

WIRRAL Council

CABINET

6th November 2014

SUBJECT:	YOUTH EMPLOYMENT GATEWAY (YOUTH CONTRACT UNDERSPEND)
WARDS AFFECTED:	ALL
REPORT OF:	STRATEGIC DIRECTOR REGENERATION & ENVIRONMENT
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PAT HACKETT
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

1.1 This report informs Members of the outcome of a Liverpool City Region (LCR) bid that has successfully secured £5.9m of funds from the national Youth Contract Underspend programme to support young people into sustainable employment. The report provides an overview of the programme and the opportunity it provides for the Council to deliver activity to reduce youth unemployment in Wirral.

1.2 Knowsley Council are accountable body for these funds across the city region and delegated authority is sought for Strategic Director, Regeneration and Environment, in consultation with the Head of Legal and Member Services to accept funds from Knowsley Council, commence a competitive procurement procedure and subsequently appoint a supplier to deliver this programme in Wirral on behalf of the Council. Members are also requested to waive the call-in period for this report to enable the procurement procedure to commence at the earliest opportunity and enable delivery in Wirral to start this financial year. Finally as a requirement of funding the Council is required to secure additional European Union funds to add to the programme and authorisation is sought for the Strategic Director, Regeneration and Environment, to submit a bid and subject to a successful application accept the funds.

1.3 Appendix 1 of this report contains commercially sensitive information regarding a future competitive tendering process, the disclosure of which is not considered to be appropriate. Accordingly Appendix 1 is deemed to be exempt from disclosure under paragraph 3, Part 1 of schedule 12A of the Local Government Act 1972 (as amended)

2.0 BACKGROUND

2.1 In 2013 England's City Deal areas were invited to submit proposals for a share of £50m of national Youth Contract Underspend funding to deliver innovative programmes to tackle youth unemployment.

2.2 The LCR submitted a proposal and in November 2013 received a conditional offer of £5.9m, the largest allocation across all City Deal areas nationally. In March 2014

Knowsley Council accepted the funds as accountable body on behalf of the LCR authorities through a Section 31 grant.

2.3 In addition to the £5.9m investment secured via the national Youth Contract Underspend programme there is an expectation from Government that the city region will secure additional European Union funding when it becomes available in late 2015. If successful this will increase the total LCR programme to £13.9m to reduce youth unemployment across the city region over the next 3 years.

2.4 An LCR officer group has been working on the development of the programme which will be known as the Youth Employment Gateway across the city region.

3.0 LCR YOUTH EMPLOYMENT GATEWAY PROGRAMME

3.1 Eligibility

The target cohort is pre-determined by Government as young people aged 18-24, who have been unemployed and claiming Jobseekers Allowance/Universal Credit for 8 weeks or more, but have not yet joined the DWP Work Programme (usually at 9 months of unemployment). In agreement with their Jobcentre Plus Adviser young people will be offered the opportunity to join the programme on a voluntary basis.

3.2 Overview of Delivery Model

The programme will support eligible young people into sustained employment with a secondary outcome to test the comparative effectiveness of two flexible budget models to fund bespoke goods or services to support the young person into work. Delivery will be based on a two-staged programme with both phases subject to independent evaluation:

- **Phase 1 Individualised Gateway:** A more traditional approach providing a centralised budget to utilise funds flexibly, direct resource towards young people who have greater need, and recycle funds when not needed.
- **Phase 2 Personalised Gateway:** A new approach providing a set personalised budget per young person engaged on the programme and testing a new way for young people to have more control and choice in the support available to them. This phase will be supported by innovative technology in the form of a mobile phone/web based application.

3.3 Irrespective of whether a young person is engaged on Phase 1 or 2 they will have a personal coach who will work with them throughout the programme to explore personal ambitions and employment goals, including any perceived barriers to achieving them. After securing work young people will have continued support for a further 6 months to support them to sustain and/or progress in employment.

3.4 Targets

The city region has the following outputs and outcomes to achieve by December 2017. These have been agreed with Government in anticipation of additional European Union Investment in the programme:

- 8,680 young people engaged on the programme;
- 4,368 young people supported into employment;
- 3,071 young people sustained in employment for 26 weeks out of 32, and

- Testing of a personalised budget approach and mobile phone/web application.

Against these programme targets, quarterly target profiles will be agreed with Government.

3.5 Timescale

Table 1 provides the delivery timescale for the two-staged programme which has been developed to:

- Allow the LCR programme to commence in 2014/15;
- Allow for the development/testing of the mobile phone/web based application;
- Provide a large enough cohort for an adequate test of personalised budgets, and
- Align with the timescales to bid/secure additional European Union funds when available in late 2015.

