

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Young Person's Guarantee Delivery 2022/23

Executive/routine Wards Council Commitments	Executive All 7 and 31
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1. Recommendations

- 1.1 It is recommended that Committee:
- 1.1.1 Notes the funding which has been allocated by the Scottish Government for delivery of the Young Person's Guarantee (YPG) in financial year 2022/23;
 - 1.1.2 Approves the priority groups, activities and framework for future funding, as set out in paragraph 4.8 in addition to the eligibility criteria laid out by Scottish Government;
 - 1.1.3 Approves the proposed activity as detailed in this report and summarised in paragraph 6.2; and
 - 1.1.4 Delegates authority to the Executive Director of Place, in consultation with Convenor and Vice Convenor of Housing, Homelessness and Fair Work, to award small grants up a value of £75,000 each, as set out in paragraph 4.11.

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Report

Young Person's Guarantee Delivery 2022/23

2. Executive Summary

- 2.1 Edinburgh has been awarded funding of £1.006m for financial year 2022/23 from Scottish Government for delivery of the Young Person's Guarantee (YPG). In addition, the Scottish Government have confirmed that unspent funding from 2021/22 can be carried forward. In Edinburgh, this funding is approximately £2m, meaning that the total funding available in 2022/23 will be just over £3m.
- 2.2 The report seeks approval for priority groups and activities to be funded, and for the allocation of funding for these activities. Delegated authority is requested to award small grants, up to a value of £75,000 each, to enable activities to begin as soon as possible in the new financial year.

3. Background

- 3.1 In 2020, in response to the identified impact of the Covid-19 pandemic on the opportunities and life chances of young people, the Scottish Government implemented a YPG programme to focus on ensuring that over the next two years all sectors worked together to guarantee that young people aged 16 – 24 had the opportunity to access work, education or training.
- 3.2 In [January 2021](#) Housing, Homelessness and Fair Work Committee to use £1.9m of YPG funding :
 - 3.2.1 For additional Employer Recruitment Incentives;
 - 3.2.2 To extend Kickstart placements;
 - 3.2.3 To offer paid work placements in the council and third sector;
 - 3.2.4 To add capacity in the existing Activity Agreement Hubs; and
 - 3.2.5 For a YPG delivery team, employed by Capital City Partnership (CCP), to oversee grant funded activity and help streamline the employability skills pipeline.
- 3.3 Additionally, it was agreed to employ additional staff in the Council to deliver on the above commitments.

- 3.4 In June 2021, the Council received a further funding award of £2.9m for YPG delivery in 2021/22, with guidance that only committed Employer Recruitment Incentives (ERI) would be allowed to be carried forward.
- 3.5 A report to Housing, Homelessness and Fair Work Committee on [2 September 2021](#) recommended priority groups for focus of provision and identified gaps in provision across Edinburgh's employability landscape. The proposed activity was agreed and permission granted for a small grants process to be carried out.
- 3.6 A further report to Housing, Homelessness and Fair Work Committee on [4 November 2021](#) detailed the outcome of the small grants process and it was agreed to re-open the process for further applications and delegated authority to the Executive Director of Place, in consultation with Convenor and Vice Convenor of Housing, Homelessness and Fair Work, to approve the continuation of funds for the successful projects for an additional 12 months, dependent on:
- 3.6.1 Targets being met;
 - 3.6.2 Whether there was continued demand;
 - 3.6.3 If providers wished to continue delivery; and
 - 3.6.4 Further YPG funding being received.

4. Main report

- 4.1 Despite guidance from the Scottish Government that only funding for ERI would be permitted to be carried forward from 2021/22, confirmation that all unspent YPG funding from 2021/22 can now be carried forward. For City of Edinburgh Council, this underspend amounts to approximately £2m.
- 4.2 In addition, for 2022/23 the Council has been awarded funding of £1.006m for the YPG programme.
- 4.3 This means that funding of just over £3m can be committed to activity to support young people with barriers to employment to access training, education or employment during 2022/23.
- 4.4 Following feedback from officers, the CCP team and the Youth Employability Partnership (YEP), this report summarises the officer recommendations on how this funding could be used to make the most difference in the year ahead.

