been adhered to</li> <li>• Procurement assessment panel guidelines have been followed where a tender process has been completed</li> <li>• Those assessing funding applications declare all interests (including details of any gifts or hospitality received) prior to the assessment process - this is subject to an audit recommendation</li> <li>• Funding applications are assessed in accordance with the set criteria and approval by the LMP is documented before funding is issued - this is subject to an audit recommendation</li> <li>• Letters of Offer are held on files together with an applicant's acceptance where applicable</li> <li>• Letters of rejection are held on files where applicable</li> <li>• Funding claims are processed in a timely manner by the LMP</li> <li>• Other funding schemes are researched to identify any funding provided to applicants for the same project to prevent duplication of funding</li> <li>• Government Grant Database is updated to include details of new funding issued by LMP - this is subject to an audit recommendation</li> </ul>
<p>Insufficient documentation may be maintained on file as evidence that the</p>	<ul style="list-style-type: none"> <li>• LMP Financial Guidelines are adhered to for all funding awarded</li> <li>• Supporting documentation is held on file to demonstrate that expenditure claimed is eligible and</li> </ul>

Risk	Control issues
project was completed in accordance with the original application and LMP objectives have been achieved	<p>approval has been received – this is subject to an audit recommendation</p> <ul style="list-style-type: none"><li>• Project monitoring procedures are in place to ensure the conditions of the letter of offer have been met and LMP objectives have been achieved -this is subject to an audit recommendation</li><li>• Supporting evidence is obtained as proof that projects were completed in accordance with the original application (e.g., photographs, leaflets, site visits)</li></ul>
There may be inadequate reporting and monitoring of the LMP, leading to potential reputational damage to the LMP and Council	<ul style="list-style-type: none"><li>• Regular monitoring of progress against a LMP action plan is completed and progress is reported to the LMP members - this is subject to an audit recommendation</li><li>• Progress is reported to the Council</li><li>• Progress is reported to the Department for Communities</li><li>• LMP meetings are documented, and actions agreed are followed up</li></ul>

## **Appendix IV: Minor points for the consideration of management**

Internal audit did not identify any minor points during this audit which they wish to raise for the consideration of Management.

## Appendix V: Prior Year Internal Audit Recommendations

### Issue 1 - Establish a Labour Market Partnership

#### a) Observation-

Grant Thornton developed a Causeway Coast & Glens Labour Market Partnership Action Plan in August 2021. The LMP action plan sets out:

- Findings from the consultations
- Findings from the statistical audit
- Strategic Context

The purpose of the Causeway LMP action plan is to support NI initiatives, ensure that local knowledge and insights are 'surfaced' and develop solutions based on local context.

The following five actions have been identified within the LMP action plan:

1. Establish a Labour Market Partnership
2. Deliver comprehensive labour market intelligence and job matching
3. Labour market activation
4. Improve employability and skills through lifelong learning
5. Co-design/support intervention measures

It was envisaged that DfC would be providing 100% funding on an annual basis to deliver upon the Causeway Labour Market Partnership. At the time of this audit (May 2022) the Causeway Labour Market Partnership has not yet been established within Council. Audit understands that this delay is due to the collapse of the NI Executive and Councils concern in relation to the funding deficit identified. The Department wrote to Council on the 29<sup>th</sup> March 2022 to confirm that the LMPs will be treated as a priority funding area in the 2022-23 financial year. The Department had been working based on a £7m budget in 2021-22 for all 11 partnerships and confirmed that as a minimum the Department will operate with an indicative LMP Budget of £5.5m in 2022-23. In the event the NI Executive is not re-established there is a risk that to deliver the full suite of initiatives planned, the Council would have to make up the 20% shortfall in funding identified (approximately £198k) or scale back the projects to be implemented for 2022-23.

In the interim Council have been using existing staff resources who have supported the process in the absence of a partnership. These staff have procured an action plan for 2021/22 and 2022/23. There may be an expectation from the Department that LMPs will ensure seamless development and delivery of partnership plans, from the start of 2022/23. No programmes have been delivered for 2021/22 therefore audit has no recommendations in relation to the development or implementation of any initiatives under this scheme.

#### b) Recommendation-

In the absence of a formal Causeway Labour Market Partnership, the Workforce Development Forum has been acting in an interim basis to perform the functions identified by the Department. Audit recommends that urgent and careful consideration needs to be given by the Council for the establishment of the Local LMP in the absence of the NI Executive and consideration given to the potential funding shortfall identified to deliver the actions identified in the LMP Actions Plans.



The delay in establishing a LMP will inevitably have a knock-on effect of the delivery of a number of the key activities identified within the LMP action plans.

**Follow up comment-** The LMP Manager commenced in role on 13th June 2022. The inaugural LMP Members meeting was on 5th August 2022.

## Issue 2 – Governance of Labour Market Partnership (LMP)

### a) **Observation-**

Within the Departments financial guidelines for Local Labour Market Partnerships the financial responsibilities of the Council and Local LMP are detailed. These require Council on behalf of the Labour Market Partnership to ensure have effective Corporate Governance and Risk Management procedures in place for the Labour Market Partnership which are confirmed to the DfC in the Councils Letter of acceptance of funding.

These require the Partnership to have adequate professional indemnity insurance in place to cover the responsibilities associated with the operation of a Labour Market Partnership.

### b) **Recommendation-**

Audit recommends that once established the Partnership procures the necessary insurance as required by the Department and the Councils Insurance Officer. Training to be developed and delivered to Officers and Members of the Partnership.

**Follow up comment -** Raised by the CCAG LMP Manager, the need for insurance was discussed and investigated at the LMP Co-Design meetings with all 11 LMPs. After investigation and discussion it was agreed that due to the model of the LMP and Council's management role that additional insurance was not required, and none of the 11 Councils have additional insurance in place. This was Co-Design AP78 Action Point Closed on 08/03/23.

## Issue 3 Use of Consultants/Agency Staff

### a) **Observation-**

Grant Thornton has developed the Causeway Coast and Glens Labour Market Partnership action plan for 2021/22. Section 5.3 within the LMP Action Plan lists the strategic priorities proposed as:

1. To form and successfully deliver the functions of the local Labour Market Partnership for the area
2. To improve employability outcomes and/or labour market conditions locally
3. To support delivery of Employability NI

The 2021/22 Grant Thornton action plan formed the basis for the development and enhancement of the 2022/23 partnership action plan developed by Officers within the Council. The positions within the Partnership are to be funded posts therefore these vacancies are being filled by Agency staff.

**b) Recommendation-**

It is important for Director and Head of Service to maintain an oversight role in respect of the outcomes of the Causeway Labour Market Partnership as with the use of consultants and agency staff there is an increased risk of ownership of the Partnership and outcomes may not be as closely considered to achieve the highest impact for the Borough. This could be achieved by monthly/quarterly update meetings with senior management to determine any issues arising within the Partnership and how these can best be resolved.

**Follow up comment** – Not implemented until confirmation of DfC funding.

However, the Head of Service is very actively involved with the LMP and supports the LMP Manager and Team to achieve outcomes. The Head of Service holds Monthly Meetings (as a minimum) with the LMP Manager and also attends LMP Member Meetings. The Head of Service reports to the Director of Leisure & Development on a weekly basis any issues arising within the team.

Additionally, the Head of Service has ensured that support is offered and available from the wider P&P team. LMP Team Members are managed and engaged with similarly to non-agency staff in other teams.