

01 August 2024

Report Title:	YOUNG PERSON'S GUARANTEE
Report of:	HEAD OF ECONOMIC GROWTH

REPORT SUMMARY

The purpose of this report is to enable the Assistant Director: Chief Regeneration Officer to consider and enter into a grant funding agreement with the Liverpool City Region Combined Authority (LCRCA) for delivery of the Young Person's Guarantee. The value of the grant agreement is £151,776.

The report supports the delivery of the Council Plan 2023-2027: Wirral Working Together and in particular the People-Focused Regeneration Theme.

This is a non-key decision, as this is under £500k and the scale of the programme does not significantly affect communities living or working in an area comprising two or more wards.

RECOMMENDATION/S

The Assistant Director: Chief Regeneration Officer is recommended to enter into a grant funding agreement with the LCRCA for the delivery of the Young Person's Guarantee, for the period of 1 April 2024 to 31 March 2027 to the value of £151,776.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

To deliver 48 YPG wage grant incentives to Wirral businesses to employ young people as part of the Wirral Ways to Work Programme for the period of 1st April 2024 to 31st March 2027.

2.0 OTHER OPTIONS CONSIDERED

2.1 The LCRCA considered commissioning the YPG to an external provider, however following consultation with Local Authority officers the LCRCA decided that this funding was most effectively aligned with UKSPF Ways to Work funding, avoiding duplication, and ensuring maximum funds are available for the businesses and young people.

2.2 The Council could reject the grant offer however this could result in the loss of 48 wage incentive grants to local businesses to employ young people.

3.0 BACKGROUND INFORMATION

Context

3.1 The Metro Mayor's Manifesto of 2021 made the commitment of a Young Person's Guarantee ("YPG") to address the increasing number of young people in the region that were not in education employment or training ("NEET"). This commitment was further reinforced in the LCRCA's Corporate Plan for 2021-24.

3.2 The YPG has been developed by the LCRCA to complement current youth provision and to avoid duplication and has been informed by engagement with the Department for Work and Pensions ("DWP"), LAs and existing youth hubs in the region to deliver the Mayor's manifesto pledge to deliver a job, training or an apprenticeship opportunity for every young person out of work for more than six months.

3.3 The programme will focus on young people aged 18-24 as provision is already in place for 16–18-year-olds through the September Guarantee. 18–24-year-olds are typically harder to engage and those not involved in education or economic activity come under the departmental responsibility of the DWP and are no longer the statutory responsibility of local authorities. Given the local authority's statutory responsibilities to young people and role in delivering employment and training support programmes for both young people and adults, careful work has been carried out to ensure that any intervention complements existing support and does not duplicate provision for young people who are NEET. The programme will primarily provide wage incentives to extend the current support package for young people.

3.4 The Project will be delivered through the UKSPF Ways to Work Programme, widening the offer to include the addition of specialised support to young people. The YPG aims to achieve behavioural change, supporting the referrals and triage of young people through local authority managed services, with a focus on intensive support of those aged 18 – 24.

3.5 The strategic objectives of the LCRCA programme across the City Region are to:

- Add value by optimising existing resources and aligning activities through the Ways to Work programme.
- Provide employers with a wage incentive to support 240 young people to enter a job.
- Ensure that 720 young people can be supported by additional one-to-one personal adviser and mentoring support.
- Ensure 4,500 young people aged 18-24 are aware of, can access and benefit from employment opportunities by 2026 through wider partner activity and engagement.
- Support young people to identify and address wider barriers to employment such as mental health support, confidence, volunteering, resilience building and wider advocacy.
- Bringing employers together to a minimum of 18 employer recruitment events by 2026 to support the provision of opportunities for young people.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The LCRCA applied to the Strategic Investment Fund for £795,000 of funding with £30,000 to be retained by the LCRCA for YPG branding and the remaining to be split between the 6 Local Authority Areas.

Table 1 shows the Wirral allocations, distributed in line with current UKSPF funding splits:

Table 1: Wirral YPG Funding: 1 April 2024 to 31 March 27

YPG Wage Incentive Total	£142,848.00
Annualised (3 years)	£47,616.00
YPG Marketing Total	£8,928.00
Annualised (3 years)	£2,976.00
YPG TOTAL ALLOCATION	£151,776.00
Annual allocation (3 years)	£50,592

The main outputs will be to deliver 16 wage grant incentives per annum.

