

EXECUTIVE BOARD - 21 JANUARY 2014

Subject:	Youth Contract Proposal		
Corporate Director(s)/ Director(s):	David Bishop, Corporate Director for Development		
Portfolio Holder(s):	Councillor Nick McDonald, Portfolio Holder for Jobs and Growth		
Report author and contact details:	Nigel Jackson, Employment and Skills Manager 0115 8762523 nigel.jackson@nottinghamcity.gov.uk		
Key Decision	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Reasons: Expenditure <input checked="" type="checkbox"/> Income <input type="checkbox"/> Savings <input type="checkbox"/> of £1,000,000 or more taking account of the overall impact of the decision			Revenue <input checked="" type="checkbox"/> Capital <input type="checkbox"/>
Significant in terms of its effects on communities living or working in an area consisting of two or more wards in the City	<input checked="" type="checkbox"/> Yes		No <input type="checkbox"/>
Subject to call-in <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Total value of the decision: £3 million		
Relevant Council Plan Strategic Priority:	Wards affected: All		
World Class Nottingham	<input type="checkbox"/>		
Work in Nottingham	<input checked="" type="checkbox"/>		
Safer Nottingham	<input type="checkbox"/>		
Neighbourhood Nottingham	<input checked="" type="checkbox"/>		
Family Nottingham	<input type="checkbox"/>		
Healthy Nottingham	<input type="checkbox"/>		
Leading Nottingham	<input type="checkbox"/>		
Summary of issues (including benefits to citizens/service users):			
<p>Nottingham City Council has been awarded £3 million by the Department for Work and Pensions (DWP) to deliver a community based employability programme for 18-24 year olds. The programme agreed by the Cabinet Office, will compliment and build upon existing provision. It will create a seamless journey from engagement to employment for young people and deliver a range of interventions at community level, tailored to meet individual need.</p> <p>A more detailed outline of the proposal is provided in the background section below and in the referenced background paper.</p>			
Recommendation:			
<p>1 To endorse the proposed employment programme for young people, as set out in paragraphs 1.16 - 1.28, and agree to the expenditure of the £3 million DWP allocation over the next 3 financial years.</p>			

1 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 1.1 In September 2103 all eight Core Cities were asked to submit proposals to the Cabinet Office to secure funding aimed at reducing long term youth unemployment, with specific emphasis on driving up performance on the DWP Youth Contract Wage Incentive Programme.
- 1.2 The criteria for the funding focused on the 18-24 age group, who were under 39 weeks unemployed (as the Work Programme deals with this target group who are 39 weeks plus unemployed), with a view to preparing them for the labour market and preventing them from becoming long term unemployed. The funding can not be used to support apprenticeships or wage subsidies as this was seen to duplicate other Government programmes.

- 1.3 Our strategy over the last few years has been to focus on the creation and capturing of job opportunities for local people through the Nottingham Jobs Fund, the Employer Hub and the Apprenticeship Hub, which has demonstrated some success. The development of an 'Integrated Employer Hub' with DWP employer engagement services, as agreed through the City Deal was intended to build upon this to provide a more streamlined offer to the employer, therefore maximising opportunities for local people.
- 1.4 However, despite this success, feedback from employers still demonstrates that they are continuing to experience difficulties in recruiting to the opportunities that are being created, with young people either failing to attend interviews, or demonstrating a lack of 'work readiness' when they do.
- 1.5 Moreover, the work of the Employer Hub and Apprenticeship Hub is predominantly limited to the construction sector, is not currently able to consistently deal with the hardest to reach cohort, is not sufficiently well integrated with community and training providers and has, in order to meet the ambitious targets it has been given, particularly over the last few years, at times, resort to an overly bureaucratic and proscriptive approach.
- 1.6 The net result of this is that, whilst we are doing good work, delivering against targets and noticing a difference to the labour market in Nottingham, not enough young people are being helped in to work or training. While it would appear that there is no shortage of provision aimed at 18-24 year olds, many are not in contact with organisations offering support or if they are, this support fails to meet their needs in adequately preparing for employment.
- 1.7 With this in mind the more recent shift in our strategy to address unemployment has been to develop a more integrated "Employment Hub" model which creates a 'seamless' journey from initial engagement to employment for the young person at a community level; enabling them to access job opportunities created while ensuring that they have the skills and abilities to enable them to secure and sustain employment. This new Employment Hub model will maintain current connections with major employers in the city, foster better lines of communication with small companies (SMEs), further integrate with DWP and create an integrated relationship with community providers. All of this will be delivered under a new common brand of **Nottinghamjobs.com**.
- 1.8 The intention is that the Employer Hub will expand, become more integrated, not only with DWP, but also community providers, will create and deliver local jobs plans, and will both have a tighter strategic control over employment support in our communities but, through that control, also allow them to deliver provision in a flexible way that focussed more people than upon systems.
- 1.9 An overview of this 'journey' is outlined in the diagram in Appendix 1, and several elements are already in place either through activity already being delivered by Nottingham City Council and its partners, e.g. the Integrated Employer Hub, Nottingham Jobs Fund, traineeships, mainstream skills activity. However, there are still some gaps, particularly in the level of support available to the young people and in helping them to develop 'employability' skills. The Youth Contract funding, therefore, has provided us with an opportunity to fill these gaps and ensure that we can fully implement the model.

