

**14 December 2020**

**Agenda Item: 8**

## **REPORT OF THE CORPORATE DIRECTOR, PLACE**

### **UPDATE ON YOUTH EMPLOYMENT SUPPORT IN NOTTINGHAMSHIRE**

#### **Purpose of the Report**

1. The purpose of this report is threefold:
  - a) To provide contextual information relating to youth unemployment across Nottinghamshire;
  - b) To provide an overview of the Government's Kickstarter Scheme and other national, regional and local programmes aimed at supporting young people; and
  - c) To seek Member approval to undertake the procurement of an online platform for career management and transition.

#### **Information**

2. The Council Plan, 'Your Nottinghamshire, Your Future' has supporting young people's education and employment opportunities as instrumental in generating a strong and vibrant economy in the county. Now more than ever is such an approach key to ensuring that Nottinghamshire makes a rapid and full economic recovery from COVID-19. Young people will be critical to getting the economy started quickly and safely. They are adaptable and flexible in terms of skill acquisition and ability to relocate to find employment.
3. Even before the COVID-19 pandemic, forecasts suggested the numbers of young people outside of education, training and employment was likely to grow due to overall population rises in this age group and the increasing prevalence of some risk factors in the school-leaving population.

#### **Youth Unemployment across Nottinghamshire**

4. As reported to this Committee at its inaugural meeting in July, the Council and its partners keep under constant review labour market intelligence. The unemployment rate is categorised as a 'lagging indicator', it is amongst the most reliable as it is seen as confirming a pattern that is in progress. If the unemployment rate rose last month and the month before, it indicates that the overall economy has been doing poorly and may well continue to do poorly. The trajectory across Nottinghamshire suggests there will be a tightening of the labour market. Comprehensive and contemporary data, analysis and intelligence on the economy is provided in:

- The Council's interactive employment bulletins, can be accessed on line at:

<https://app.powerbi.com/view?r=eyJrIjoibGJhNTFiZTgtMjJiMi00YTg1LWFIODktNTBiNjQ1MThjYjJmliwidCI6IjZINWEzN2JiLWE5NjEtNGU0Zi1iYWVhZi1iYWFILTI3OThhMjI0NWYzMCIsImMiOjh9>

- Derby, Derbyshire, Nottingham and Nottinghamshire (D2N2) Data Centre, accessible online at: <https://d2n2lep.org/data-centre/>
- The Midlands Engine Economic Observatory, accessible online at: <https://www.midlandengine.org/our-programmes/observatory/>

5. Universal Credit is a payment to help with living costs for those on a low income, out of work or unable to work. September 2020 statistics indicate there is close to 60,000 Nottinghamshire people on Universal Credit, 9% of which are young people. The table which follows, broken down by district, illustrates a doubling of claimants since July 2019.

Universal Credit Claimants by Local Authority	Jul-19	Mar-20	Jul-20	Sept-20
	Aged 16-24	Aged 16-24	Aged 16-24	Aged 16-24
Ashfield	455	560	1,080	1035
Bassetlaw	410	415	860	825
Broxtowe	300	325	720	720
Gedling	320	395	820	805
Mansfield	420	540	1,005	895
Newark and Sherwood	305	380	830	810
Rushcliffe	165	190	500	515
<b>AREA TOTAL</b>	<b>2375</b>	<b>2805</b>	<b>5815</b>	<b>5605</b>

Source: Department for Work and Pensions Universal Credit Claimants by age group

6. Decades of research have shed light on the ‘scarring’ effect of youth unemployment. It can have a life-long impact in terms of low pay and reduced life chances. A growing number of studies are showing that living without work does not only affect income and career prospect but impacts on wellbeing and stress, affecting both mental and physical health. With the dual combination of an increase in young people falling out of the labour market and a recession, closing the employment gap requires significant work.
7. Issues around youth unemployment are not unique to Nottinghamshire. A House of Commons Library Research Briefing (October 2020), asserted that in April to June 2020, the United Kingdom (UK) youth unemployment rate was 12.3%, compared to 16.1% for the European Union (EU).
8. It is reassuring to note that, despite so much uncertainty, some businesses are not only surviving, but thriving. Manufacturing, logistics and digital are continuing to see significant growth this year, despite many businesses facing stumbling blocks. It is sectors such as retail and hospitality that will need to make use of the Government’s extended furlough scheme through to March 2021.

Kickstart Scheme and other national, regional and local programmes aimed at supporting young people

9. At a time when job opportunities are few and far between, getting young people valuable paid work experience is a good undertaking. In recognition that young people have been some of the hardest hit by the pandemic and unemployment can have longstanding


implications for their future jobs and wages, the Government launched the Kickstart jobs creation programme.