5.0 LEGAL IMPLICATIONS

- 5.1 The LA delivery of the YPG programme to 31 March 2027 relies on the underpinning infrastructure of the UKSPF Ways to Work programme, which is currently funded to 31 March 2025. To date, there has been no announcement from central government regarding an extension to UKSPF or an alternative successor programme. As such there is a risk that come April 2025 the Council may not have the supporting infrastructure to deliver the YPG programme.
- 5.2 In order to mitigate this risk LA and Combined Authority officers will continue to review this situation and a formal review is recommended ahead of March 2025 to ensure this project is aligned to any potential changes to national policy and the funding environment. The LCRCA have confirmed that if, following the review, Wirral felt unable to continue to deliver the YPG then there would be the option to withdraw from the programme. This option is reflected in the grant funding agreement from the LCRCA therefore there is no risk to the Council in signing the grant funding agreement.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The YPG grant element will be delivered by the Council's 14-19 Team in the Children & Young People department aligned with the UKSPF Ways to Work ILM

programme. This team are currently funded through UKSPF for the period of 1st April 2024 – 31st March 2025, there are no additional funds available through YPG for staffing costs with the resource met from the current UKSPF programme.

- 6.2 As outlined in section 5.1 there is no identified grant funding post March 25 and therefore delivery of YPG in Years 2 & 3 will be dependent on securing funding to ensure the staff are in place to run the programme.

7.0 RELEVANT RISKS

Financial

- 7.1 The LCRCA may withdraw or reduce, or require the Council to repay all, or any proportion of the Grant on grounds listed in the Grant Funding Agreement if the Council does not adhere to the purpose or terms and conditions of the grant. The Council will mitigate this risk through regular monitoring and performance management of all relevant activity. Additionally, if all available grant funding is not spent by the end of the funding period, the council risks not drawing down the full allocation. This will be mitigated by appropriate monitoring and ongoing risk and financial management throughout the period to ensure spend and delivery meets the required profile.

Reputational:

- 7.2 The reputational risk to the Council in not accepting the grant funding agreement is that other LA areas would have access to these funded opportunities for Wirral's young people and Wirral would not be able to access them.

Operational/contractual:

- 7.3 The YPG funding is aligned with UK Shared Prosperity Funding which is currently only available until March 2025. There have been no indications from Government on funding plans post March 2025 therefore currently the Council will only be able to deliver one year of YPG funding. The LCRCA have entered a clause within the grant funding agreement to ensure we can cease delivery of YPG should no funding be received, that can be aligned with YPG.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The LA Employment and Skills Officer Groups were involved in the design and delivery plans of the YPG programme, subsequently agreed by LCR Growth Directors. The decision to fund the YPG programme through SIF was consulted through the Combined Authority's constitutional process. The stakeholder engagement plan can be seen in Appendix 1 of the External Panel report listed in Background Papers.
- 8.2 This project supports the Inclusive Economy theme of Wirral's Economic Strategy which was developed in full consultation with partner organisations and residents.

9.0 EQUALITY IMPLICATIONS

- 9.1 The Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment

(EIA) is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

- 9.2 The potential impact of the Young Person's Guarantee has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Economic Strategy, which can be found here: <https://www.wirral.gov.uk/files/equality-impact-assessment-wirral-economic-strategy-2021-2026.pdf/download?inline>
No material changes to the EIA are required because of this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 Consideration of the climate emergency is a key consideration in the delivery of the UKSPF Ways to Work Programme to which YPG is aligned. Consideration is given from recognising delivery locations and facilities to the inclusion of environment and climate in the businesses supported through the expression of interest process. The use of technology to reduce the carbon footprint associated with delivering these projects is maximised.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 Community Wealth Building is a people-centred approach to economic growth which reorganises local economies to be fairer and stops wealth flowing out of communities, towns, and cities, and instead places control of this wealth into the hands of local people, communities, businesses, and organisations. A key theme in the Council's Community Wealth Building Strategy is Fair Employment and Just Labour Markets and the Young Person's Guarantee supports young people of Wirral back into the labour market via opportunities with local employers through a small grant incentive.

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APPENDICES

n/a

BACKGROUND PAPERS

1. <https://liverpoolcityregion-ca.moderngov.co.uk/mgConvert2PDF.aspx?ID=68805&ISATT=1#search=%22young%20persons%20guarantee%22>
2. <https://liverpoolcityregion-ca.moderngov.co.uk/documents/s70722/Appendix%201%20external%20panel%20paper%20Young%20Persons%20Guarantee.pdf>

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
No previous subject history	