1.10 The original bid submitted totalled £5.6 million, however following the assessment process Nottingham was allocated £3 million, which when compared to the other core cities, is double that of the amount received per Job Seekers Allowance (JSA) claimant. In addition we were complimented on our innovation as the only City who has integrated the approach at a community level. As a consequence, Cabinet Office has indicated that Nottingham will be a pilot city for several ideas being discussed as part of the Heywood Review of Youth Unemployment. It is our sense that further resource may flow from this.

1.11 We are also in discussion with the Working for Youth initiative, started by Sir John Peace and now led by Peter Kyle (ex-SpAD for Tony Blair) about how the private sector can better support this work.

Overview of Youth Contract Proposals

1.12 *Eligibility Criteria*

In line with national guidance the eligibility criteria would be as follows:

- young people 18-24 13-39 weeks unemployed;
- 18 year olds accessing JSA for the first time (Not in Education Employment or Training (NEETS));
- 18-24 under 13 weeks unemployed who advisors identify as needing additional support.

1.13 Based upon the unemployment figures for this target group, the overall programme will seek to work with 1,000 18-24 year olds per year for two years. With a view to enabling 70% to access some sort of learning or skills development and placing 60% into work.

1.14 However, importantly, the creation of a new 'Employment Hub' will mean that the responsibilities and work of the new Hub will go further and wider than simply the Youth Eligibility criteria. For example, the new Hub will create local employment targets across the city, and will establish work searching facilities and job clubs that deal with a much wider cohort than those eligible for the Youth Contract.

1.15 It will also link more closely with the work of Futures, who will help deliver personal support to young people trying to find work.

Funded Provision

Front Line Support for Eligible Young People

1.16 *Intensive Case working*

Based upon the successful model delivered by Futures to reduce NEET levels, all young people will be allocated a caseworker whose role it will be to co-ordinate their journey towards work. On an almost daily basis, the caseworker will identify and agree goals and key milestones, provide quality information, advice and guidance, identify appropriate services to provide support on social issues, provide access to appropriate skills and job search support.

1.17 It will also be the responsibility of this caseworker to liaise with other relevant organisations or programmes the individual may be involved with, for

example, Jobcentre Plus advisors, Priority Families advisors, Probation service, etc, to ensure there is co-ordination and clarity for the young person.

1.18 It is anticipated that this element of the programme will be delivered by caseload advisors and will be based within communities, who will be closely monitored on quality as well as performance.

1.19 *Work Readiness Programme*

For those who are furthest away from the labour market and lacking in employability skills, a community based training programme will be implemented, which will last approximately twelve weeks.

1.20 This will be a flexible programme, bespoke to the area in which it will be delivered and building upon good practice already being delivered there. It will involve engagement of those furthest away from the labour market (NEET/Not known), mentoring and life skills development, in addition to preparing the young person for a more classroom based experience towards the end of the programme, which will provide them with an understanding of the work place, basic employability skills and accreditation in Level 1/2 Employability Skills.

1.21 Employer involvement will be a key part of this programme through the provision of a work experience placement, delivery of mock interviews, taster days and work shadowing.

1.22 Mainstream skills funding will need to be used to deliver the classroom based element of this programme, therefore, it is proposed to partner with the two principal local Further Education (FE) colleges to deliver this element, while the first part of the programme will be supported through youth contract funding (or other available funding if sourced). It will, however, be a condition of this partnership that the overall programme has to be lead and delivered (where they have capacity) by local community providers. Consequently this element will be commissioned through the Area Based Grant structures, though, importantly, we will direct where the money ultimately goes, and to whom resources will be provided to deliver work readiness programmes.

