

Report To: Environment & Regeneration Committee
Date: 7th June 2012

Report By: Corporate Director – Environment, Regeneration & Resources
Report No: RC/12/06/03/SJ/JH

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Subject: Budget Proposals – Youth Employment

1.0 PURPOSE

- 1.1 The purpose of this report is to provide Members with details of Youth Employment initiatives following the decision by Policy and Resources Committee on 27 March 2012 to allocate £450,000 from the surplus General Fund Reserves in 2012/13.

2.0 SUMMARY

- 2.1 At Policy and Resources Committee on 27 March 2012, it was agreed that £450,000 be committed from the surplus General Fund Reserves in 2012/13. This will supplement the already approved additional £600,000 for youth employment projects, giving a total fund of £1.05m for this purpose.
- 2.2 Details of the proposals can be found in the Background section of the report.

3.0 RECOMMENDATION

- 3.1 It is recommended that Members agree the details of the youth employment initiatives following the decision by Policy and Resources Committee to allocate £450,000 over 3 years.

Aubrey Fawcett
Corporate Director – Environment, Regeneration and Resources

4.0 BACKGROUND

- 4.1 Proposal for Modern Apprentices (MA) – Inverclyde Council currently has a total of 50 apprentices in a range of occupational areas. These are generally hosted by participating Services although there are also external employers engaged in hosting apprentices. Inverclyde Council manages a contract with Skills Development Scotland to provide placements, drawing down the funding associated with training costs. The MA route has very positive outcomes with young people entering either employment or higher education. This initiative will allow 3 apprentices to be fully funded over 3 years.
- 4.2 Proposal for Future Jobs Fund Places (FJF) – Since 2009 the Council as main contractor and The Trust have delivered a Future Jobs programme. A total of 580 young people have participated with positive outcome rates around 50%. Future Job placements are traditionally for a period of six months however this initiative will allow for 23 one year FJF places over 3 years. This offers young people a more secure opportunity and thereby allows them to develop their skills and experience within the placement.
- 4.3 On 18 March 2012, the Scottish Government announced funding of £9m from its Youth Employment Strategy Fund.
- 4.4 No funding was allocated to Inverclyde, despite its high rate of youth unemployment with 11.9% of 18 to 24 year olds claiming Jobseekers Allowance as at April 2012. Further, CoSLA expressed concerns around both the lack of consultation in awarding this funding and of Ministers unilaterally deciding that only 6 of Scotland's 32 Councils should receive any of the funds.
- 4.5 Six local authority areas that face 'particular challenges' with youth unemployment have been awarded the extra funding to help boost job opportunities in their areas. These areas are:
- Glasgow
 - Renfrewshire
 - North and South Lanarkshire
 - North and East Ayrshire
- 4.6 In light of the Scottish Government's failure to allocate any funding to Inverclyde to address youth unemployment, Policy and Resources Committee agreed to commit £450,000 from the surplus General Fund Reserves in 2012/13.

5.0 FINANCE

5.1 Financial Implications – One off Costs

Financial Implications – Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
General Fund Reserves	Youth Employment	2012/13	£450,000		To be spent over 2012/15

6.0 CONSULTATIONS

- 6.1 Consultations regarding the Modern Apprentice Programme have included all appropriate partners.
Inverclyde Council – HR and all Departments.