YPG programme in 2021/22

- 4.5 Most projects under the current small grants provision have proved successful and have actively engaged with young people over the last six months. They are currently undergoing review based on the criteria set out in paragraph 3.6, and, as per the Committee decision on 4 November 2021, the Executive Director of Place will, in consultation with Convenor and Vice Convenor of Housing, Homelessness and Fair Work approve the continuation of funds for projects for an additional 12

months, where targets have been met, if there is continued demand and if providers wished to continue delivery.

- 4.6 The NHS Lothian Progress Your Potential Course, for care experienced young people to enter jobs within NHS, was approved in 2021/22 however delivery has been postponed from March 2022 and is now due to start in August 2022. The funds for this were previously approved by Housing, Homelessness and Fair Work Committee and will now be carried forward into 2022/23.
- 4.7 In addition, funding for staff within the Council and Capital City Partnership (CCP), marketing, ERI and Paid Placements will continue in 2022/23 (as set out in paragraph 6.2).

Recommendations for expenditure in 2022/23

- 4.8 In 2021/22, four Activity Agreement (AA) hubs were awarded approximately £20,000 each for additional activity. It is recommended that each hub, including the fifth one which was undergoing a change of provider at the time, is awarded £20,000 for additional activity. The expected outcomes will be agreed with CCP's YPG team.
- 4.9 In the recent Network of Employability Support and Training (NEST) Small Grants process (reported to Committee on [20 January 2022](#)), there were two youth focussed projects that were approved should additional funds become available. It is recommended that they are funded for one year only through the additional YPG funding available. Details of these projects are shown in Appendix 1.
- 4.10 Following a review of the existing employability pipeline and recently funded YPG activities, and in line with the YPG priorities, it is suggested that the focus of any further expenditure should be on the following priority groups and activities:
- 4.10.1 Young people from Black Asian and Minority Ethnic backgrounds;
 - 4.10.2 Money advice, budgeting and financial inclusion support;
 - 4.10.3 Support for those aged 20 – 24 who have dropped out of activity; and
 - 4.10.4 Dedicated in-work support to help sustain employment.
- 4.11 These are in addition to the eligibility criteria laid out by the Scottish Government for No One Left Behind and YPG funding.

Small Grants Programme

- 4.12 Due to the short-term nature of funding, officers recommend setting up a fund of £600,000 to offer a further small grants opportunity. Offered through Joined up For Jobs, Edinburgh Voluntary Organisations Council (EVOC) and other networks, funding of no more than £75,000 would be awarded for activities in 2022/23 which are in line with the priorities set out in paragraph 4.11.
- 4.13 Keeping grants below this threshold would help to ensure that they are being used for staffing and delivery rather than organisation costs.

- 4.14 Due to the short timeline to ensure that activities can begin early in the new financial year, it is recommended that authority to approve the grant awards is delegated to the Executive Director of Place, in consultation with Convenor and Vice Convenor of Housing, Homelessness and Fair Work.

Job Creation Scheme

- 4.15 It is also proposed that £500,000 is assigned to a Job Creation Scheme to support progression from current YPG paid placements. This would support the first year of up to 20 Modern or Graduate Apprenticeships within the Council and third sector organisations who are currently providing work placements.
- 4.16 Officers will work to develop this as a supported progression model. However, success will be dependent on commitment from council services and third sector organisations to meet the employee costs in the second year.

Enhanced ERI

- 4.17 In addition, in a separate report to this Housing, Homelessness and Fair Work Committee, officers have proposed a pilot programme to enhance ERIs where the employee is starting a Modern Apprenticeship or gaining a recognised qualification.
- 4.18 If the young person is aged 16-24 and resides in a Scottish Index of Multiple Deprivation (SIMD) area 1 or 2, or is care experienced, and meets other ERI requirements, an enhanced payment of up to £10,000 per individual can be made in order to top up their wages to that of the Real Living Wage (£9.90 per hour). The pilot would be for a minimum of 10 of these enhanced ERIs and the cost of this would be £100,000, which could be met from the YPG funding allocation in 2022/23.

5. Next Steps

- 5.1 Committee is asked to approve distribution of the Scottish Government YPG funding in 2022/23 as set out above and summarised in paragraph 6.2.
- 5.2 If Committee approves the use of a small grants process, officers will work with YEP partners to ensure that all planned activity is relevant and suitable for the very specific client group, does not duplicate any current funded service provision and builds on the existing partnerships and effective delivery across the city.
- 5.3 Processes will be set up for distribution and recording of funding to providers and individual employers and systems will be put in place to undertake and record quarterly reviews of participants to develop progression routes.
- 5.4 Work will also continue to develop a marketing strategy to build awareness of the opportunities provided under this funding. Officers will ensure integration with Edinburgh Guarantee for All and will begin to publicise the opportunities available to those who need them.