1.23 *Community Activation and Work Readiness Fund*

Barriers to employment will vary from area to area, as will the level of provision being delivered currently and the capacity/capability of organisations within communities to deliver this activity. Therefore solutions will need to be bespoke to the area and connected to wider neighbourhood agendas.

1.24 As the current landscape indicates, this will not happen without structure and co-ordination. It is therefore proposed to commission this co-ordination function to be delivered through community based providers. The types of activity they will be asked to deliver will be as follows:

- engaging with local communities, understanding needs and removing barriers to work and to develop the area employment plans, which will be embedded within ward action plans;
- supporting the recruitment to job opportunities and pre-recruitment training;
- engage local employers to support the work readiness programme and enable them to access the wage incentive and other employer focused support;

- to work with partners to develop and deliver bespoke provision relevant to priority groups for that area such as community jobs fairs, employer and applications events, work clubs and enterprise clubs;
- liaising with work programme providers to engage/develop local solutions for their client group.

1.25 As part of this specification providers will be required to operate as part of a connected team of providers linked to the employer hub, to ensure co-ordination, monitoring of performance and quality. They will be supported by three Employment and Skills officers based within the Economic Development Team, who will work with the organisations to capacity build and support delivery where necessary.

1.26 For many young people once they are job ready the final barriers they need to overcome are financial, whether the issue is equipment for a particular trade, a suit for an interview or help with travel expenses for the first few weeks until they get paid. In addition, to enable us to address wider barriers to employment and to engage with the wider community, some resource will be needed to support area based jobsfairs, promotion of vacancies within communities, area job search points, etc. With this in mind, each area, based upon the level of need, will be allocated a small fund to support specific activities.

1.27 It is important to note that using the funding in this way actually means that the employment support we provide through this initiative will be wider than simply support for the cohort that the Youth Contract allows us to support.

1.28 For that reason, we are the only city that has managed to negotiate outcomes for this funding that will go wider than simply 18-24 years unemployed for less than 1 year.

2 REASONS FOR RECOMMENDATIONS

2.1 The delivery model will add value and bring greater coherence to pre-employment provision for young people. Extensive consultation with partner organisations suggests that there is wide-spread support for this proposal and that it will enhance the effectiveness of local provision. The proposal builds on the Council's neighbourhood agenda by allocating most of the resource to community based interventions and delivery. It is also integral to the Council's long-term approach to tackling youth unemployment and a key element in the drive to generate economic growth in the city.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

3.1 No other options were considered as this proposal has been agreed with the Cabinet Office as a condition for the receipt of the £3 million funding.

3.2 Other options were considered at the time when the bid was submitted (for example, a model which involved more direct delivery by the City Council itself) but these were rejected, because the proposed model was deemed to have a higher chance of success and was more aligned with the Council's overall vision for economic growth and its neighbourhood strategy.

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

4.1 The indicative budget (subject to agreement with the Cabinet Office) for the Youth Contract allocation is outlined in the table below. Those costings enclosed in brackets indicate where the final budgets have not been confirmed.

		Year 1	Year 2	Year 3
Front Line Delivery	Tracking of Target Groups	£20,000.00	£20,000.00	
	Intensive Caseloading Support	[£250,000.00]	[£250,000.00]	
	Work Readiness Programmes through Community Providers	£600,000.00	£600,000.00	£290,000.00
	Neighbourhood Activation through Expanded Employer Hub Function, Integrated with Community Providers	£300,000.00	£300,000.00	
Administration	Project Management and admin support	£80,000.00	£80,000.00	£10,000.00
Contingency	Discretionary Fund for Bespoke Interventions	£100,000.00	£100,000.00	
	Total	£1,350,000.00	£1,350,000.00	£300,000.00
	Overall Total			£3,000,000.00

4.2 This grant funding of £3.000m will be integrated and matched with the current financial resources committed to the Nottingham Jobs Fund and funding the Employer and Apprenticeship Hubs. There are no additional commitments required by Nottingham City Council.

4.3 The majority of the delivery of this initiative will be carried out through community based providers which will be commissioned through Area Lead structures.

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

5.1 There are risks for the Council associated with this proposal, though most of these are low level and can be easily mitigated. They include:

- failure to deliver value for money (too high unit costs);
- failure to have measurable impact;
- reputation damage to the council in the event of either of the above.

