

**Subject: Youth Employment Partnerships****Report of: Head of Inclusive Growth****Portfolio: Education, inclusion and skills****Report Summary**

The purpose of this report is to seek approval for proposals to support the activity of Youth Employment Partnerships (formerly known as Youth Hubs) including provision of a small grants fund to support VCS led community engagement and wraparound support activity to support young people to access and engage in mainstream employability support.

The overarching ambition of the programme is to bring key partners together to tackle the impact of COVID-19 on youth unemployment. The Youth Employment Partnerships, which will involve NTCA, DWP, local authorities and providers of employment and skills support, will ensure any gaps in provision for young people are addressed, and there is additional capacity to improve engagement of young people. The activity will add value to the existing system of employment support for young people aged 16-24 – improving availability and access to employability and mental health services and indirectly positive outcomes associated with these for young people.

Specifically, the programme will:

- Employ 3 partnership co-ordination and 3 employer engagement roles (one of each in each Local Authority area). These roles will be funded by the DWP Flexible Support Fund and employed by the three Local Authorities or their chosen delivery partner.
- Establish a flexible small grants programme to support VCSE led community-based activities that will engage and support young people who face additional barriers to accessing mainstream employability services. This element of the programme will be supported by the NTCA Investment Fund, and will be managed by a third-party organisation, which will be procured.

Reason for delegated decision:

Cabinet at its meeting on 29<sup>th</sup> September 2020 agreed to authorise the Head of Paid Service, in consultation with Investment Panel and the Portfolio Holder for Employability and Inclusion to consider business cases for funding in relation to Youth Hubs and to finalise any funding awards.

**Recommendation**

The Head of Paid Service, in consultation with the Cabinet Member for Employability and Inclusion and Investment Panel is recommended to approve the proposal to finalise the funding award of £391,000 to establish a VCSE small grants programme and via a procurement exercise appoint an independent organisation to manage this grant of behalf of NTCA.

**1. Background Information, Proposals and Timetable for Implementation**

- 1.1 The overarching approach to Youth Employment Partnerships will bring together DWP, Local Authorities, employability, and skills providers and the NTCA to support young people and tackle the youth unemployment that results from the economic impact of COVID-19. The partnership will help bring together, coordinate and maximise existing capacity, and commission activity to fill gaps. Youth Employment Partnerships will ensure:

- additional provision is provided to young people addressing any gaps in the existing support framework.
- additional capacity is provided at a local level, including through the voluntary sector, to improve the engagement of young people with existing services and support to improve reach into communities and maximise existing capacity.
- improved understanding of need and ability to meet demand for support. This in turn will maximise the return on investment in NTCA wide programmes such as Kickstart. Insights and intelligence gathered will help NTCA advocate to government on the needs of young people, and the investment required to support an improved system wide response in the medium to long term.

## Investment Panel

- 1.2 Following the report brought to Investment Panel on 20th October, where the broad direction of travel and approach to our youth employability work was supported, a subsequent report was submitted in May 2021 which summarised the outcome of the appraisal undertaken on a business case to provide funding for partnership and employer engagement roles which will support and coordinate our Youth Employment Partnerships approach – including provision of a small grants fund to support VCS led community engagement and wraparound support activity to support young people to access and engage in mainstream employability support.
- 1.3 The programme of activity has two streams of funding, one from NTCA and the other from DWP.

Organisation	Funding amount
DWP Flexible Support Fund (FSF)	£243,324
NTCA Investment Fund	£391,500
Total costs	£634,824

### DWP Flexible Support Funding (FSF)

- 1.4 Will fund 3 partnership co-ordination and 3 employer engagement roles (one of each in each Local Authority area) and these posts will be employed by the three Local Authorities or their chosen delivery partner. The roles will:
- Support partnership coordination and the engagement of local youth providers in a common vision and coordinated approach – including identification of gaps and informing the commissioning of small grants provision with local intelligence.
  - Engage employers on behalf of the wider partnership.
  - Improve coordination and engagement with local JCP offices and staff, community-based services and ensure young people not currently engaged with the benefit system are engaged.

### NTCA Investment Fund

- 1.5 Will be used to establish a flexible small grants programme to support VCSE led community-based activities that will engage and support young people who face additional barriers to accessing mainstream employability services. This element of the programme will be supported by the NTCA Investment Fund, and will be managed by a third-party organisation, which will be procured.

The small grants programme will enhance capacity within local VCSE led community-based activity to engage and support young people into mainstream services and provide added value community-based support.

