

**Item 6**

**Hidden Talents: supporting the most disengaged young people**

**Purpose of report**

To update members on the progress of the youth unemployment campaign.

**Summary**

Members have discussed youth unemployment at recent Board meetings.

The LGA will publish an interim report in the week before the Board meeting which focuses on the young people who are most disengaged from work and learning. A Youth Summit was held on 14 February to hear young people's views on how the system could be improved and to test some key ideas.

This report asks members to comment on how the campaign should continue over the course of the Spring leading up to the LGA annual conference, where a final report with final recommendations for tackling youth disengagement will be presented.

**Recommendation**

That members discuss the issues explored in this paper, and consider next steps.

**Action**

To be taken forward by officers as directed by members.

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## **Hidden Talents: supporting the most disengaged young people**

1. Lead Members of the Economy and Transport Board and Children and Young People Board met last year to set out the direction of LGA activity on youth unemployment.
2. This report outlines the LGA's work to date and introduces planned activity for the coming months. In particular, members are asked to comment on the proposals set out in paragraph 16.

### **Background**

3. Over the last 18 months the policy and funding architecture for young people has shifted in response to Government strategy, against a background of rising youth unemployment. Although there is a debate about the statistics, over 1 million young people are not participating in any form of work and learning.
4. Whilst the headline unemployment numbers have been a focus for the media, the UK has had a poor track record in engaging young people in work and learning that pre-dates the recession – youth unemployment levels in the UK (20 per cent in July 2011) are much higher than other West European countries like Germany (8.1 per cent) and Netherlands (6.9 per cent).
5. Government has announced a range of measures on the education, training and employment of young people. Some reforms give local authorities opportunities to shape the public service offer to young people – the move to academies for example. Others reinforce the role of local authorities to provide attractive education and training choices, for example; councils will have a central role in raising the compulsory participation age from 16 to 18; and the Early Intervention Grant will enable councils to plan and deliver targeted services for the most vulnerable young people.
6. As a result there is debate as to whether councils have the tools they need to realise the aspirations of young people in their area. Despite substantial reform, the policy landscape still feels fragmented, with a host of centrally run initiatives administered in relative isolation to other services.
7. In particular, there is huge scope to improve the overall offer to the most disengaged young people that have not engaged in work or learning for long-periods. Services currently are not doing enough for this group of most marginalised young people – or those at risk of falling into it - which is growing at a faster rate than any other.

## **LGA Activity**

8. Against this background, two pieces of research have been commissioned to include:
  - 8.1 assessment of the trends in youth unemployment to get underneath the one million headline figure, to explore the common characteristics, and to look at the future opportunities for young people in the economy – focusing on those young people most isolated from work and learning
  - 8.2 analysis of the various number of schemes designed to help young people reengage in work and learning, the budgets of these schemes, and the role and opportunities for influence of local authorities
9. To test emerging analysis and ideas, a Youth Summit was held jointly with the British Youth Council, where lead members tested emerging ideas with over 40 young people.
10. The work has consulted with local authorities throughout, including a specific call for evidence.

## **Update on findings**

11. This research has informed the preparation of the interim report – copies will be circulated to the Board before the meeting. All information and research will be available on the Economy and Transport pages of the LGA website at:  
[www.local.gov.uk/economy-and-transport](http://www.local.gov.uk/economy-and-transport)
12. The outline of the argument in the interim report is to give councils and local partners the leading role in helping re-engage the most disengaged young people in work and learning through a community budgeting approach. In more detail:
  - 12.1. Beneath the headline statistics are a group of increasingly disengaged young people, which has continued to increase through periods of boom and bust.
  - 12.2. This group are being impacted on particularly hard by recession, as opportunities are squeezed for all groups and all ages.
  - 12.3. They tend to have a more complex set of circumstances that can act as barriers to participating in work and learning.
  - 12.4. National schemes and funding schemes are not effectively reaching this group, instead being accessed by young people closer to the employment market.

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- 12.5. The education and skills system is not equipping young people with skills for local jobs, and the progression routes for young people not going to university are unclear and insufficient.
- 12.6. Local authorities - who are responsible for welfare of all children, and particularly the most vulnerable – do not have sufficient levers to bring funding together around the most disengaged.
- 12.7. Local authorities – who are responsible for helping create quality post-16 options as part of the raising of the compulsory participation age – are not enabled to bring together clear progression routes for young people in their area, and to link it with the needs of local economies.

**LGA recommendations**

13. This analysis has led to the development of a range of recommendations, including a call for:

- 13.1. a community budgeting approach bringing together a range of funding around the most disengaged young people
- 13.2. a role for local partners in commissioning school, further education, and apprenticeship provision to enable the use of more innovative ways to tackle the issues and deliver better results.

14. And an offer of:

- 14.1. local early identification of those at risk of becoming long-term disengaged
- 14.2. the involvement of young people in the design and delivery of all schemes in their area, including national ones like Job Centre Plus
- 14.3. the creation of clear progression routes for young people not going to university, with employers playing a central role
- 14.4. the development of new ways of commissioning, which build on the government's public sector reforms
- 14.5. integration with the early intervention approaches enabled by the Early Intervention Grant.

**Next steps**

15. An interim report on our findings to date (19 March) will be available online at <http://www.local.gov.uk/economy-and-transport>

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16. The following activity is planned to follow report launch:

- 16.1. a summit to bring together leading figures from government and other partners to discuss the LGA proposals and seek a way forward
- 16.2. a series of political and official engagement with government, through letters and followed by meetings
- 16.3. further research – the National Foundation of Educational Research (NFER) are undertaking some further work looking at the mismatch between skills provision and employment opportunities nationally, and in a handful of selected local areas
- 16.4. a series of press and campaign tools, including focuses on: the most disengaged young people, quangos, skills for jobs, graduate unemployment
- 16.5. leading up to LGA annual conference, and presentation of final recommendations.

17. Members are asked to comment on the proposed next steps.

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