

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 2 September 2021

Young Person's Guarantee Delivery

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 ambition in Edinburgh in the financial year 2021/22;
 - 1.1.2 Notes the priority groups and gaps in provision identified;
 - 1.1.3 Approves the recommendations of the Local Employability Partnership (LEP) to allocate funding to the activities set out in paragraph 4.9; and
 - 1.1.4 Approves the use of a small grants process, as set out in paragraphs 4.10 – 4.12, and agrees to delegate authority to the Executive Director of Place in consultation with the Convener and Vice Convener of Housing, Homelessness and Fair Work for the award of grants under this programme.

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Report

Young Person's Guarantee Delivery

2. Executive Summary

- 2.1 Edinburgh has been awarded funding totalling £4.80m for financial years 2020/21 and 2021/22 from the Scottish Government for delivery of the Young Person's Guarantee (YPG) ambition. This report sets out how the funding for 2020/21 was used and makes recommendations on how the funding for 2021/22 could be utilised.

3. Background

- 3.1 In response to the [report by the Advisory Group on Economic Recovery](#) which highlighted the impact of the Covid-19 pandemic on the opportunities and life chances of young people, Sandy Begbie was tasked by Scottish Government to lead on the development of a YPG. Based on the well-established Edinburgh Guarantee, the ambition of the plan is to ensure that over the next two years, all sectors work together to guarantee that young people aged 16 – 24 have the opportunity to access work, education or training.
- 3.2 In November 2020, the City of Edinburgh Council was awarded £1.9m for YPG which had to be spent before the end of March 2021. Only committed staffing and client costs were permitted to be carried forward.
- 3.3 The Scottish Government recommends that all commitments and expenditure for the YPG should be approved through Local Employability Partnerships (LEP) which exist in each local authority area.
- 3.4 In Edinburgh, the LEP comprises senior officers from: Skills Development Scotland (SDS); Department for Work and Pensions; Edinburgh Chamber of Commerce; NHS Lothian; local colleges and universities; Edinburgh Voluntary Organisation's Council (EVOC); and the Council. The LEP also has a sub-group which focusses specifically on youth employment, the Youth Employability Partnership (YEP).
- 3.5 In 2020/21 the allocation of £1.9m was committed to supporting:
- 3.5.1 A YPG delivery team – a manager and four officers employed by Capital City Partnership (CCP) to co-ordinate activity and link with existing providers;
 - 3.5.2 Employer Recruitment Incentive (ERI) funding places for young people;

- 3.5.3 Kickstart extension funding – 60 places to encourage small and medium sized enterprises to continue to offer a placement to a young person for an additional six months after the initial Kickstart funding;
- 3.5.4 Fully funded work placements in public and third sector organisations – 40 in Council departments and 40 in external organisations; and
- 3.5.5 Additional capacity in the existing Activity Agreement Hubs to support extra referrals and offer further mental health support.

4. Main report

- 4.1 In June 2021, the Council received a funding award of £2.9m for delivery of YPG in the current financial year. Scottish Government have advised all expenditure must be used by 31 March 2022, with only committed ERIs being permitted to be carried forward into next financial year (2022/23).

Employer Recruitment Incentives (ERIs)

- 4.2 ERIs are currently paid out in line with the National ERI Framework which was agreed between the Scottish Government and all 32 Local Authorities, on a sliding scale based on whether work is part time or full time and whether it is at National Minimum Wage (NMW) or Real Living Wage (RLW) level. Employers are always encouraged to pay RLW by the end of the ERI.
- 4.3 As at end July, there were 25 ERIs for young people (under 25) which had commenced since April. 24 were for Modern Apprenticeships and all except one are paid at NMW. The remaining one position is paid at RLW.
- 4.4 In line with the Council's undertaking for Edinburgh to become a Real Living Wage City, officers will investigate what the impact would be of only providing ERIs to employers paying the RLW.

Young Person's Guarantee Priority Groups and Targeted Provision

- 4.5 The YEP reviewed the existing YPG provision against the new priorities, and suggested the priority groups for additional YPG support in Edinburgh should be:
 - 4.5.1 Care experienced young people;
 - 4.5.2 Young people with a disability or long-term health condition;
 - 4.5.3 Young people from Black Asian and Minority Ethnic backgrounds;
 - 4.5.4 Young people who have been involved with the criminal justice system; and
 - 4.5.5 Young people who identify as Lesbian Gay Bisexual Trans Queer +.
- 4.6 The review also suggests that additional investment is required around:
 - 4.6.1 Mental health support;
 - 4.6.2 Support for those with additional barriers and who are aged 20+ and post college/university;
 - 4.6.3 Mentoring support for vulnerable young people; and

4.6.4 Creation of additional supported, paid placements/internships.

- 4.7 In addition, mapping of the current employability landscape by the YPG team, has identified that there are gaps in provision at stages 2 and 5 of the strategic skills pipeline (the pipeline is shown in Appendix 1), with a requirement for more support to assess and remove barriers to employment and to provide in-work support for young people with barriers who have progressed into employment.
- 4.8 The approach recommended below seeks to align activities with the YPG eligibility criteria and to provide support across the whole employability pipeline, with targeted support at stages 2 and 5 to recognise the identified gaps in provision. The approach will also seek to target the priority groups (identified in paragraph 4.5 above) as well as delivering support in Scottish Index of Multiple Deprivation areas 1 and 2.
- 4.9 The LEP has recommended approval of the following projects for funding from the YPG allocation in 2021/22. These have been agreed in principle by the Scottish Government as aligning with the programme priorities.

