

**NORTH LANARKSHIRE COUNCIL  
REPORT**

<b>To:</b> POLICY & RESOURCES (REGENERATION & INFRASTRUCTURE) SUB COMMITTEE	<b>Subject:</b> Youth Investment Programme – Progress Report
<b>From:</b> HEAD OF PLANNING & REGENERATION	
<b>Date:</b> 5 Sep 2013	

**1 Purpose of Report**

1.1 The purpose of this report is to update Committee on the performance of the Youth Investment Programme.

**2. Background**

2.1 Levels of youth unemployment have reached historically high levels in recent years. In November 2007, youth unemployment (18-24 year-old Job Seekers Allowance claimants) stood at 1,340. Six years later, the figure has risen to 3,300, and reached a peak of 4,050 in August 2011. A little over 11% of the local 18-24 year-old population is claiming unemployment benefit. This is the fifth highest rate in Scotland (the Scottish average is 7.4%) and North Lanarkshire has the third highest number of 18-24 year olds claiming JSA in Scotland. Of particular concern is the number of young people remaining jobless for over 12 months, which has remained high over recent months. Indeed, this has risen from 295 in November 2011 to 655 in July 2013 reaching a high of 735 in August 2012. Reducing the number of young people out of work is therefore a major priority for the council and its partners.

2.2 In February 2012, the council set out an ambitious target to support 5,000 people into work. To achieve this ambition, a new Youth Investment Programme (YIP) was launched targeted at providing wage subsidised jobs in the private sector, which would see 80% of those supported into work being aged between 16 and 24. In addition, the council also increased its Modern Apprenticeship programme intake and has recently announced two additional new programmes - NLC Youth Placement which will provide up to 200 six-month paid work experience opportunities within the council for 16-24 year old unemployed residents of North Lanarkshire and; NLC Graduate Futures which will provide up to 50 opportunities for unemployed or under-employed graduates.

**3 Overall progress**

3.1 In a report to the June committee, performance was reported for Year 1 of the Youth Investment Programme but after a final reconciliation, the figures improved and are as follows:

	<b>Pro rata target at 1 April 2013</b>	<b>Performance as at 1 April 2013</b>	<b>Performance against pro rata target (%)</b>
<b>Total number supported into employment</b>	<b>1,667</b>	<b>1,836</b>	<b>140%</b>

This performance is made up of subsidised jobs in the private sector, the council's apprenticeship programme and people supported into work by Routes to Work Ltd. While the scheme is called the Youth Investment Programme all age groups can potentially receive support, however 71% who got jobs through the private sector scheme were in the 16-24 age group. The scheme remains the largest of its type in Scotland and, most encouragingly, a large number of the vacancies secured have been apprenticeships which ensure young people are going into employment with accredited training attached.

#### **4. New developments**

- 4.1 While the council can provide only limited job opportunities due to budget restrictions, as a large employer it can play an important role in supporting people back to work through the provision of quality, paid work experience opportunities. In recognition of this, resources were approved for two new schemes in 12/13, both of which are now operational:

**NLC Youth Placement** – provision of 200 x 6 month paid entry level work experience opportunities.

**NLC Graduate Futures** – provision of 50 x 12 month graduate level work experience opportunities for local unemployed or underemployed graduates.

The intention is to roll out these schemes in line with the council's commitment to the YIP until 2014/15. The scheme's progress to end of June 2013 is outlined below.

<b>Scheme progress to end of June 2013</b>	<b>Target</b>	<b>Placements identified by services</b>	<b>Placements filled</b>	<b>Recruitment underway</b>
<b>NLC Youth Placement</b>	<b>200</b>	<b>82*</b>	<b>48</b>	<b>8</b>
<b>NLC Graduate Futures</b>	<b>50</b>	<b>48</b>	<b>4</b>	<b>7</b>

**\* 82 posts identified for phase 1. The intention is to run further phases for the most successful placements, to take up the 200 places.**

- 4.2 These schemes as they are implemented will add further to the headline target of supporting 5000 people back to work over the three years.

#### **5. Funding**

- 5.1 The Scottish Government has recently launched a programme called "Youth Employment Scotland", which is designed to support local authorities with £25M towards wage subsidies to support 10,000 young people back to work across Scotland. While any new funding is welcomed, local authorities through Cosla have expressed concern with bureaucracy around the scheme and the deliverability of the spend expected in the coming year.

- 5.2 Despite these concerns North Lanarkshire has submitted a bid for funding to support 300 people through the scheme over the coming year, which could lever in up to £700,000 of Scottish Government funding. The objective has been to adapt our paperwork and processes to fit with this scheme and thus maximise drawdown, whilst protecting the YIP programme's ethos and offer to employers which has proved successful.
- 5.3 The potential funding through "Youth Employment Scotland" will assist in delivering the £15M spend over 3 years on youth employment, which the council outlined in February 2012. To date the council has committed £5.1M additional funding to support this initiative.

## 6. Impacts

- 6.1 While there are many factors which impact on levels of unemployment and it is difficult to evidence that any one programme is having an impact, there are encouraging signs of progress in North Lanarkshire. The latest picture is provided below.

	June 2013	July 2013	Change
Total JSA claimants	10,931	11,125	+194
16-24 year-old claimants	3,110	3,350	+240

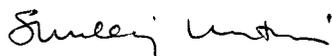
The picture over the past year

	July 2012	July 2013	Change
Total JSA claimants	12,355	11,125	-1,230
16-24 year-old claimants	3,935	3,350	-585

July figures historically always show an increase due to college and school leavers, however the general trend is positive. In comparison to the rest of Scotland, the figures show that North Lanarkshire's overall unemployment figures have reduced more than the average and more quickly than most of the comparable authority areas. The reduction in youth unemployment is less positive, only matching the average Scottish wide decline in the past year.

## 7. Recommendations

- 7.1 It is recommended that Committee notes the progress of the Youth Investment Programme in Year 1, the new developments and the latest evidence of impact from unemployment figures.



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Local Government Access to Information Act: for further information please contact Cairiona McAuley, Planning and Regeneration Services at Tel 01698 302282