10. The Kickstart Scheme went live on 2 September 2020 to help young people aged 16-24-year old who are claiming Universal Credit and at risk of long-term unemployment get into the job market, by providing government funding for employers to create a six-month job.

11. The Kickstart Scheme is expected to create more than 250,000 high-quality jobs. So far, through the Kickstart Scheme nationally:

- 19,672 jobs have been created for young people
- jobs in tech, film and TV, communications, fitness, and the charity sector are among the roles on offer
- more than 4,350 applications from employers have been received
- 500+ "gateways" - organisations that act on behalf of employers with space for 29 or fewer placements - have signed up.

12. Locally, the East Midlands Chamber of Commerce (one of a series of gateways operating in the County) have indicated that they have 334 job placements from 99 businesses across Nottingham and Nottinghamshire. They have launched a placed based marketing campaign and are aiming to run more question and answer sessions in November. Whether a member of the Chamber, or thinking about becoming one, businesses can attend many of the varied events put on every week. Details on the Kickstart Scheme events can be found here:

 [https://www.emc-dnl.co.uk/view-all-events/?action=event\\_search&category=&location=&keyword=kickstart&datefrom=&dateuntil=&sortby=](https://www.emc-dnl.co.uk/view-all-events/?action=event_search&category=&location=&keyword=kickstart&datefrom=&dateuntil=&sortby=)

13. The Council is working with its jointly-owned social enterprise, Futures Advice, Skills and Employment (Futures) and the Department for Work and Pensions (DWP), to provide an 'Introduction to Kickstart' programme for eligible young people in Nottinghamshire. This pilot initiative will see young people receive a range of support to prepare and support them within Kickstart work placements, with the aim of securing sustainable employment thereafter.

14. To improve the quality and breadth of work experience and to help provide a rudimentary understanding of the content of real jobs, the Council's Human Resources, Workforce Planning & Organisational Development team are exploring the option of offering placements through the Kickstart scheme. Details of which will be reported to a future Personnel Committee.

15. Further details of the Kickstart Scheme can be found at **Appendix A**.

16. On 25 November 2020 the Chancellor unveiled a one-year spending review for 2021-22, which included two significant job market priorities: how to get employment growing again next year and how to help the unemployed to fill those jobs. The following programmes were revealed:

- **Employability:** £2.9bn on a DWP 3-year 'restart' programme to help over one million people that have been unemployed for 12 months or more to find employment

- **Wages:** National minimum wage rising to £8.91 an hour and extended to those 23 years old plus (benefiting 2m people). The national minimum wage for apprentices will increase in April 2021 from £4.15 to £4.30 per hour
- **Education:** 3-year investment plan for schools. An increased school budget by £2.2bn to deliver government's priority of £7.1bn by 2022-23 and rebuilding 500 schools over the next decade
- **Skills:** An extra £291m to pay for young people to go into Further Education.
  - £1.5bn to rebuild Colleges and £375m in 2021-22 to deliver the lifetime skills guarantee and extend traineeships, sector-based work academies, the National Career Service and improvements to the way the Apprenticeship system works. From August 2021, employers who pay the levy will be able to transfer unspent levy funds in bulk to small and medium-sized enterprises (SMEs) with a new pledge function.

17. Along with programmes being delivered by Futures and the Council's cultural, learning and libraries service – Inspire, we can report that the Council is a partner in bidding for c£12m of external funding for projects relating to employment. **Appendix B** summarises this and other national, regional and local programmes aimed at supporting young people who require the most help with moving into meaningful employment or training.

18. The Council by using these innovative service delivery models will continue to work with our commissioned service providers to further support these programmes in innovative and flexible ways. The use of our libraries and young people's centres is invaluable in helping young people access the support they need.

#### Employment and Skills Brokerage – a proposed online platform for career management and transition

19. It is recognised that, despite the best intentions of all involved, commitments to place local people into the jobs created locally – especially by major development schemes - are often unachieved.

20. A key reason for this, is the challenge of meeting the very specific needs of some sectors (such as, but not limited to, the construction industry) through mainstream employment support, which can result in ineffective matching between the needs of the employer and the skills of the candidate. This is demotivating for all involved.

21. In March 2020, Policy Committee approved the adoption of the Employment and Health Strategy 2020-2030, along with the establishment of posts to support employment opportunities across the Council and the County. This recruitment was put on hold as a result of the pandemic.

22. Roll forward four months, in July 2020 members gave approval for officers to explore the merit of having an Employment and Skills Brokerage. This work has since taken place, with phase one resulting in the launch of the Council's Employment and Skills Portal. The Nottinghamshire Employment and Skills Portal contains a wealth of online information and resources offering support to young people and residents and is accessible via the following link: <https://www.nottinghamshire.gov.uk/jobs-and-working/employment-and-skills-portal>

23. Subject to Member approval, officers have prepared a brief to go to the open market to develop a bespoke online platform for career management and transition that will support unemployed people in Nottinghamshire to find new job roles.

