

6<sup>th</sup> January 2015**Agenda Item: 6****REPORT OF THE GROUP MANAGER, CORPORATE STRATEGY****SUPPORTING YOUTH EMPLOYMENT****Purpose of the Report**

1. To update Members on the progress of the apprenticeship grant measure to support youth employment and seek approval for flexibility in the use of the funding.

**Information and advice**

2. In October 2013 Economic Development Committee approved £342,000 to support measures to increase the numbers of apprenticeships available to young people through a grant to small and medium enterprises (SMEs) recruiting an apprentice for the first time.
3. Futures Advice, Skills and Employment have been commissioned to deliver this grant on behalf of the County Council. The project was launched in May 2014 under the banner of "Say Yes to an Apprentice".
4. The apprenticeship grant was initially targeted at SMEs in the priority sectors of
  - manufacturing
  - green energy
  - advanced technology
  - visitor economy
  - construction
  - health and social care

Following a six month review with the Chair of this Committee it was agreed that any sectors which offer good employment opportunities with career progression, and have been identified as contributors to the future economic well-being of the county, will also be eligible for the grant.

5. The 'YES' project is targeted at SMEs which have never recruited an apprentice before with the aim of encouraging these companies to consider the benefits to their business of recruiting and training a young person.
6. Grants of up to £1,500 are available to support the employment of an apprentice aged 16-19. The grant is paid in three phases to support the

sustainability of apprenticeship recruitment; at 26 weeks and 52 weeks, and an additional payment at 18 months if the apprentice has been recruited to a full-time position or progresses to a higher level apprenticeship with that employer.

7. The 'YES' grants complement other government apprenticeship funding of £1,500 (the AGE grant) which are awarded to any business with up to 1,000 employees recruiting an apprentice aged 16-24. Only SMEs employing an apprentice for the first time and based in Nottinghamshire will receive both grants.
8. To date, Futures have promoted the 'YES' apprenticeship Grant to employers and young people through attendance at Business Clubs and events, jobs and careers fairs, and through promotional materials, social media and a telemarketing campaign. A promotional film for YouTube has also been produced which will be linked to social media and shown where facilities allow. A slides version is being prepared for use on County Council screens. Press releases have also promoted successful placements.
9. To the beginning of December there have been 82 grant applications and 64 grants have been approved, with six ineligible applications (out of County, outside of the age range, or not first apprentice). Twelve further applications have been received and are being processed. The first payments were made to employers in November, with the majority for this financial year due in February and March.
10. The new apprenticeship places can be summarised by sector, District and age in the following table;

<b>Start by Business Sector</b>	
Advanced Technology	8
Automotive	2
Business Services	4
Construction	12
Education	2
Hair & Beauty	2
Health & Care	4
Land based / Environmental	5
Manufacturing	8
Retail	3
Sport & Leisure	2
Tourism	7
Transport	2
Voluntary Sector	3

<b>Apprenticeship Start by Residency</b>	
Ashfield	7
Broxtowe	13
Gedling	15
Mansfield	13
Newark	8
Rushcliffe	8

<b>Age at Start</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>
Number of Starts	17	21	19	7
Total Starts				<b>64</b>

11. The following marketing activities have been agreed to secure more apprenticeship places;

- Digital advertising – adverts targeting employers who download and stream music, with age and geographical targeting
- Contacting employers advertising vacancies which could be converted to apprenticeships
- Regular contact with business and employer groups
- Further social media campaigns
- Employer e-shot, tracking & follow up

12. An initial element of the project was provision of up to £30,000 for pre-apprenticeship training. This was aimed at ensuring young people were prepared and work ready and ensuring employers could be confident of their recruitment decision. To date there has been no identified requirement for this. Therefore Members may wish to consider options for the use of this allocated funding. Options include;

- a) Extending the grant programme beyond the original target of 166 apprenticeships if demand from employers exceeds the original allocation, and employability training in schools which would promote apprenticeships as an option for post-16
- b) Targeted support for individual apprentices where there is an identified need;
  - To address difficulties or barriers which may otherwise prevent them from continuing in their employment
  - Travel costs or solutions for young people or employers in rural areas
  - Job search skills and activities for any young people who complete their apprenticeship but are not kept on by the employer
  - Specialist Financial Awareness training delivered separately from the apprenticeship qualification route.
  - Pre-apprenticeship training for any young people with an identified need
- c) To not spend the money

The preferred option is to have the funding as a flexible pot, to be used for options 12a) and 12b) as and when required, with the lead Economic Development Officer agreeing proposals with Futures.

13. John Yarham, chief Executive of Futures Advice Skills and Employment will be attending the meeting to give an update on the project.

## **Conclusions**

14. Although the project has not reached the forecast targets in the first quarter, numbers are steadily increasing. The slow start has been attributed to a

national decline in the number of young people taking up apprenticeships, the restrictions on the sectors eligible for the scheme and the focus on companies that have not previously recruited apprentices. Numbers have now begun to increase and interest from employers in the newly included additional sectors is promising.

### **Reason(s) for Recommendations**

15. To keep members informed on the progress of Supporting Youth Employment measures, and to ensure funding is used to the maximise outputs.

### **Statutory and Policy Implications**

16. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working 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**

17. The funding for this project has been previously approved by Economic Development Committee

## **RECOMMENDATIONS**

18. It is recommended that Committee
  - i. Notes the report and
  - ii. Approves the flexible use of the £30,000 allocated for pre-apprenticeship funding with delegated approval for the menu of options described in point 12 above

### **Report of the Group Manager, Corporate Strategy, Celia Morris**

For any enquiries about this report please contact: Fiona Anderson 72685 or Hilary Porter 72146

### **Constitutional Comments [16.12.2014]**

The Economic Development Committee has delegated authority within the Constitution to approve the recommendations in the report.

### **Financial Comments [19/12/2014]**

The financial implications are set out in the report.

### **Background Papers**

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

ALL