

Committees:	Dates:
Policy & Resources Committee City Bridge Trust Finance Committee Court of Common Council	6 th September 2012 27 th September 2012 2 nd October 2012 25 th October 2012
Subject: Get Young People Working – The Youth Offer	Public
Report of: The Chief Grants Officer, City Bridge Trust	For Decision
<p><u>Summary</u></p> <p>This paper proposes a new initiative “Get Young People Working – The Youth Offer”, to help tackle the growing problem of rising numbers of young people not in employment, education or training (NEETs). This is a problem common to all London Boroughs.</p> <p>Each of the 32 London local authorities would be invited to apply for a grant of up to £100,000 over a 2 year period. This grant would be to support the costs of a voluntary sector partner with experience of working with the most disadvantaged young people.</p> <p>A detailed specification with clear outcomes (1,000 young people across London accessing employment or apprenticeships) would be developed and each applicant London local authority would need to demonstrate how it meets the specification. Decisions on grant awards would be made by City Bridge Trust Committee.</p> <p>Any grant awarded would be additional to publicly funded programmes. It could not be used to replace public expenditure cuts.</p> <p>Recommendations</p> <p>a) That, subject to the concurrence of the Finance Committee, The City Bridge Trust Committee and the Court of Common Council, a budget of £3.28m be approved from income in Bridge House Estates for “Get Young People Working – The Youth Offer”, a London-wide initiative tackling youth unemployment on the basis set out in this report;</p>	

- b) That, of the pot of £3.28m, £3.2m be allocated to supplement the grant-making capability of the City Bridge Trust for expenditure in the current and future financial years, with the balance of £80,000 being utilised for additional administrative costs and to supplement the City Bridge Trust's local risk budget for expenditure in the current and future financial years;
- c) That the Town Clerk be authorised to approve the detailed specification and criteria for the initiative, in consultation with the Chairmen and Deputy Chairmen of the Policy & Resources and City Bridge Trust Committees.

Main Report

1. Introduction

At the request of the Town Clerk, a cross-departmental working party, led by the Director of Community and Children's Services, was set up in May 2012, to explore how the City of London Corporation might provide a constructive response to the growing London-wide issue of rising numbers of young people not in employment, education or training (NEETs). The need for a new initiative was well established and this paper sets out its rationale, aims and objectives.

2. This paper has the support of Members of the Resource Allocation Sub Committee and its contents were discussed when they met informally at their Awayday meeting on 6th July 2012.

3. Background

The number of young people referred to as NEETs is growing. The figure of 10% nationally for the 16-18 cohort is usually cited but in some London boroughs it might be as high as 20%. In Quarter 1 of 2012, there were 125,000 people between the ages of 16-24 in the NEETS category, in London. This figure represents 14% of all those aged 16-24 in London (Source: Department for Education NEET Statistics – Quarterly Brief – Quarter 1 2012, May 2012). The majority of these were in the 19-24 year-old bracket.

4. Despite over 12 years of policy attention and investment, the problems facing disadvantaged groups of young people have not been overcome. The situation has worsened considerably since the recession.

5. The consequences of long-term unemployment are both personally devastating for the young people whose lives are blighted and for London as a whole. Long-term unemployment can lead to mental and physical ill health and debt, all of which have economic as well as societal consequences. In pockets within the capital, there are families where there are three generations of worklessness; a cycle which is extremely difficult to break.

6. **The City of London's Response**

It has never been more important that the City of London Corporation plays a leading role in helping tackle the NEETs issue. The City Corporation, through its charity, City Bridge Trust, is well-positioned to assist every London local authority in helping address some of the problems facing NEETs locally, through a new grants initiative, additional to its published programmes and priorities.

7. The new, London-wide initiative would build on the considerable amount of work done by the City across a range of its departments including Community and Children's Services, Economic Development and through the grantmaking of City Bridge Trust. These initiatives include apprenticeships, internships, support to Academies, mentoring, work experience, skills for work and its support to City businesses developing Corporate Social Responsibility programmes.

8. Whilst the Coalition Government and Mayor of London are developing a range of initiatives to address unemployment and the growing numbers of NEETs, much more could be done locally. The City can play a useful role in helping London's Local Authorities build on existing programmes by providing extra support to some of their most hard to reach young people. The City Bridge Trust, with its extensive experience of funding London's third sector, believes that voluntary organisations can also play a significant role in complementing existing programmes by providing additional specialist support in partnership with Local Authorities or other statutory providers.