5.2 **Legal services comment:** The £3 million from DWP will be paid in accordance with the terms of a grant agreement. The grant agreement is very likely to include claw back provisions setting out the circumstances where the Council may be obliged to repay the grant. The Council will need to put in place arrangements to mitigate the risks of paying back the grant. This should include having contracts with any parties who deliver the services which utilise grant monies. Those contracts should set out the necessary outputs to be delivered and must enable the Council to hold the recipient accountable for its spend. Legal Services will provide support as required by the Employment

Team with the negotiation and review of the grant agreement and the agreements associated with the spend of the grant.

- 5.3 Over all, this project will have a positive impact on crime and disorder as it will generate training and employment opportunities for a significant number of disadvantaged young people in the city.

6 SOCIAL VALUE CONSIDERATIONS

- 6.1 N/A

7 REGARD TO THE NHS CONSTITUTION

- 7.1 N/A

8 EQUALITY IMPACT ASSESSMENT (EIA)

Has the equality impact been assessed?

- (a) not needed (report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council)
- (b) No
- (c) Yes – Equality Impact Assessment attached

9 LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

- 9.1 Original Submission to DWP – A proposal for tackling Youth Unemployment in Nottingham

10 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

- 10.1 None.

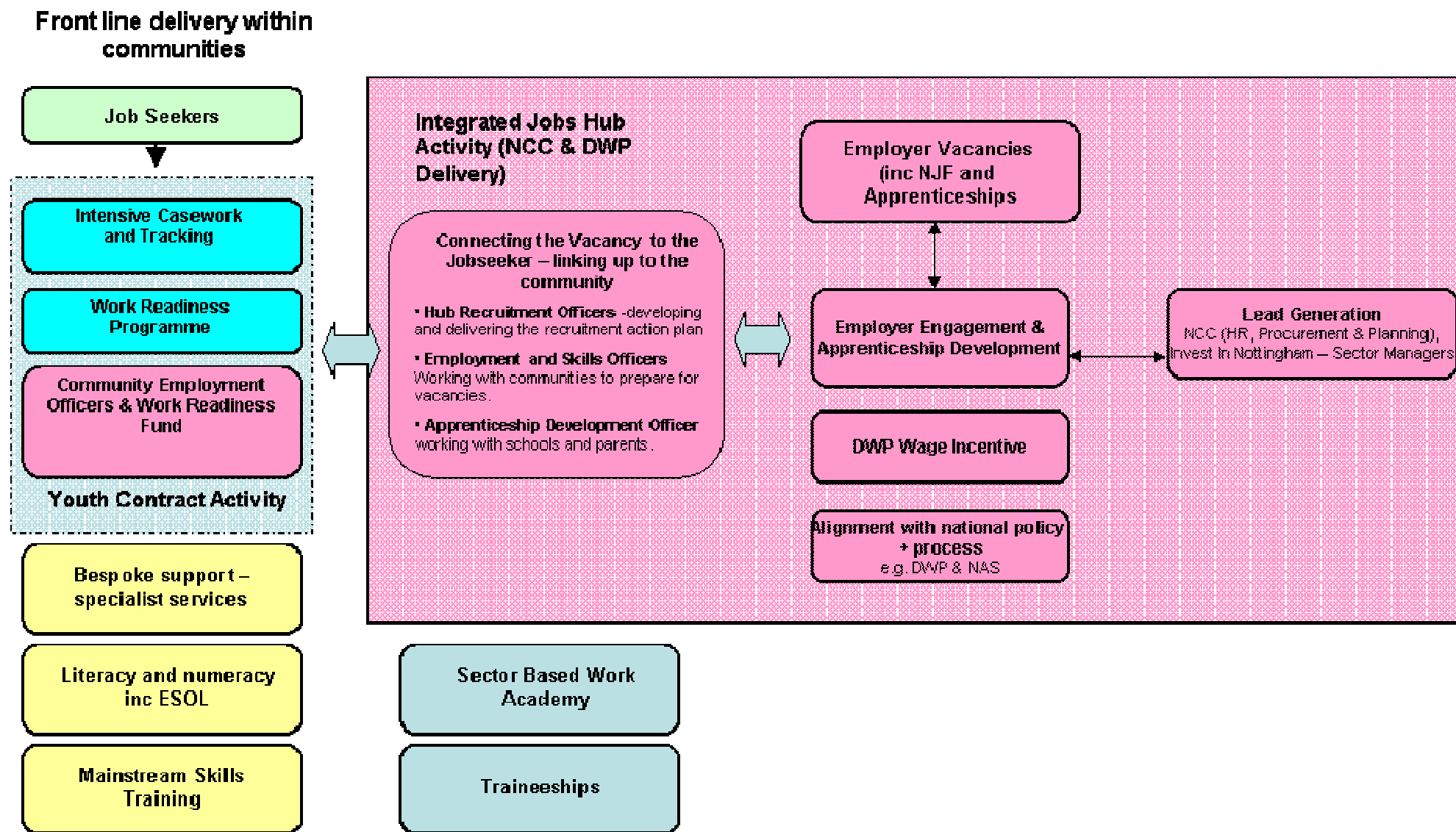
11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

