

# North Tyneside Council Report to Cabinet 7 April 2014

**ITEM 6(e)**  
**Youth Employment  
Initiative**

**Portfolio(s):** Children, Young People and Learning

**Cabinet Member(s):** Ian Grayson

**Report from Service Area**

Children, Young People and Learning

**Report Author:**

Jean Griffiths

Tel: (0191) 643 8783

**Wards affected:**

All

## **PART 1**

### **1.1 Purpose:**

The purpose of the report is to seek approval to accept funding from the Cabinet office to support businesses to create opportunities; jobs and work experience for unemployed young people aged 18-25.

The value of the funding offered via Newcastle's City Deal to the five local authorities of Northumberland, North Tyneside, Gateshead, Newcastle and Durham is £4.5m for a period of three years beginning 1<sup>st</sup> April 2014. Sunderland and South Tyneside are pursuing a separate City Deal.

### **1.2 Recommendation(s):**

It is recommended that Cabinet:

1. approves the offer of the funding; and
2. authorises the Head of Children, Young People and Learning in consultation with the Cabinet Member for Children, Young People and Learning and the Head of Finance and Commercial Services to take all necessary steps to deliver the revised NEET programme.

### **1.3 Forward Plan:**

28 days notice of this report has been given and it first appeared on the Forward Plan that was published on 3 March 2014.

### **1.4 Council Plan and Policy Framework**

Cabinet and Council are committed to supporting unemployed young people to gain further education, training or employment. This report supports the following related aspirations and outcomes in Our North Tyneside Council Plan:

Our People – Be supported to achieve their full potential, especially our children and young people.

Our Economy-Have local people that have the skills which businesses need.

This funding will provide staff resources to create new posts of Business and Employment advisors. The business advisors will engage with businesses develop workforce planning approaches with the business to identify potential growth in creating opportunities for young people. These opportunities will include jobs, apprenticeships and work experience. The Employment Advisors will provide support for young people that are aged 18-25 and more than six months unemployed to access these opportunities.

The funding will also provide easily accessed wage incentives for businesses to create these opportunities.

## **1.5 Information:**

### Background

- 1.5.1 The aim of the project is to provide specific resources to assist businesses to create opportunities for young people, assist young people to access these and to link this project with the other youth projects available and to simplify the opportunities available for businesses and young people.
- 1.5.2 The project will provide intensive help for up to 11,500 young people, and create 6,000 job opportunities across the five local authority areas.
- 1.5.3 In the summer of 2013 the Cabinet office invited City Deals across England to bid for funding available to support unemployed young people. Newcastle City Council, as recipients of City Deal funding, were invited to bid for a share of Government's £50m national Youth Contract under spend, competing against the other seven core cities and 20 Wave Two City Deal areas. Newcastle Council therefore led on the application and submitted it on behalf of the five local authorities of Northumberland, North Tyneside, Gateshead, Newcastle, Durham and the North East Local Enterprise Partnership NELEP.
- 1.5.4 This funding was made available by the Cabinet office as a direct result of under spend from DWP of wage incentives for the unemployed. The applications for funding were invited to support this national programme of wage incentives to create more opportunities. Applications were requested to consider more flexible methods of supporting businesses to create and therefore access these wage incentives.
- 1.5.5 This application centres on up front payment of the wage incentive and providing direct support to businesses to create the opportunities. These two elements are not currently available via the national programme.
- 1.5.6 This application was successful and will provide a share of the £4.5m of funding offered to North Tyneside. Allocations will be in relation to demand from businesses and young people. Any expectation of direct local authority delivery will be on a full cost recovery basis.
- 1.5.7 The project will provide intensive help for up to 11,500 young people, and create 6,000 job opportunities across the five local authority areas.
- 1.5.8 A project steering group has been set up and includes the relevant local authorities, the NELEP, the Skills Funding Agency and Jobcentre plus.

- 1.5.9 Initially to support a quick start to the project the project steering group has agreed to allocate funding to local authorities for the business and employment advisors. Each local authority will receive the full cost of employing these officers and they will be located in their respective Business and Employment teams. Once these new posts are created the posts would be made available for officers in the redeployment process. The posts will provide additional resource to the respective host teams. It is a condition of the funding that the officers demonstrate the time spent on the project as a full time equivalent post, therefore it is not possible to add this task onto existing officers workloads. The initial funding will also include full cost of any wage incentives offered to businesses.
- 1.5.10 Additional elements of the project will be a marketing campaign to businesses to raise awareness of the breadth of support available to them to create opportunities for young people and how to easily access the support. This would be launched in the autumn of 2014.

## **1.6 Decision options:**

The following decision options are available for consideration by Cabinet:

### Option 1

Cabinet may approve the recommendations as set out in paragraph 1.2 of this report

### Option 2

Cabinet may decide not to approve the recommendations in this report and may request officers to look at other options.

Option 1 is the recommended option.

## **1.7 Reasons for recommended option:**

Option 1 is recommended for the following reasons:

1. The Authority will access increased resources to support businesses and young unemployed people to both create new opportunities and enable greater access to those created.
2. The lack of available opportunities for young people is considered a barrier to raising employment levels at the present time. This project will help identify more opportunities specifically for young people.
3. The programme will simplify the process for both businesses and young people to enable increased access to a range of support.
4. Acceptance of this funding will ensure young people in North Tyneside are not disadvantaged in terms of the levels of support available in our neighbouring councils.

## **1.8 Appendices:**

None

## **1.9 Contact officers:**

Jean Griffiths, Head of Children, Young People and Learning; tel. (0191) 643 8783.  
Anthony Gollings, Finance Business Manager; tel. (0191) 643 8071

### **1.10 Background information:**

Education to Employment: Getting Europe's Youth into Work (at mckinsey.com).

[http://www.mckinsey.com/insights/social\\_sector/converting\\_education\\_to\\_employment\\_in\\_europe](http://www.mckinsey.com/insights/social_sector/converting_education_to_employment_in_europe)

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

The Cabinet Office offer of funding will fully fund the programme; there is no additional cost to the Council.

### **2.2 Legal**

There are no legal implications directly arising from this report.

### **2.3 Consultation/community engagement**

2.3.1 Consultation has been carried out with the Cabinet Member for Children, Young People and Learning.

2.3.2 Engagement with Jobcentre plus, the Skills Funding Agency and the NELEP has been undertaken.

### **2.4 Human rights**

There are no human rights implications directly arising from this report.

### **2.5 Equalities and diversity**

The programme is available to all eligible young people in the borough.

### **2.6 Risk management**

Any proposals agreed would be appropriately risk managed to ensure the Council and any partners are not exposed to unmanageable operational risks.

### **2.7 Crime and disorder**

A proportion of 19 plus young people will be in contact with the Youth Offending Team, engaging them in productive work experience and training and moving them into mainstream Further Education provision will help reduce rates of re-offending.

### **2.8 Environment and sustainability**

There are no environmental and sustainability implications directly arising from this report.

**PART 3 - SIGN OFF**

- Chief Executive  X
- Deputy Chief Executive  X
- Head of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Strategic Manager Policy, Partnerships, Performance and Communications  X