

REPORT TO: Employment Learning and Skills and
Community Policy Performance Board

DATE: 10th November 2014

REPORTING OFFICER: Strategic Director, Children and Enterprise

PORTFOLIO: Economic Development

SUBJECT: Youth Employment Gateway

WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 The purpose of this report is to provide Members with information on the Youth Employment Gateway Programme, which is due to commence in October.

2.0 RECOMMENDATION: That:

1) Members support the development of an Youth Employment Gateway Programme in Halton.

3.0 SUPPORTING INFORMATION

3.1 The Liverpool City Region secured £5.9million of Government investment to deliver a programme to reduce youth unemployment across the City Region over the next three years. Knowsley Council is acting as the Accountable Body on behalf of the other City Region Local Authorities. However, each Local Authority has been given an allocation (see table 1) to deliver their scheme in respective areas. Allocations are based on volume and percentage of 18-24 year olds on Job Seekers' Allowance (JSA). Whilst the programme is scheduled to start on 1st September, it is acknowledged that, in order to proceed, Local Authority officers will be seeking to obtain the necessary permissions from their respective cabinets in the next two-three weeks.

3.2 The programme aims to support young people aged 18-24 years old, who have been unemployed between 2 and 9 months. This is pre-Work Programme support.

3.3 A more detailed explanation of how the Youth Employment Gateway Programme would work is contained in appendix 1. Appendix 2

outlines how young people will be referred to the programme and how the Local Authority would be expected to contribute to the programme.

- 3.4 However, in summary, this contract will enable the Employment, Learning and Skills Division to work with all levels of young unemployed individuals in the borough, whilst providing the shorter term unemployed with access to an already established range of employment-related interventions and outstanding employability courses. The programme will also encourage young people to consider self-employment as a career option.

4.0 **POLICY IMPLICATIONS**

- 4.1 The Programme provides an excellent opportunity to provide our young people with a coherent support package to help them into sustained work. It will also test the comparative effectiveness of two models of delivery: 1) individualised budgets and 2) personalised budgets.
- 4.2 Given, current policy thinking on devolved budgets to (City) Regions; it presents an opportunity to demonstrate to Government that the Liverpool City Region has the capacity, infrastructure and expertise to manage contracts of this nature.

5.0 **OTHER/FINANCIAL IMPLICATIONS**

- 5.1 By participating in the programme, Halton will receive a **grant** of £142,900 for phase 1 of the programme (duration from October 2014 to August 2015) and a **grant** of £295,855 for phase 2 of the programme (duration from September 2015 to August 2016). It is important to note that payments are made in advance, but of course, would be subject to satisfactory completion of programme targets.
- 5.2 The Council's Employment Learning and Skills Division is leading on the development and implementation of the YEG in Halton. This is because there is the potential to deliver the programme in a cost effective way, given the synergy that exists between this programme and other help into work and training initiatives that the division provides.

Where possible existing staff resources are being utilised. However, Members are advised that additional staff costs are required to deliver the programme, more so in phase 2 when target referral numbers increase significantly. These costs will be paid using the grant above. It is anticipated that three additional posts will be created. Due regard has been given to the Council's staffing protocol in respect of the redeployment of staff deemed to be 'at risk'.

Members are reminded that 95% of the Council's Employment Learning and Skills division is no longer Council mainstream funded and this provides a mechanism for drawing income to the service to support with the long-term sustainability of the service.

- 5.3 The division will also, where appropriate, commission support through the existing Halton Employment Partnership network.

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & Young People in Halton**

N/A

6.2 **Employment, Learning & Skills in Halton**

Overall the YEG programme will assist in providing job opportunities for local people and will go some way to address the high levels of Youth unemployment in Halton.

6.3 **A Healthy Halton**

N/A

6.4 **A Safer Halton**

N/A

6.5 **Halton's Urban Renewal**

N/A

7.0 **RISK ANALYSIS**

- 7.1 There are risks to the Council in entering into an agreement with Knowsley MBC, (the accountable body for this initiative). These same risks have been acknowledged and accepted previously, for example, previous RGF, ERDF and GPF agreements. The risk is that the Council may be asked to repay the grant if programme targets are not met. In mitigation, Members are advised that the phase 1 targets are relatively modest and, therefore, this allows for a period of transition.

At the time of writing, the six Local Authorities were considering the most appropriate contract which will be used as the legal framework for delivering this programme.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 There are no Equality and Diversity issues arising from this report

9.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF
THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.