

REPORT TO: Executive Board

DATE: 18 September 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. The report seeks the authority of Members to implement the programme in Halton, and to accept the grant.

2.0 RECOMMENDATION: That the Board

- 1) accepts the offer of Youth Employment Gateway Funding;**
- 2) gives delegated authority to the Operational Director for Economy, Enterprise and Property, in consultation with the Portfolio Holder for Economic Development, to accept the contract/offer letter; and**
- 3) authorises the use of the YEG funding to develop an employment support programme in Halton.**

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 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.

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 Were Halton to participate in the programme, it would receive a **grant** of £142,900 for phase 1 of the programme (duration from September 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 It is proposed that the Council's Employment Learning and Skills Division would lead 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 will be utilised. However, Members are advised that there would be additional staff costs required to deliver the programme, more so in phase 2 when target referral numbers increase significantly. These costs would be paid using the grant above. 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. An indicative budget is set out in appendix 3.

- 5.3 The division would, 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**

None.

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**

None.

6.4 **A Safer Halton**

None.

6.5 **Halton's Urban Renewal**

None.

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 need to check several grant agreement letter before confirming. In mitigation, Members are advised that the phase 1 targets are relatively modest and, therefore, this allows for a period of transition.

8.0 **EQUALITY AND DIVERSITY ISSUES**

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

9.0 **REASON(S) FOR DECISION**

YEG will assist young people in Halton in finding employment or training aimed at supporting their future career prospects.

10.0 **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

One option that the Council could consider would be to tender externally for a training provider to undertake the management and delivery of the programme in Halton. However, it is felt that many of the functions required to deliver the programme in Halton can be fulfilled through slight adjustments to existing structures within the Council's Employment, Learning and Skills division. In addition, going out to tender would delay the implementation of the programme.

11.0 **IMPLEMENTATION DATE**

1st October 2014

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

None.