

11th March 2014

Agenda Item: 5

**REPORT OF THE CORPORATE DIRECTOR, POLICY, PLANNING AND
CORPORATE SERVICES****SUPPORTING YOUTH EMPLOYMENT****Purpose of the Report**

1. In February 2014 Economic Development Committee approved the way in which learners with learning difficulties and/or disabilities (LLDD) and those who may also be *Not in Employment Education or Training* (NEET) will be supported by the Committee's investment. The project will take place over a two year period from April 2014 to March 2016 and the budget allocation is £158,000. During the February meeting, Committee Members asked for further information about the project. This report provides further details.

Information and Advice

2. The Committee asked for further information on the following:
 - Research undertaken in order to formulate the recommendation and benchmarks from other providers for comparison
 - Benefits arising from the project for the client group
 - Costs and outputs leading to an increased understanding of value for money
3. Significant research was undertaken prior to formulating the recommendation to February Economic Development Committee. At the national level, the Department for Education's evaluations and guidance on the supported internship model were reviewed as these offer observations on best practice around the job coaching model and the need for Systematic Induction Training for young people with learning difficulties. The Department for Education's recommendations about the supported internship model have been used to build the proposal to Committee.
4. The national benchmark for a supported internship for a young person with no additional needs is approximately £4,200 per year. For young people classed as LLDD, this figure rises to approximately £11,000 per year, which underlines the intensive nature of additional support required with this group of young people.
5. Locally, discussions took place with County Council services working with young people with learning difficulties to explore the best model of support. In 2012, the Council's Skills for Employment Service successfully bid for funding to undertake a project to develop supported employment placements for young people with LLDD. The purpose of this

fund was to share effective practice on partnership working using a 'cluster' approach. The cost of this pilot was £20,000 and it supported six learners from the LLDD client group with four week work experience placements. The cost per starter was £3,333. Two of these have developed into supported internships.

6. Finally, by way of benchmarking, the original proposal from Nottinghamshire Futures included an element of work with the LLDD client group. The proposal offered 16 weeks of SIT training for 3 to 5 learners and the cost was £30,000 – a range of between £6,000 and £10,000 per learner

Impact on client group

7. Nationally, only 7% of learners with a learning difficulty progress to employment, compared to 45% of learners with a physical disability and 85% of the rest of the school leaver population. The project will support more young people from the client group to progress to meaningful employment.
8. This project will reduce the number of young people who are claiming benefits as well as provide clear quality of life benefits to the client group. It is widely understood that people who are employed tend to be in better general health. In addition to better outcomes for young people there should also be a reduced requirement for intervention from the Council's adult social care and health services with beneficiaries of the project.

Costs and Outputs

8. On further interrogation of costs, a mistake had been made in the original report. Staffing costs had wrongly been calculated at full-time equivalent rather than pro-rated to half-time. This has now been rectified and amended costs are shown below. Funds released back into the project as a result of this miscalculation have been redirected towards beneficiary support.

- 0.5 FTE post (Band B) inclusive of on costs would be £41,741. The purpose of the post is to establish and facilitate two new partnerships over the two year life of the project.
- Staff travel costs and ancillaries e.g. IT - £2,500
- Systematic Induction Training (SIT) for Job Coaches £24,000
- Employer incentives - £15,000
- Transport for learners - £13,759
- Job coach costs - £57,000
- Evaluation - £4,000

Total - £158,000

9. The outputs have been changed in line with the amended budget and are shown below:
 - 45 learners would benefit from four weeks of work experience (previous figure was 30)
 - The majority of these learners would progress into a 'Supported Internship' of 6 months

- A sub set of these learners would progress to an extended 'Supported Internship' of a further 6 months
- A cohort of these learners would move into paid employment, it is estimated that this would be in the region of 15 learners.

10. For this project, it is difficult to quantify the exact cost per learner as the learner journey will range between 4 weeks and permanent employment. The project will enable the learners to benefit from some or all of work experience, supported internships and paid employment. The approximate range of unit costs for comparison is as follows:

- Unit cost per starter / 4 week placement: £3,177 (45 starts)
- Unit cost per 6 month internship: £4,086 (assumes 35 learners progress to this stage)
- Unit cost per 12 month internship: £7,150 (assumes 20 learners progress to this stage)
- Unit cost per job outcome: £10,533 (15 jobs)

Progress reporting

9. A progress report will be presented to this Committee after the first 6 months of the project have been delivered and each six months thereafter.
10. An independent evaluation will be commissioned during year two of the delivery of the project, which will inform future development and possible funding through the European Social Fund.

Reason for Recommendation

11. During the February meeting, the Committee asked for further information about the project, this information has been provided in response.

Statutory and Policy Implications

12. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

13. The project will be delivered over the 2013/14 to 2015/16 financial years and will be fully funded from the £158,000 remaining budget for youth employment.

RECOMMENDATION/S

14. That Committee notes the additional information provided.

Report of the Corporate Director, Policy, Planning and Corporate Services – Jayne Francis Ward

For any enquiries about this report please contact: Fiona Anderson - extn 72688

Constitutional Comments

No comments required as report is for noting only.

Financial Comments [SEM 28.02.2014]

The financial implications are set out in the report.

Background Papers and Published Documents

Nottinghamshire Youth Employment Strategy and presentation to Economic Development Committee, 28-03-2013

Apprenticeship Update – report to the Economic Development Committee, 09-07-2013

County Apprenticeship Project – report to Economic Development Committee, 17-10-2013

Supporting Youth Employment, - report to Economic Development Committee, November 2013

LSIS: Phase 2 Support and Aspiration, the Nottinghamshire Cluster, Evaluation Report 31-07-13

Supporting Youth Employment, 11-02-14

Electoral Division(s) and Member(s) Affected

All