Table 1: Phasing of LCR Youth Employment Gateway Programme

Phase	Number of Young People Engaged	Engagement Period	Programme End
Phase 1	1,180	Oct 14 to Sept 15	December 2016
Phase 2	7,500	Oct 15 to Sept 16	December 2017

4.0 WIRRAL YOUTH EMPLOYMENT GATEWAY PROGRAMME

4.1 Each local authority will lead delivery of the Youth Employment Gateway programme for their respective area, with some opting to directly deliver the programme via existing structures and others contracting a supplier to deliver the service on their behalf.

4.2 Within this report members are asked to agree for the Council to commence a competitive procurement procedure to select a supplier to deliver the service in Wirral. As such all information directly relating to the Youth Employment Gateway programme in Wirral is deemed to be commercially sensitive, the disclosure of which is not considered to be appropriate. This information is detailed Appendix 1 of this report which is deemed to be exempt from disclosure under paragraph 3, Part 1 of schedule 12A of the Local Government Act 1972 (as amended).

5.0 RELEVANT RISKS

5.1 Should the Council not accept the grant offer agreement young unemployed people in Wirral would be disadvantaged as they would not have access to the Youth Employment Gateway programme. The risks to the Council in accepting the grant offer agreement and commencing delivery of the Youth Employment Gateway programme in Wirral and the actions to mitigate these risks are outlined in Appendix 1 of this report.

6.0 OTHER OPTIONS CONSIDERED

6.1 The other options the Council could consider are outlined in Appendix 1 of this report.

7.0 CONSULTATION

7.1 The original bid to secure the funding was informed by the findings of the Liverpool City Region Youth Unemployment Task Force, facilitated by Wirral Council on behalf of the city region. This included extensive research with young people, employers and stakeholders during 2012 and 2013.

7.2 The Youth Employment Gateway programme supports Wirral's Corporate Plan and Investment Strategy priorities developed through extensive consultation.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 There are no direct implications for voluntary, community and faith groups arising from this report.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

9.1 Financial

In addition to the £5.9m of national Youth Contract Underspend funds, there is an expectation from Government that the city region will successfully secure additional European Union funds allocated to the city region from the European Social Fund (ESF) programme and the Youth Employment Initiative (YEI). These funds require a competitive tendering procedure that is expected to commence in early 2015 with projects starting in September 2015. As such it is planned that Phase 1 of the programme will be wholly funded by Youth Contract Underspend, with Phase 2 also incorporating the anticipated additional European Union funds.

Table 2: LCR Youth Employment Gateway Funding

Funding	Phase 1 (£)	Phase 2 (£)	Total (£)
Youth Contract Underspend	1,900,000	4,000,000	5,900,000
Anticipated ESF		4,000,000	4,000,000
Anticipated YEI		4,000,000	4,000,000
Total	1,900,000	12,000,000	13,900,000

9.2 Financial, staffing and IT resource implications for delivery of the Wirral Youth Employment Gateway programme are outlined in Appendix 1 of this report.

10.0 LEGAL IMPLICATIONS

10.1 The legal implications for the Wirral Youth Employment Gateway programme are set out in Appendix 1 of the report.

11.0 EQUALITIES IMPLICATIONS

11.1 The target cohort for this programme is pre-determined by Government.

Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes and impact review is attached

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/regeneration-housing-planning>

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are no direct carbon reduction implications arising from this report.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are no direct planning or community safety implications arising from this report.

14.0 RECOMMENDATIONS

- 14.1 Members are requested to:
- 14.2 Welcome the investment of £5.9m from the national youth contract Underspend programme to deliver activity to reduce youth unemployment across the Liverpool City Region;
- 14.3 On receipt of a finalised funding offer letter from Knowsley Council delegate authority for the Strategic Director, Regeneration and Environment, in consultation with the Head of Legal and Member Services to finalise and accept the grant agreement offer on behalf of the Council;
- 14.4 Authorise the Strategic Director, Regeneration and Environment to commence a competitive procurement procedure and subsequently accept the most economically advantageous tender to select a supplier to deliver the Youth Employment Gateway programme in Wirral;
- 14.5 Waive the call-in period for the recommendations in this report to enable the procurement procedure to commence at the earliest opportunity and enable delivery of the Youth Employment Gateway programme in Wirral to commence this financial year;
- 14.6 Authorise the Strategic Director, Regeneration and Environment to submit a bid for European Unions funds, namely European Social Fund and Youth Employment Initiative, to seek additional funds for the Youth Employment Gateway programme and subject to a successful application accept the funding offer letter in consultation with the Head of Legal and Member services.

15.0 REASON/S FOR RECOMMENDATION/S

- 15.1 Despite significant success in reducing youth unemployment levels in Wirral remain significantly above regional and national averages. Reducing worklessness is a key priority for the Council and as such the Youth Employment Gateway programme supports Wirral's Corporate Plan and Investment Strategy.

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REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date