

3 July 2014

Participation of young people in work and learning

Purpose

For discussion and direction.

Summary

This paper a) updates and seeks steer on taking forward the *Our Ambition for Children* commitment to ensure all young people 'are well-prepared for adulthood and the world of work', and b) updates on the impact and progress of Government's 16 to 24 Review.

Recommendation

That members consider the report and steer next steps.

Action

To be taken forwarded by officers as directed by members.

Contact officer: Nick Porter
Position: Senior Adviser, Post-16
Phone no: 0207 664 3113
Email: nick.porter@local.gov.uk

Participation of young people in work and learning

1. This paper a) updates and seeks steer on taking forward the *Our Ambition for Children* commitment to ensure all young people 'are well-prepared for adulthood and the world of work', and b) updates on the impact and progress of Government's 16 to 24 Review.

Background

2. Councils have statutory duties to ensure all young people up to 19, and up to 25 for those with learning difficulties, are engaged in high quality education and training. But councils have very few formal levers over provision to meet these duties, which has become increasingly centralised and fragmented.
3. The LGA's *Hidden Talents* programme, jointly led by the CYP Board with the Economy and Transport Board, has made the case for simplifying, joining up and devolving support for young people to ensure that it is locally coherent and meeting the needs of individuals and employers¹.

Revitalising youth transitions

4. Building on *Our Ambition for Children* strategy, this section seeks Member steer on the development of a set of detailed, evidenced and costed proposals for enabling locally determined partnerships to have the lead accountability and levers to ensure all young people 'are well-prepared for adulthood and the world of work'.
5. To deliver this we propose developing an initial *Youth Transitions* report with key recommendations planned for launch in August 2014, followed by a programme of activity adding further detail and evidence. The recommendations and planned supporting activity include:
 - 5.1 Make councils the default commissioners for all re-engagement and NEET reduction programmes in line with their statutory duties. To support this, the LGA is continuing to work closely with councils running devolved elements of the Youth Contract (including Leeds City Region and Newcastle and Gateshead) to demonstrate how they are delivering significantly stronger outcomes compared to the national programme. A Department for Education evaluation of the Youth Contract is expected to report in the Autumn 2014.
 - 5.2 Complete the transfer of further education funding to local partners and re-invest in an independent careers advice offer, locally commissioned to align advice and skills training with local labour market need. To support this, the Chair is holding a roundtable bringing together key partners on 14 July to discuss options. The LGA is working with the Centre for Economic and Social Inclusion (CESI) to evidence the impact of poor post-16 choices on young people's participation and achievement, and to estimate the costs of this for young people and for the Exchequer. The project is planned to report at the NCAS annual conference in October 2014.

¹ More information and detail at www.local.gov.uk/hidden-talents

- 5.3 Support and enable councils to revitalise apprenticeships as a genuine high quality post-16 destination for young people leaving school. To support this, the LGA is scoping out work with the Institute of Public Policy Research (IPPR) to demonstrate and assess the drivers behind poor national apprenticeship outcomes for 16 to 18 year olds, the impact of innovative council-led apprenticeship initiatives, and recommendations for Government's reform of apprenticeships to give all councils the flexibility and levers to shape provision in their area. The project is planned to report in November 2014.
- 5.4 Strengthen and enshrine the role of councils in a reformed service offer for 18 to 24 year olds, including reforming Jobcentre Plus and enabling local commissioning of the Work Programme and job subsidy schemes for the long-term unemployed young people. To explore and support this, the LGA is working with the National Institute of Economic and Social Research (NIESR) to undertake an independent qualitative and quantitative assessment of the performance of 7 local employment initiatives, with a view to demonstrating the added-value of local models and the scope for what could be achieved by rolling them out nationally. This project is conducted jointly with the LGA City Regions Board, and will report in December 2014.
6. Members are asked to consider and respond to the proposed LGA activity, which would be developed with councils and their key partners, including schools, colleges, employers, employment and skills providers, and young people themselves.

Government's 16 to 24 Review

7. In 2013 the Deputy Prime Minister (DPM) announced a review of services for 16 to 24 year olds in response to calls for a simplification of services for young people. The outputs of the review have emerged over time since February 2014, and include:
- 7.1 Proposals for a council-run UCAS style application offer for young people not going to university. Ministers are currently considering options, including piloting the initiative. The Chair of the CYP Board has written to the DPM expressing some support for the principle whilst seeking assurances that any new responsibilities on councils be fully funded following a new burdens assessment.
- 7.2 Jobcentre Plus pilot working with disengaged 16 and 17 year olds. The LGA is working closely with DWP and has had some success in ensuring the initiative is locally led, and not imposed upon places. The DPM has announced council-led pilots in Lewisham, Norfolk, and Hertfordshire, with an expectation to roll out to 25 more councils in the Autumn.
- 7.3 A new Youth Engagement Fund and Fair Chances Fund worth £30million over three years. The funding will be delivered through social impact bonds, with local partners needing to contribute funding and government only paying out if the initiatives are successful. The LGA has warned of fragmentation and the current difficulty for local partners to find additional funds with which to draw down investment, and has promoted the opportunities across the sector.

- 7.4 The devolution of £50 million of Youth Contract underspend to councils through City Deals, to run local youth employment programmes. The LGA is working with councils to test and understand the benefits of local innovations and inform proposals for public service reform. Initiatives such as Youth Jobcentre in Suffolk, one-stop careers advice in Reading, and local wage incentive programmes in Hartlepool, are included in the *Councils Supporting Youth Transitions* case study report launched in June and covered widely by the national press.

Financial Implications

8. There are no financial implications arising from this report.