Eligible Activities within the small grants programme will be co-designed with the chosen fund manager and the youth employment stakeholder groups locally, they are likely to include:

- Community engagement, reaching out/engaging with those young people furthest away from mainstream provision
- Development of soft and hard skills which enable young people to access good job
- Opportunities build their skills and work experience.

- Wraparound support for young people to help them engage in mainstream support
- Enhanced activity to support young people with poor mental health and well-being challenges

Grant size is expected to be in the region of £10k per award – this has been based on initial market engagement that indicates that this gives sufficient scale benefit/reduction in transaction costs while ensuring that genuinely community based organisations and activities can come forward. The final grant size will be agreed in consultation with the chosen grant management organisation as the design of the approach is finalised, and therefore may increase – or there may be a range of grant sizes available in ‘lots’.

### **Grant Management Organisation – benefits and rationale**

- 1.6 It is proposed that the small grant programme is managed on behalf of NTCA by a qualified and experienced grant management partner to work alongside NTCA to co-design and deliver a grants programme with an administrative process that is reasonable and proportionate to the size of grants being offered but which adheres to NTCA’s Assurance Framework and monitoring requirements. It is expected that the successful organisation will have experience of grant management and research/consultancy from working within communities during the pandemic and will support our objectives to develop grants which can achieve social impact and generate local learning.

The benefits for seeking a partner to support this element of the programme includes:

- To bring in expertise and capacity to design and deliver small grant activity – which includes web-based application systems that are tested, appropriate and proportionate for small grants.
- The benefit of having a single fund manager external to the NTCA to ensure geographical spread and oversight of the whole grant fund.

There is also a clear rationale for pursuing this option:

- This is phase 1 of an intended long-term partnership with DWP into which we (and they) will plan to invest more resource. Expenditure at this stage is in part initial setup cost to deliver wider value over the longer term.
- To manage capacity within NTCA and our shared services - this programme will involve multiple assessments and decision making on micro grants, therefore the capacity needs to be proportionate.
- On this occasion up to £49,500 has been allocated to the administration costs, however we will endeavour to only allocate up to 10% on management fees as a means of maintaining the cost/benefit overall for this and future programmes.

### **Evaluation of the programme**

- 1.7 To enable NTCA to measure the success of the VCSE small grants programme, costs (12,000) have been included to appoint an external consultant to undertake the evaluation. It is anticipated that the appointed consultant will have worked in a variety of programme contexts and have also worked with a diverse range of stakeholders to enable them to draw on their experience to inform the content of the evaluation.

## **2. Potential Impact on Objectives**

- 2.1 Youth Employment Partnerships support the NTCA pillar ‘Hotbed of talent’ empowering our people with the skills and resources they need to take ownership of their futures and secure good jobs with fair wages. We want everyone to have the opportunity to thrive, with access to good employment and progression. Supporting the availability of good quality, well paid work, whilst providing the right support for people to access these jobs and further training, is crucial to our economic and social success.

### **3. Key Risks**

3.1 Programme risks are managed in line with agreed processes and individual project risks have been considered as part of the Business Case and will be a significant part of the procurement process undertaken to appoint a grant management organisation.

### **4. Financial and Other Resources Implications**

4.1 The total cost of the above the proposals is £391,500 and is within the available funding of £400,000 to deliver project activity to deliver Youth Employment Partnerships.

### **5. Legal Implications**

5.1 The Interim Monitoring Officer's comments have been incorporated within this report.

### **6. Equalities Implications**

6.1 As required by Section 149 of the Equality Act 2010, the Combined Authority has considered its obligations regarding the Public Sector Equality Duty and there will be no anticipated negative impact on groups with protected characteristics from these proposals.

### **7. Inclusive Economy Implications**

7.1 The Combined Authority believe the approach taken will positively contribute to creating a more inclusive economy in the North of Tyne with specific positive impact on addressing the needs of young people.

### **8. Climate Change Implications**

8.1 The Combined Authority has considered the implications relating to climate change in decisions regarding the delivery of Kickstart and believe there will be no negative impact as a result.

### **9. Consultation and Engagement**

9.1 Local Authority and stakeholders have been fully engaged in the development of Youth Employment Partnerships through a Project Management Group and Stakeholder Group. Both groups will continue to oversee the strategic delivery of the partnerships.

### **10. Background Papers**

10.1 The report 'Supporting Young People into Employment' was approved by Cabinet on 29<sup>th</sup> September 2020

### **11. Contact Officers**

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### **12. Glossary**

12.1

NTCA	North of Tyne Combined Authority
DWP	Department for Work and Pensions
FSF	Flexible Support Fund

**Sign-off**

1) Portfolio holder: Yes	2) Director: Yes	3) Chief Finance Officer: Yes	4) Monitoring Officer: Yes
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