

To: NORTH LOCAL AREA PARTNERSHIP		Subject: NORTH LANARKSHIRE'S YOUTH INVESTMENT PROGRAMME - UPDATE
From: EXECUTIVE DIRECTOR OF REGENERATION & ENVIRONMENTAL SERVICES		
Date: 16 January 2014	Ref: HG/CMcA	

**1. Purpose of Report**

1.1 The purpose of this report is to update North Local Area Partnership on the performance of the council's Youth Investment Programme.

**2. Background**

2.1 North Lanarkshire, like many areas in Scotland is facing a significant challenge with high youth unemployment, a lack of local jobs, lack of confidence in business community and cuts in public sector spending. Despite this, North Lanarkshire Council and its partners are determined to do whatever can be done now, to prevent the long term damage that we know youth unemployment can cause to individuals and communities.

2.2 In February 2012, the Regeneration Committee approved an additional investment of £1.7 million to tackle youth unemployment in the area. The proposal set out an ambition to support 5000 people back into work over three years and set out a resource requirement that would increase the number of opportunities for young people in North Lanarkshire.

2.3 In March 2012, the Minister for Youth Employment announced North Lanarkshire would be among six "hot spot" areas to receive additional funding. North Lanarkshire's allocation of £1.825 million was the second highest in Scotland behind Glasgow.

2.4 Following a successful year of activity, in February 2013, Regeneration Committee approved a further £3.4 million of funding for the programme.

2.5 In September 2013, the Scottish Government launched the Youth Employment Scotland Fund and the Council has successfully been awarded up to £700k allocation which, subject to criteria being met, can be used to fund elements of the Youth Investment Programme.

**3. The Youth Investment Programme**

3.1 The programme offers employers an incentive to recruit young, unemployed residents of North Lanarkshire. The programme is designed to support businesses financially to create additional job opportunities. There are three strands to the programme:

- Apprenticeships (16-24 years) – 50% of wages for 12 months.
- Xtra Hands (16-18 years) – 50% of wages for six months.
- New Start (18+) – 50% of wages for six months.

3.2 The target for the Youth Investment Programme is to support 5,000 unemployed residents back to work over three years, which will be a mixture of

- Those supported into subsidised jobs in the private sector.
- The council's Modern Apprenticeship Programme.
- NLC Youth Placement Programme (200 x six month paid work experience opportunities for long term youth unemployed).
- NLC Graduate Futures (50 x 12 month paid work experience positions for unemployed or underemployed graduates.
- Those young people supported into employment without a subsidy paid to employer.

Overall progress of the scheme has been encouraging in Year 1 of the programme. Against a three year target of supporting 5,000 people back to work, we supported 1,836 individuals. By the end of November 2013, the number of people back into work had increased to 3,215 which means we are slightly ahead of target. However, the targets remain ambitious for the Service to deliver and it is important that the momentum built into the programme in its first 18 months is sustained, in order to achieve the overall target of 5,000 people in to work

3.3 Regeneration Services are managing the Youth Investment Programme and staff promote several key messages to employers:

- There must be the chance of a sustainable job.
- The young person must be unemployed and resident in North Lanarkshire.
- The job needs to be advertised through the council.
- The employer will be expected to appoint a mentor.
- Support is available if there are problems.

3.4 Agencies working with young unemployed residents are being asked to promote key messages to young people about the scheme, they should:

- Check the website [www.northlanarkshiresworking.co.uk](http://www.northlanarkshiresworking.co.uk) and register on the jobs portal.
- Apply for jobs online where you meet the criteria.
- Engage with Careers or Routes to Work Ltd.
- Don't rely on this opportunity, it is only part of the solution.

A number of key target groups have been identified for the programme – such as young people leaving school to negative destinations and young people who have progressed from training courses but need that extra help into employment. The objective is to get a balance between helping those most in need and providing employers with job ready candidates.

#### **4. Youth Investment Programme/North Local Area Partnership**

4.1 The unemployment rate in North is 3.1% which is lower than the North Lanarkshire average of 4.3% and only just below the Scottish average of 3.2%.

The youth unemployment rate in North is 6.7% which is lower than the North Lanarkshire average which is 8.5% but slightly higher than the Scottish average of 5.7%. However, this figure of 6.7% is based on the most up-to-date official statistics that are available at multi-member ward level. JSA claimant rates have been falling slowly but steadily during 2013 with the 16 to 24 year-old claimant rate for North Lanarkshire falling by 22.4% between January 2013 and October 2013 which compares with the Scottish decrease of 24.3% during the same period. Based on this decrease we expect that when more up-to-date statistics become available the youth unemployment rate in North will be lower than 6.7%.

- 4.2 By November 2013, 1,510 unemployed residents have benefited from the vacancies secured from the private sector. In previous partnership reports, we reported by area on the uptake of these new opportunities.

To date, 296 of the people supported into employment have come from the North LAP area and the breakdown is as follows:

	Youth unemployment	Number of people into jobs through YIP
Abronhill, Kildrum and the Village	7.5%	56
Cumbernauld North	3.3%	50
Cumbernauld South	9.1%	74
Kilsyth	8.8%	55
Strathkelvin	4.9%	61

- 4.3 The figures show that the North LAP area as a whole seems to have had an appropriate share of the Youth Investment jobs to date, (19.4% of the overall share). The initial results perhaps do show a need to focus efforts on the Cumbernauld South and Kilsyth areas, to ensure these high unemployment areas fully benefit from the programme. It is proposed to take this issue to the Local Area Team to promote partnership involvement. Additionally the key stakeholders - Skills Development Scotland, Job Centre Plus and Routes to Work, will undertake to promote the programme as far as is possible in such areas of particular need.

- 4.4 There are a number of ways in which local area partnerships and in particular the Local Area Team can assist in delivering the objectives of the Youth Investment Programme.

- Promote to employers.
- Promote to young people in most need.
- Assist registration and applications.
- Get young people motivated and "job ready".

**5. Conclusions**

- 5.1 The Youth Investment Programme has made encouraging early progress, however, targets remain challenging in the current economic climate. Regeneration Services require the support of all stakeholders and partners to make this a success and are open to feedback from partners on how the programme can be improved.

**6. Recommendation**

- 6.1 It is recommended that the Local Area Partnership note the content of this report and refer to the Local Area Team for action to ensure the most disadvantaged communities maximise benefit from the scheme.



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