

**PLANNING EMPLOYMENT
ECONOMY AND REGENERATION
CABINET MEMBER MEETING**

Agenda Item 96

Brighton & Hove City Council

Subject: UPDATE ON YOUTH UNEMPLOYMENT
Date of Meeting: 29 March 2012
Report of: Strategic Director, Place
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Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report provides an update on youth unemployment in Brighton & Hove and describes the activities that the council and its partners are engaged in to provide learning, employment opportunities and career paths for young people.

2. RECOMMENDATIONS:

- 2.1 That the Cabinet Member for PEER notes the contents of the report and the work being undertaken to mitigate the impact of rising levels of unemployment on young people.

3. BACKGROUND INFORMATION

- 3.1 The increase in the number of young people out of work nationally is worrying but Brighton & Hove is doing relatively well – we started below the national level and have seen the lowest proportionate increase ending up 0.3% lower than the regional level (January 2012) at 5.% of 18 – 24 year olds.
- 3.2 Young people aged 18 – 24 represent 17.5% of the working age population, whereas they represent 13.8% in the South East and 14.7% in Great Britain. The large student population (Around 32,000) affects the figures with 55% of our 18-24 yr olds in full-time education compared to just 30% regionally and nationally. As a consequence we have the lowest proportion of 18-24 yr olds in employment, 47.3% compared to 63% regionally and 57.5% nationally.

- 3.3 A recent report by the work foundation highlighted Brighton & Hove as having a relatively high rate of NEETs (those Not in Education Employment or Training); the report looked at young people aged 16 - 24 yr olds rather than the 18- 24 yr old recipients of Jobseekers Allowance (JSA).
- 3.4 Levels of NEETs and Youth Unemployment is of particular concern. The Prince's Trust and the Royal Bank of Scotland research suggests that the November 2010 level of NEETs amongst 20-24 yr olds costs £22m per week in JSA, and £22m - £133m per week in lost productivity. This research also estimates that the cost of youth crime (including the imprisonment of young people) is £23m a week - £1.2bn per year, while the cost of educational underachievement is estimated at £22bn per generation.
- 3.5 Youth unemployment is being taken very seriously and has been identified as one of priorities in the new City Employment & Skills Plan (CESP). Priority three of the new CESP action plan aims to ensure that local residents are equipped to compete for jobs in the city's labour market.
- 3.6 In order to achieve this, the City Employment & Skills Steering Group (CESSG) is leading on the development of a one stop shop for Apprenticeships and Graduates Placements in Queens Road which will be launched in April this year. The Apprenticeship Training Association is being established by City College with support from the City Council. The college will employ young people and then place them as apprentices with Small and Medium Enterprise's (SME's) in the city. Evidence suggests that this approach will reduce the burden of red tape associated with employing staff and significantly increase the take up of apprenticeships.
- 3.7 The target for year one of the new programme is to employ 125 young people. A marketing campaign to encourage employers and young people to engage with the programme is underway. Apprentices will be offered in a wide range of employment sectors including retail, hospitality, wider customer services, business, administration and financial services, creative, cultural and digital media, construction, engineering.
- 3.8 The Council's Economic Development team facilitates and drives the agenda of the Major Providers Group. The group brings together the prime contractors of the Work Programme (G4S and Avanta), along with their local sub-contracted delivery organisations. G4S and Avanta will also lead on the delivery of the recently announced Youth Contract. The full programme will start in April 2012 and offers employers cash incentives to encourage them to provide young people with apprenticeships, jobs and work experience placements. The local

approach to Youth Contract will be discussed within the Major Providers group.

- 3.9 Following the government announcement of a £250 million employer fund that will give businesses the power to design, develop and purchase vocational training, members of the CESSG have arranged to meet with representatives of the local business community to explore the idea of developing a citywide proposal that could benefit local unemployed residents.

Post 16 Learning & engagement activity

- 3.11 Since April 2011, Brighton and Hove City Council has a Youth Employability Service (YES) specifically for working with 16-18 year old NEETs (Not in Employment, Education or Training) and young people with Special Educational Needs / Learning Difficulties and Disabilities who are NEET up to the age of 24.

- 3.12 The services aims are to: -

- To reduce the number of young people 16-18 who are NEET
- To increase the number of 16-18 year olds in learning
- To support young people with a statement of SEN to make a successful transition

- 3.13 The service is relatively new however the following results have been achieved in the first six months of operation.

