

REPORT TO: Cabinet

MEETING DATE: 14 January 2014

BY: Depute Chief Executive (Partnerships and Community Services)

SUBJECT: Youth Employment Scotland (YES) Fund

1 PURPOSE

- 1.1 To update Cabinet on new employment opportunities provided across East Lothian as a consequence of the Scottish Government Youth Employment Scotland (YES) fund.

2 RECOMMENDATIONS

- 2.1 Cabinet note the progress as outlined in implementing the Scottish Government YES fund across East Lothian.
- 2.2 Cabinet acknowledges and supports the commitment and effort from all Council Departments in developing employment and training opportunities across the Council and Community Planning Partners.
- 2.3 Cabinet endorses the Council Management Teams (CMT) decision to make full advantage of the opportunities presented by the YES fund with targets to be achieved as follows:
- Create 30 new grant funded 6 month paid work training experience opportunities throughout the Council for vulnerable young people.
 - Create an additional 12 grant funded Modern Apprenticeship/graduate placement opportunities throughout the Council.

3 BACKGROUND

- 3.1 East Lothian Works, East Lothian's new employability hub, officially opened in April 2013 and brought together all employability-related services under the East Lothian *One Council Approach*. East Lothian Works is the central point of contact for employment advice, training and

skills development and brings together a range of council services working in partnership with a number of external partners including Queen Margaret University, The Edinburgh College, Skills Development Scotland, Job Centre Plus and Social Enterprise in East Lothian.

3.2 Co-location of services in the same building is providing enhanced opportunity for sharing information and intelligence and encouraging joint project work. All partners have commented favourably on the new arrangements and with collective emphasis on improving performance there are growing numbers of people accessing and benefiting from employability related services. Positive word of mouth recommendations and referrals to East Lothian Works services ensures that East Lothian's unemployment continues to remain below National levels and that school leaver destinations statistics continue to improve.

3.3 Some notable statistics include:

- Since the 2008 recession, young people have increasingly found it harder to move into sustained employment (Scotland's youth employment strategy 2012)
- Over 230 individuals per month make use of East Lothian Works services with 15% successful in gaining employment within their first few months (East Lothian Council, Nov 2013)
- 127 new business start ups have also been established and benefited from the free advice available (East Lothian Business Gateway, April – Nov 2013)
- There is a fourfold increase in the number of people benefitting from free training and employment related advice and guidance (East Lothian Works, April – Nov 2013)
- 89.9% success rate for positive school leaver destinations and a 1.9% increase on last year (Skills Development Scotland, Dec 2013)
- Numbers of people currently claiming job seekers allowance are at their lowest levels since February 2009 (Office for National Statistics, Dec 2013)

3.4 East Lothian Council was awarded a combined Scottish Government and European Social fund grant of £238,191 in July 2013 to manage the delivery of the YES Fund. The YES fund is a wage subsidy scheme to support the creation of sustainable job opportunities (including Modern Apprenticeships) within the private sector for unemployed 16-24 year olds. A wage subsidy of 50% is available via the Government grant for local businesses in East Lothian for a 6 month period and businesses have been further encouraged via a further 15% subsidy from East Lothian Council.

3.5 The YES fund award has the potential to realise 74 new jobs for young people across the private sector. Uptake to date is in line with the national average and to date there have been 20 new jobs created across a range of East Lothian employers including marketing, retail, hospitality, vehicle maintenance, engineering and hair and beauty

sectors. East Lothian Works continues to promote the fund and engage with private sector business to ensure the scheme is fully accessible, supporting employers and employees to ensure successful and sustainable outcomes.

3.6 In November 2013 Scottish Government agreed to broaden the scope of eligible activity to make best possible use of the YES fund and increased the original grant award to £377,000 extending the fund eligibility to accommodate:

- Modern Apprenticeships and Graduate Programmes in the Public Sector.
- Local Authority Paid Work Experience (Jobs Training Programme).
- Broadening the scope to include private sector companies employing 250 plus employees but excluding multi nationals.

3.7 The Council Management Team (CMT) identified as a matter of urgency potential work experience placements, graduate placements and modern apprenticeship opportunities that could be made available across Council Departments. Heads of Service and Managers were designated to liaise with East Lothian Works staff in order to make full advantage of the opportunities presented by the YES fund with targets to be achieved as follows:

- Create an additional 12 grant funded Modern Apprenticeship/graduate placement opportunities throughout the Council.
- Create 30 new grant funded 6 month paid work training experience opportunities throughout the Council for vulnerable young people.

3.8 The YES fund grant will be utilised to support the creation of paid work training experience opportunities for vulnerable young people aged 16 – 24 who are furthest from the labour market and facing significant barriers to work; typically unemployed vulnerable young people in the following categories:

- Individuals who have completed a custodial sentence / Ex-offender,
- Veterans,
- Individuals who have been in residential care /Carers,
- Individuals with language, literacy or numeracy problems,
- Individuals with mild to moderate mental health issues and
- Individuals who has been unemployed for over 2 years.
- Individuals with additional needs/disabilities

3.9 East Lothian Works staff will continue to work closely with Service Departments to ensure that appropriate educational support packages are designed and accommodated to meet those young people's individual needs and aspirations and to ensure that the scheme is

supported to deliver maximum successful learning opportunity outcomes across the partnership.

4 POLICY IMPLICATIONS

- 4.1 Recommendations will contribute towards the East Lothian Plan (SOA),
http://www.eastlothian.gov.uk/downloads/file/7403/the_east_lothian_plan_single_outcome_agreement_2013-23

East Lothian Economic Development Strategy,

http://www.eastlothian.gov.uk/downloads/file/5873/east_lothian_economic_development_strategy

Economic Development Strategy Action plan – Develop more sustainable employment pathways in East Lothian

http://www.eastlothian.gov.uk/downloads/file/5872/east_lothian_action_plan

and Scotland's Youth Employment strategy.

<http://www.scotland.gov.uk/Resource/0039/00396371.pdf>

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 The subject of this report has been through the combined impact assessment process and no negative impacts have been identified.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – There are no financial implications for the Local Authority Paid Work Experience (Jobs Training Programme) given this is fully funded by the Scottish Government YES fund grant award. Educational support packages to meet young people's individual needs and aspirations can be readily accommodated within current staff work plans and budget allocations. Modern Apprenticeship and Graduate Programmes however are only part funded and will require host service departments to demonstrate how costs will be contained within existing budgets. A Members Library staffing report for any additional posts will be required.
- 6.2 Personnel - Recruitment to modern apprenticeships and graduate programmes will be in accordance with current East Lothian Council policies and procedures for recruitment. Vulnerable young people aged 16 – 24 who are furthest from the labour market labour and facing significant barriers to work can be referred by partner agencies to participate in a suitable match training for work experience opportunities.

6.3 Other - None

7 BACKGROUND PAPERS

7.1 Youth Employment Scotland

<http://www.employabilityinscotland.com/policy-and-partnership/youth-employment/youth-employment-scotland/>

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| AUTHOR'S NAME | Colin Forbes |
| DESIGNATION | Principal Officer (Employability) |
| CONTACT INFO | cforbes@eastlothian.gov.uk Tel: 01620 827851 |
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