9. **"Get Young People Working – The Youth Offer"**

Every Borough has NEETs and this proposal has the clear aim of supporting London's 32 Local Authorities in reducing the numbers of young people not in employment, education and training with the goal of helping 1,000 NEETs into jobs or apprenticeships over 2 years, making a tangible difference to the lives of disadvantaged young people in London by improving their employability, skills and access to jobs.

10. It is proposed that every London local authority is invited to apply for a £100,000 grant which would build on existing work training or apprenticeship schemes for NEETs. The £100,000 would be **additional** to any existing programme and could **not** be used to top up underfunded government programmes. The ‘grant’ could not be used as substitute for posts/activities cut as a result of Public Expenditure reductions.
11. This additional funding would be applied to activities/programmes which can demonstrate that extra resources will contribute to young people gaining jobs or apprenticeships.
12. Applicants would need to meet specified criteria and demonstrate how they will provide good outcomes. These will be produced in consultation with the Town Clerk, Chief Grants Officer, Director of Community & Children’s Services, Director of Economic Development and Director of Press & Public Relations.
13. **Differentiated Needs**
NEETs are not a homogenous group and the differentiated nature of those regarded as NEET and the fact that their circumstances are often rooted in local factors, requires local authorities and civil society organisations to develop locally sensitive and flexible strategies. The third sector has a vital role to play in connecting with hard to reach groups and providing specialist services.
14. The third sector’s reputation of working with single parents, young people at risk of offending or ex-offenders, young people with disabilities or those with substance misuse issues makes it well-positioned to add value to existing employment training by ensuring that the young people with the greatest need do not “fall through the net”.
15. **Partnership Working**
A ‘one size fits all’ approach cannot meet the needs of all NEETs, so we would expect the applicant local authority to work in conjunction with a voluntary sector partner. The £100,000 grant offer is to support the cost of delivering the local initiative to meet the agreed outcomes.
16. **View of London Councils**
During preliminary consultation with London Councils’ officers leading on 14-19 activity and economic development, the initiative received a warm welcome and was thought to be a good strategic fit with the current larger scale youth unemployment projects such as the Youth Contract and the Mayor of London’s aims. “Get Young People Working – The Youth

Offer” emphasises localism, encouraging each authority to understand and respond to their unique local needs. The voluntary and community sector is vital in developing a real local approach.

17. London Councils’ officers have indicated that they would wish to engage with “Get Young People Working – The Youth Offer”; both in communicating its message and advising on its implementation; and, subject to Member approval, the necessary work will be undertaken with London Councils to harness their advice and support.

18. **Consultation**

The Town Clerk, Chamberlain, Director of Community and Children’s Services, Director of Economic Development and Director of Press & Public Relations have been consulted in the preparation of this report and their views have been incorporated.

19. **The Process**

If your Committee supports this initiative, it would be administered by the City Bridge Trust. Terms of reference and criteria will be drafted for approval by the Town Clerk, in consultation with the Chairmen and Deputy Chairmen of the Policy & Resources and City Bridge Trust Committees. Each of the 32 London local authorities would be invited to apply for a grant by submitting a proposal which would have to demonstrate that it measures up to the detailed specification. The Chief Grants Officer and other CoL colleagues would assess the proposals and report to the City Bridge Trust Committee for their decision.

20. **Neighbouring Boroughs and Central London Forward**

In addition to the “Get Young People Working – The Youth Offer” initiative, Members of the Resource Allocation Sub Committee at the informal Awayday meeting considered that there was a further need to explore how CoL could do more with its partners and neighbouring boroughs and your officers will report to you on how this might be progressed, later this year.

21. **Resources**

The costs of the “Get Young People Working – The Youth Offer” at £100,000 per borough, amount to £3.2m in 2012-13. The additional assessment and administrative costs require an uplift in the City Bridge Trust’s local risk budget 2012/13, estimated at £80,000; making a total of £3.28m. The Chamberlain has advised that there is sufficient headroom within Bridge House Estates to cover these additional costs.

22. **Communications**

If you approve the approach outlined in this paper, then it would offer a significant opportunity for CoL to demonstrate its leadership in, and commitment to, tackling one of London's most intractable problems. As a substantial initiative, this is likely to attract favourable publicity at a time when it is much needed. This initiative meets fully the City of London's communications priority "*supporting London's communities*".

23. **Conclusion**

"Get Young People Working – the Youth Offer", is a significant opportunity for changing the lives of the 1,000 young Londoners, amongst whom are the most socially excluded and disadvantaged in the capital. Working collaboratively with London Councils, participating London local authorities and the third sector, it would demonstrate CoL's commitment to partnership working in helping address the NEETs issue much more effectively than can be done by using any single agency alone.

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