1. The annual 16-18 NEET target is 9%; The NEET percentage from April to August 2011 averaged 7.9%
2. 332 young people aged 16-18 left NEET to become EET from 1/4/11 to 30/9/11
3. The in-learning target is 73.1%. The in-learning percentage from April to August averaged 76.3%
4. Processes are in place and have been agreed with each school to support young people with statements of SEN for the academic year 2011/12.

- 3.14 There are a range of methods used to make contact with these young people and publicise available opportunities to them, including a very successful Facebook page and a monthly bulletin 'Opportunities for You, which is very popular. There are also drop-in centres across the city, which help with a range of issues including CVs, job search, job applications, interview techniques. The YES team is working closely with providers and young people to look at the range of pre-apprenticeship provision available for those young people who are not quite ready to access a full apprenticeship programme.

- 3.15 YES is also taking part in a Department for Education funded Locally Led Delivery Project to support our Raising the Participation Age developments in the city in order that they can greatly increase the participation rates by 2015. One of the key focuses is the development of learning programmes which have a work based element and offer routes through to employment. They are working with colleges and third sector organisations to develop the programme.
- 3.16 A NEET service user group is being set up. This will meet regularly and feed views into service improvement plan. It has been commissioned to undertake a survey and make a DVD by the Raising of the Participation Age project.
- 3.17 The Youth Employability Service is now closely aligned with the Apprenticeship Strategy, City Employment and Skills Plan and other Employer Engagement strategies across the city.

Conclusion

- 3.18 Members of the City Employment & Skills Steering Group will continue to pursue opportunities to enhance and develop services to tackle youth and adult unemployment and underemployment. City College Brighton & Hove – a member of the City Employment & Skills Steering group has led on a pan-Sussex European funding bid that will help unemployed young people to get the right level of skills and employability support to improve their chances of gaining employment (including starting an Apprenticeship). The result of the bid will be announced later in the year.
- 3.19 The Brighton & Hove Local Employment Scheme (BHLES) is continuing to work with developers to ensure that local people have access to employment and training opportunities of major development sites across the city; developers are now obliged, as part of their Section 106 agreements to produce a plan detailing how many job and training opportunities there will be during the life of the project. To date 892 residents have signed up to the scheme, 126 residents have been supported through the Building Futures construction training project, 98 have gained qualifications, 26 learners have been offered work placements, 6 have started an apprenticeship and 54 people have been placed into employment.
- 3.20 Officers in the Council are pursuing European Funding opportunities to support employment in key sectors such as the Environmental industries (including eco-construction) and the creative industries that will support business and employment growth.

4. CONSULTATION

- 4.1 Contributions to this report were received from the City Employment & Skills Steering Group members including Brighton & Hove City Council's Economic Development team and the Youth Employment Service.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 There are no direct financial implications arising from the recommendations in this report, which is for noting. The current work streams can be met from existing resources and any future proposals will be subject to further reports as required.

Finance Officer Consulted: Karen Brookshaw Date: 23rd March 2012

Legal Implications:

- 5.2 There are no direct legal implications arising from this report which is for noting.

Lawyer Consulted: Bob Bruce Date: 19 March 2012

Equalities Implications:

- 5.3 There are no negative equalities implications arising from this report; the work streams referenced aim to mitigate and address rising levels of youth unemployment and levels of NEET's. Implication of these projects and programme will have a positive effect on access to employment and training for those facing disadvantage in the labour market.

Sustainability Implications:

- 5.4 There are no negative sustainability implications arising from this report; the projects and programmes referenced in this report will contribute to more sustainable employment for young people and provide access to new talent for the existing business base.

Crime & Disorder Implications:

- 5.5 Any initiatives or programmes implemented that reduce unemployment, improve local skills, and benefit the city's economy will have a positive impact in reducing the likelihood of crime and disorder.

Risk and Opportunity Management Implications:

- 5.6 There are no risk & opportunity management implications arising from this report.

Corporate / Citywide Implications:

- 5.7 The implementation of the recommendations and the projects being undertaken outlined in this report will have a positive impact on the city's economic performance and contribute positively to the health and social cohesion of its residents.

6. SUPPORTING DOCUMENTATION

Appendices:

None

Documents in Members' Rooms:

None

Background Documents:

1. City Employment & Skills Plan 2011 – 14
2. Work Foundation report Off the map: The geography of NEETs, November 2011
3. *The Cost of Exclusion: Counting the cost of youth disadvantage in the UK* (2010) The Prince's Trust.