24. The proposed two-year pilot platform (with option to extend) will match the human resource requirements of employers with Nottinghamshire residents and provide an understanding of the specific skills and qualifications required for each job advertised. Whilst such an approach will require an ongoing revenue commitment (confirmation of which will be determined through the procurement process), at least initially, this will negate the need to recruit to the Employment Opportunities Manager post.

25. The five key success activities at the heart of this proposed platform includes:

- ☑ Engaging with local employers to develop a clear understanding of the labour force plans and recruitment requirements across the supply chain for each job, as well as any specific requirements for local labour, such as those required as part of Section 106 obligations
- ☑ Engaging with agencies and intermediaries to support them to identify and plan for the anticipated labour requirements. The plan being to provide outreach services directly for our residents through the likes of Futures and Inspire
- ☑ A focus on ensuring that employment opportunities are genuinely accessible to local people, gender inclusive and (where appropriate) prioritise key groups – such as care leavers, disabled and those individuals with long-term health conditions
- ☑ Link in with other interventions to help mobilise and promote the platform, together with access to available pastoral support for local people placed into employment, to ensure that they can succeed in their new roles
- ☑ Monitoring and evaluating the performance of the platform and the successful progression of the individuals helped

### **Other Options Considered**

26. The 'do nothing' option was discounted on two counts. Firstly, as a local authority, Nottinghamshire County Council is required to track young peoples' participation in education and training, enabling those who are not in education, employment or training to be identified. Ensuring there is enough provision to meet the need of those not in education, employment or training (NEET) young people is vital.

27. Secondly, by taking learnings from the Way2Work programme (detailed in Appendix B) it is expected that the proposed platform will be quicker to implement and result in wider participation than would otherwise be achieved on a one-to-one basis by a solo Employment Opportunities Manager.

### **Reasons for Recommendations**

28. To recognise the work undertaken to date by the Council and its partners. Taking note of the issues raised, actions to be taken and work currently underway to address the issues associated with youth unemployment across Nottinghamshire.

29. The cushion of the government's furlough scheme extension until 31 March 2021, is providing businesses with some breathing space. However, the anticipated scale of job cuts to come is likely to require even more effort and interventions on top of those contained within the report and appendices. An accompanying online platform is deemed to be a priority.

30. To ensure that the young people of Nottinghamshire have access to a unique job search portal and support with job opportunities, CV creation, interview simulation and interactive advice. It is expected that the product will share similarities with the Council's own Career

Development Portal and will have the flexibility to adapt to help priority groups as appropriate. The Council's Career Development Portal was launched in October 2018 and is available online at: <https://www.nottinghamshire.gov.uk/jobs-and-working/working-for-us/learning-and-development/career-development-portal>)

## **Statutory and Policy Implications**

31. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment 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**

32. There are no financial implications associated with this report as a procurement exercise is proposed, additionally, officers are exploring with partners how the cost of an engaging, content-rich, online platform to provide career empowerment for the people of Nottinghamshire, can be realised and shared. Further reports will be brought to Committee detailing the outcomes of this work.

## **RECOMMENDATIONS**

It is recommended that the COVID-19 Resilience, Recovery and Renewal Committee:

- 1) Approve the procurement of an online platform for career management and transition.
- 2) Confirm agreement to the continued involvement of the Council in providing an 'Introduction to Kickstart' programme for eligible young people in Nottinghamshire, in partnership with the DWP and our jointly owned Futures Company.

**Adrian Smith**  
**Corporate Director, Place**

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## **Constitutional Comments [KK 17/11/2020]**

33. The proposals in this report are within the remit of the Covid-19 Resilience, Recovery and Renewal Committee.

## **Financial Comments [RWK 16/11/2020]**

34. There are no specific financial implications arising directly from this report. Any financial implications arising from the further work proposed in the report will be detailed in future reports to Committee.

## Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- *Youth unemployment statistics*, House of Commons Library Research Briefing, published 13 October 2020 and available online at:  
<https://commonslibrary.parliament.uk/research-briefings/sn05871/#:~:text=In%20April%2DJune%202020%2C%20the,youth%20unemployment%20rate%20at%207.0%25.>
- *Nottinghamshire COVID-19 Economic Recovery Framework*, report to COVID-19 Resilience, Recovery and Renewal Committee, published 16 July 2020
- *Employment and Health Strategy 2020-30*, published 18 March 2020 and available online at:  
<https://www.nottinghamshire.gov.uk/policy-library/72899/employment-and-health-strategy-2020-30>
- *The Spending Review 2020 speech as delivered by Chancellor Rishi Sunak*  
<https://www.gov.uk/government/speeches/spending-review-2020-speech>

## Electoral Division(s) and Member(s) Affected

- All