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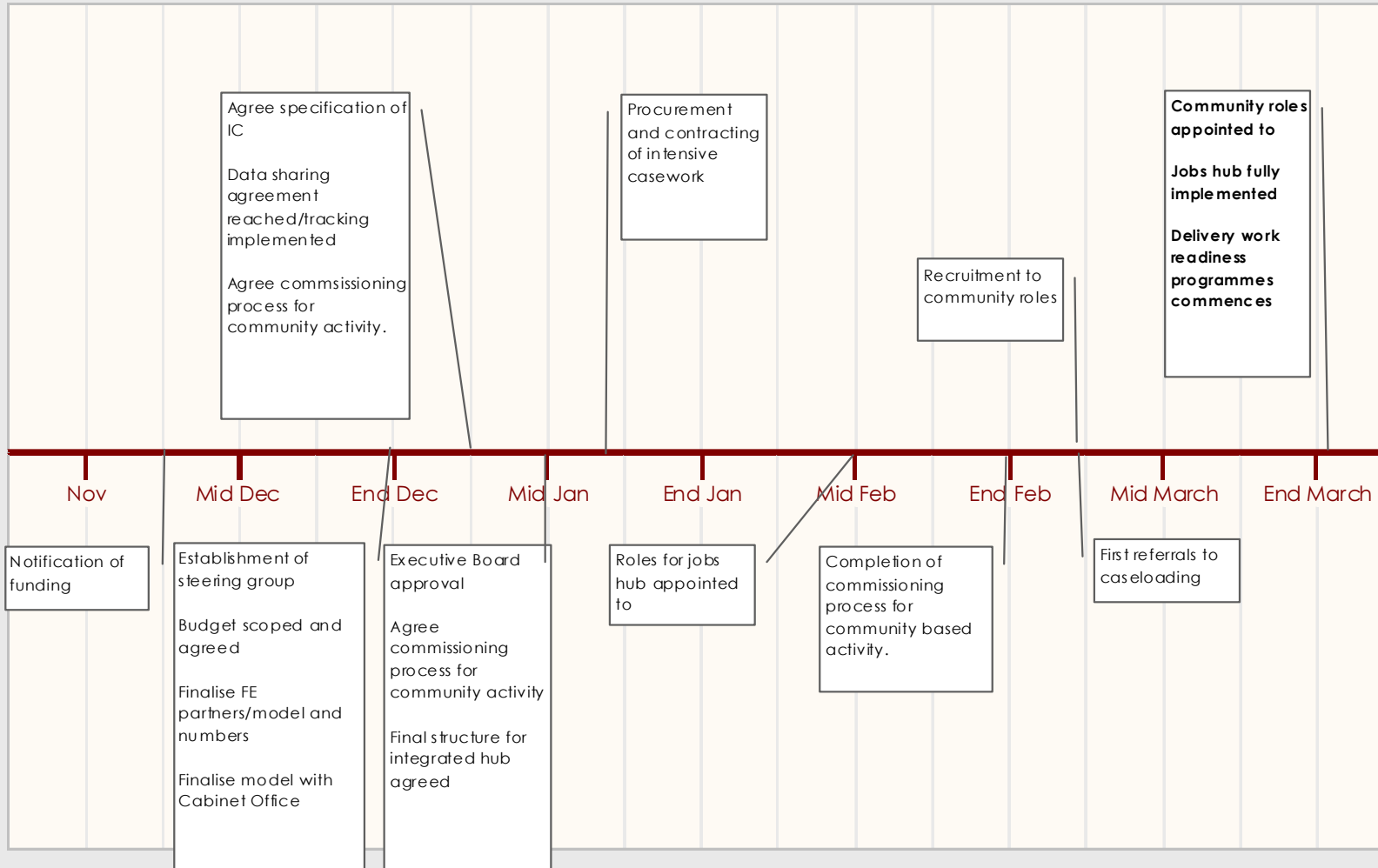
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Nottinghamjobs.com – Connecting Young People to Job Vacancies