Proposed	Target Groups/ Pipeline Stage	AMOUNT	DELIVERY YEAR/S
Dedicated Youth Business Gateway officer	All eligible young people with focus on priority groups/ stage 5	£50,000	2021 – 2022
2 x YPG funding assistants	Priority groups/ stage 5	£80,000	2021 – 2022
2 x Supported Employment Job Coaches	Long term health condition or disability/ stages 3/4/5	£80,000	2021 – 2022
Council management costs		£50,000	2021 – 2022
NHS Care Experience academy	Care experienced young people / stages 3/4	£250,000	2021 – 2022
Creative Arts - Film and Television Programme	All eligible young people with focus on priority groups/ stages 3/4	£250,000	2021 – 2022
Marketing to young people and employers	All eligible young people with focus on priority groups/ all stages	£60,000	2021 – 2022
TOTAL		£820,000	

- 4.10 Due to the requirement for all activity to be delivered by the end of this financial year, it is recommended that a small grants programme also be established to target providing additional programmes at stage 2 of the pipeline (such as additional mental health support, barrier removal and early skills training), as well as at stage 5 (for in work support/mentoring as young people progress into employment).

- 4.11 It is envisaged that grants will be distributed to organisations working across the city, but that priority will be given to organisations delivering support in Scottish Index of Multiple Deprivation areas 1 and 2.
- 4.12 It is recommended that this small grants' programme be promoted through Joined up For Jobs, EVOC and other networks. Once received, the grant applications would be evaluated by the LEP. It is requested that delegated authority is given to the Executive Director of Place, in consultation with the Convener and Vice Convener of Housing, Homelessness and Fair Work, to approve the award of grant funding based on the evaluation provided by the LEP.
- 4.13 Current referral routes, such as from schools, SDS, youth providers, Activity Agreement Hubs, the Council's throughcare and aftercare team and third sector partners will also be further developed, with additional links being made with Jobcentre staff, Edinburgh College and other relevant organisations to ensure that every young person who requires assistance is aware of the service.
- 4.14 A marketing plan is being developed and will aim to use a wide variety of media (including radio, social media, public transport and other locally based venues) to promote the Edinburgh Guarantee as the single point of contact for onward referral.

5. Next Steps

- 5.1 If Committee approves the recommendations in this report:
- 5.1.1 Processes will be set up for distribution and monitoring 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;
- 5.1.2 Funding will be awarded to the activities set out in paragraph 4.9;
- 5.1.3 The small grants process will be established and, once evaluated by the LEP, the award of funding will be agreed by the Executive Director of Place in consultation with the Convener and Vice Convener of Housing, Homelessness and Fair Work; and
- 5.1.4 Officers will continue to engage with recognised referral routes, will develop additional links with relevant organisations and will implement a marketing plan (as set out in paragraphs 4.13 and 4.14 above).
- 5.2 Noting the information provided on the ERI, officers intend to carry out an analysis of the impact of only providing ERIs to employers paying the RLW.

6. Financial impact

- 6.1 The funding awarded (£2.9m) 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 The initial projects recommended for approval are listed in paragraph 4.9.
- 6.3 Although many of the above activities focus on later stages of the pipeline, they cover progression through pipeline stages and can be supported beyond the terms of the YPG funding through existing services to ensure that the service is holistic and not time limited.
- 6.4 As a large part of funding from this year's allocation remains unspent, in addition to the small grants approach proposed above, discussions with partners and consideration of expansion of current services will continue.
- 6.5 The Council's existing services have not yet reached capacity and are able to respond to the current demand. However, with furlough coming to an end shortly, the availability of the YPG funding will allow the Council and partners to respond at very short notice to add additional capacity or new services to the programme, in line with the priority areas identified, if required.

7. Stakeholder/Community Impact

- 7.1 This funding is specifically in response to young people who have been affected by the Covid-19 pandemic by having their employment or life chances affected.
- 7.2 An integrated impact assessment is being 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 currently suggested activities, it is likely that this funding will offer support to approximately 800 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, and will be reported on through SG 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 [Youth Guarantee – No one left behind – initial report](#)
- 8.3 Scottish Government Funding for Employability Support - Housing, Homelessness and Fair Work Committee on [14 January 2021](#)

9. Appendices

- 9.1 Appendix 1 - The Strategic Skills Pipeline.

Edinburgh's Strategic Skills Pipeline (Updated January 2021)