6. Financial impact

- 6.1 The funding awarded by the Scottish Government in 2022/23 will fully cover all proposed activity and provision delivered under the terms of the funding agreements. It will also offset the costs of officers' time for managerial and administration costs.
- 6.2 In line with the proposed recommendations in this report, the proposed funding allocations are:

Description	Cost
Existing/approved activities	
Extension to 21/22 YPG Small Grants (delegated authority)	£603,738
NHS Lothian Progress Your Potential (delayed until 08/22)	£250,000
Council staffing – YPG delivery team, Business Gateway Youth Adviser, Supported Employment Job Coach	£200,000
YPG external team – Capital City Partnership	£200,000
Marketing	£60,000
ERI and Paid Placements	£250,000
New Activities	
AA Hubs Boost	£100,000
NEST Grants - recommended one-year funding	£144,959
Enhanced ERI for young people in SIMD 1&2	£100,000
Small grants programme against four identified priorities	£600,000
Public and third sector job creation scheme	£500,000
PROPOSED TOTAL SPEND	£3,008,697

- 6.3 All proposed activities will take account of the YPG eligibility criteria, will be available citywide and will align with locally identified priority groups and activity identified at 4.11, and will strive to meet the gaps in the strategic skills pipeline that have been identified, especially at stage 5.

- 6.4 Additional funds will be awarded to add capacity through current contracts and funds to employers for the recruitment incentive or beneficiary costs. These funds will be managed by Council officers.

7. Stakeholder/Community Impact

- 7.1 This funding aims to offer opportunities to young people who have been disadvantaged by the Covid-19 pandemic, by having their employment or life chances affected.
- 7.2 An Integrated Impact Assessment has been prepared and evidences that impacts arising from the Council's approach to administering these funds are expected to be:
- 7.2.1 Young people with additional barriers to employment are supported to remain economically active and build skills for future careers;
 - 7.2.2 Delivery of a more streamlined and integrated offer of employability services with a no wrong door approach for anyone who accesses the service; and
 - 7.2.3 SMEs are supported to offer sustainable fair work opportunities to young people.
- 7.3 Working with partners will ensure that there is support in place and options and opportunities to stop individuals becoming economically inactive over the next couple of years, to allow time for the economy to recover.
- 7.4 The longer-term future of these individuals should be less impacted as they build confidence, skills and qualification for the future. This will also reduce the future burden on services such as criminal justice, social work, health, benefits system and other statutory services.
- 7.5 Through the suggested activities, it is likely that this funding will offer support to approximately 600 individuals across the city, through 1-2-1 support and guidance, paid work placements, part funded employment opportunities and extended kickstart opportunities. Additional benefit will be seen in the strengthening of the city's strategic skills pipeline and better partnership working.
- 7.6 All participants must meet the eligibility criteria laid out by Scottish Government for access to YPG funding and will have at least one barrier to securing and sustaining training or employment identified. All participants will be recorded on our Client Management System, Caselink/Helix, and will be reported on through Scottish Government reporting mechanisms quarterly.
- 7.7 All key stakeholders have had input into aligning priorities, many of whom have received additional funding from Scottish Government to take forward their own priorities.

8. Background reading/external references

- 8.1 [Protecting Scotland, Renewing Scotland – The Government's Programme for Scotland 2020 – 2021.](#)
- 8.2 [Towards a Robust, Resilient Wellbeing Economy for Scotland, Report for the Advisory Group on Economic Recovery](#)
- 8.3 [Youth Guarantee – No one left behind – initial report.](#)

9. Appendices

- 9.1 Appendix 1 – NEST grant applications recommended for funding.

Appendix 1

NEST GRANT APPLICATIONS RECOMMENDED FOR FUNDING

Following the recent NEST small grants process, the two projects listed below were on the reserve list. Due to restrictions on the amount of funding available, they could not be supported. Officers suggest that these could be funded for a period of one year due to additional YPG funds available for this year only.

Organisation	Project	Actual Cost	Stage
Barnardo's	Stage 3 employability and training	£74,959	3
Impact Arts	Pathways Hub	£70,000	1-3
	TOTAL	£144,959	