Nottinghamjobs.com Implementation Timeline



Equality Impact Assessment – Youth Contract Proposal

Name and brief description of proposal / policy / service being assessed				
The Council, has been allocated £3m by the DWP to reduce unemployment amongst 18-24 year olds in the Nottingham over the next two years. The proposal accepted by the Cabinet Office on behalf of the DWP, is to implement a community-based intervention programme to create a seamless journey for young people from engagement to employment.				
Information used to analyse the effects on equality				
Monthly Unemployment Update November 2013 – Nottingham Insight - DWP Labour Market Bulletin November 2013				
	Could particularly benefit (X)	May adversely impact (X)	How different groups could be affected: Summary of impacts	Details of actions to reduce negative or increase positive impact (or why action not possible)
People from different ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>In October 2013, there were 3,780 18-24 year olds in Nottingham who were unemployed. Of these 2,195 (58%) were of White ethnic origin and 42% were of BME origin.</p> <p>The number of 18-24 BME unemployed fell by 2,260 over the year to October 2013. This rate of decline (74.1%) was slightly higher than that experienced by the White group (which fell by 71.8%).</p> <p>Unemployment fell in every age group in the month to November 2013 and for all but the over 60 age group in the last year. The largest falls were in the 24 and under age group which fell by 745 people in the last year.</p> <p>Men account for 64.2% of all 18-24 year olds who were unemployed in November 2013 and women 35.8%. The rate at which 18-24 female unemployment fell over the year to November 2013 was lower (at 17.4%) compared to that for males (-20.4%).</p>	<p>Despite the welcome decline in overall youth unemployment figures, the need to support young people on their transition into work is still very acute. The Youth Contract proposal will concentrate on getting those 18-24 year olds who are furthest away from the job market into employment. Young people from BME communities are disproportionately represented in this group and as a consequence the youth contract interventions should be very beneficial them. In particular the community based nature of the delivery of the programme will seek to help young people in their own communities, which again should help those from ethnic minorities who see cross-city travel as a barrier to engagement.</p> <p>The Youth Contract proposal will engage with young people who might have not worked previously or have had an intermittent work record, the</p>
Men, women (including maternity/pregnancy impact), transgender people	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Disabled people or carers	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
People from different faith groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Lesbian, gay or bisexual people	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Older or younger people	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Other geographical - Wards and Areas				
Young People in Care/Leaving Care of Nottingham City Council	<input checked="" type="checkbox"/>	<input type="checkbox"/>		

1,285 people aged 18-24 had been unemployed for more than 6 months, representing 41.1% of all unemployed 18-24 year olds. Of those who were long term unemployed, 66% were males and 34% females.

Unemployment fell every ward in the last month and the last year. Dales ward saw the largest monthly fall of 55 people, and three wards, Bestwood, Aspley and Bulwell saw annual falls of more than 200 people. Only Arboretum ward saw an annual decrease of less than 10%. The relatively small falls in Arboretum remain an area of concern and it now has the fifth highest unemployment rate in the City. If students were removed the figures, Arboretum would have the highest unemployment rate in the City.

It is anticipated that all of the above groups will benefit greatly from the positive impact of the Youth Contract proposal and that there would be a measurable improvement in the employment rates of 18-24 year olds.

chance to undertake some work-preparation training
The majority of unemployed young people who are eligible for the programme will come from relatively disadvantaged neighbourhoods and this will help with raising aspirations, improving skills and getting them in a better position when the economy improves, to take advantage of the opportunities that will arise.

„Outcome(s) of equality impact assessment:

No major change needed Adjust the policy Adverse impact but continue Stop and remove the policy/proposal

Arrangements for future monitoring of equality impact of this proposal / policy / service:

There will be an annual review of the impact of the Youth Contract proposal by the Employment and Skills Team.

Approved by (manager signature): Nigel Jackson Employment & Skills
Team Manager 0115 8764523 nigel.jackson@nottinghamcity.gov.uk

Date sent to equality team for publishing: