

**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> 20 February 2014	<b>Rep:</b> 1759/AM	

**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 In February 2012, the Council announced the launch of the Youth Investment Programme (YIP) an ambitious initiative targeted at supporting 5,000 people into work. In order to tackle the ongoing issue of youth unemployment, the target also stated that 80% of those supported into work should be aged between 16 and 24.

2.2 The Council also increased its Modern Apprenticeship programme intake, developed an NLC Youth Placement which provides up to 200 six-month paid work experience opportunities within the Council for 16-24 year old unemployed residents and; a graduate programme providing 70 placement opportunities within the Council for unemployed or under-employed graduates.

**3 Overall progress**

3.1 The figures for the Youth Investment Programme from February 2012 to the end of December 2013 are as follows:

	<b>Pro rata target at 31 Dec 2013</b>	<b>Performance as at 31 Dec 2013</b>	<b>Performance against pro rata target (%)</b>
<b>Total number supported into employment</b>	<b>2,917</b>	<b>3,346</b>	<b>115%</b>

3.2 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.

#### 4. Council based opportunities

4.1 The Council provides work experience opportunities through two schemes which were introduced within the last financial year:

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

**NLC Graduate Futures** – provision of 70 x 12 month graduate level work experience opportunities for local unemployed or under-employed graduates.

4.2 Both schemes are on target and there is strong demand from services to create opportunities with the funding which the Council has provided. Planning and Regeneration are working with HR in the development and delivery of these placements. All Council services have come forward with proposals. The schemes progress to the end of December 2013 is outlined below.

<b>Scheme progress to end of Dec 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>160</b>	<b>91</b>	<b>50</b>
<b>NLC Graduate Futures</b>	<b>70</b>	<b>71</b>	<b>36</b>	<b>22</b>

4.3 The figures from these schemes will be in addition to the headline target of supporting 5,000 people back to work over the three years.

#### 5. Funding and budgets

5.1 The Council pledged an initial £1.7m in year 1 of YIP and a further £3.4m was awarded in this year's budget for years 2 and 3. Following the Council commitment and discussions with the Scottish Government, two funding awards have been made. An initial award of £1.825m in April 2013 and a further commitment of up to £1.267m of ESF/Scottish Government funding was received. This is in addition to existing spend which the Council makes on employability services through the CPP North Lanarkshire's Working (NLW) programme.

5.2 Since the start of YIP, £2.5m has been spent on wage subsidies and promotion of the initiative and a further £3.8m is committed. There is currently no anticipated shortfall in budget by the end of the 3 years but this is subject to costs (these vary depending on the type of job supported), compliance (being able to provide the evidence that maximise the external funding draw down) and performance. The team has a regular meeting with Finance staff to review YIP budgets.

#### 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 continued progress in North Lanarkshire. The latest picture is provided below.

	<b>Oct 2013</b>	<b>Nov 2013</b>	<b>Change</b>
Total JSA claimants	9,418	9,198	-220
16-24 year-old claimants	2,510	2,430	-80

The picture over the past year:

	<b>Nov 2012</b>	<b>Nov 2013</b>	<b>Change</b>
Total JSA claimants	11,208	9,198	-2,010
16-24 year-old claimants	3,235	2,430	-805

- 6.2 The total number of people claiming JSA has decreased by 3,319 since January 2013 and has been falling steadily since then despite increases in June and July, which are traditional at that time of year due to students claiming benefits on leaving further/higher education. 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. Future priorities/challenges**

- 7.1 Marketing activity has engaged with over 600 businesses since the inception of YIP. Future business marketing activity will revolve around addressing the following challenges:

- Retaining existing businesses to ensure they repeatedly use the service when recruiting staff
- Engaging with North Lanarkshire businesses who have yet to use YIP
- Engaging with businesses outwith North Lanarkshire to encourage them to invest and recruit from the area

- 7.2 The key will be ensuring that the 'offer' proposed to businesses which includes new government compliance requirements will be attractive enough to ensure their involvement in the initiative.

- 7.3 Participant marketing has resulted in nearly 7,500 residents registering with YIP recruitment portal since it was launched in February 2012. From this figure 62% are aged 16-24. Future participant marketing will focus on:

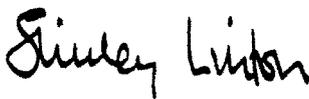
- increasing the percentage of 16-24 year olds registering on the portal
- maintaining engagement with existing registered individuals

- 7.4 Capturing data and measuring sustainability of subsidised jobs by follow up with employers will be a priority in order that we can overall evaluate the impact of the employment. We also require to commit resources to focusing on ensuring that we maximise ESF grant that can be claimed. This now requires that we ask for additional paperwork from employers including monthly bank statements and BACs payment schedules that show a clear paper trail of wages being paid out to the employee we are subsidising. The service is closely monitoring the impact of the new requirements from employers on the scheme. It is too early to fully assess this as the wage subsidy is claimed in arrears and it is at that stage the evidence is requested. Employers are told upfront of the requirements.

7.5 As we move towards the final year of YIP with the aim of achieving the 5,000 target and also the final year of our EU funded programme, there is a requirement to review our current employability programmes and strategy and agree future priorities on employability. We require to consider the new EU programme and funding priorities, the likely availability of government funding, labour market changes and priorities, economic outlook, Council's own resources to deliver a programme of this scale and partnership priorities. It is intended that work on this will commence early in the new financial year.

## **8. Recommendations**

8.1 It is recommended that Committee notes the progress of the Youth Investment Programme in Year 2; 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 01236 632866